A/S Storebæltsforbindelsen

Annual Report 2021

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

A/S Storebæltsforbindelsen, Vester Søgade 10, 1601 Copenhagen V, CVR 10634970

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Highlights of the year

Traffic
Road traffic on the Storebælt Bridge totalled 12.4 million vehicles in 2021. For the year as a whole, traffic was 10.9 per cent above 2020, but was 6.3 per cent below 2019. Fluctuations in passenger traffic in 2021 reflected the extent of the restrictions. During the first months of the lockdown during the year under review, passenger traffic was more than 30 per cent below 2019's level, while the summer delivered monthly records in both July and August. Late summer and autumn were also characterised by a high volume of weekend traffic.

Economy
The result before fair value adjustments and tax is a profit of DKK 2,050 million and is thus DKK 218 million higher than 2020.

The profit is primarily affected by a rise in net revenue of DKK 350 million and a rise in financial items, excluding fair value adjustments of DKK 127 million, where increasing inflation has impacted the company's inflation-adjusted debt.

Fair value adjustments amount to gains of DKK 104 million in 2021 against gains of DKK 100 million in 2020.

The result after tax is a profit of DKK 1,680 million against a profit of DKK 1,507 million in 2020.

It is proposed that a dividend of DKK 1,365 million be paid to the shareholder.

Profitability
For A/S Storebælt, the repayment period has increased by two years and amounts to 36 years, which means that the debt will be repaid in 2034.

Key figures and financial ratios

(DKK million)	2021	2020	2019	2018	2017
Net revenue, road	2,932	2,578	2,916	2,873	3,164
Net revenue, railway	290	295	292	305	348
Other external expenses	-371	-361	-364	-370	-407
Depreciation, amortisation and writedowns	-537	-538	-530	-528	-530
Operating profit (EBIT)	2,351	2,007	2,347	2,384	2,621
Financial items excl. value adjustment	-301	-174	-165	-268	-442
Profit before value adjstmts.	2,050	1,832	2,182	2,117	2,178
Value adjustments, net	104	100	-262	91	404
Profit	**1,680**	**1,507**	**1,498**	**1,722**	**2,003**
Capital investment for the year, road and railway	129	72	118	105	75
Capital investment, road and railway, closing balance	24,539	24,921	25,361	26,015	26,439
Net debt (fair value)	**19,091**	**20,021**	**20,618**	**21,288**	**22,070**
Interest-bearing net debt	17,688	18,473	18,946	19,832	20,307
Equity	4,216	3,914	4,007	4,109	3,987
Balance sheet total	27,419	27,765	28,263	29,328	29,586
Cash flow from operating activities	2,645	2,359	2,888	2,555	2,700
Cash flow from investing activities	-303	-316	129	-44	-82
Cash flow from financing activities	-2,042	-2,027	-3,283	-2,246	-2,919
Total cash flow	**300**	**15**	**-265**	**265**	**-301**
Financial ratios, per cent					
Profit ratio (EBIT)	72.3	69.1	72.4	72.6	73.7
Rate of return (EBIT)	8.6	7.2	8.3	8.1	8.9
Return on facilities (EBIT)	9.6	8.1	9.3	9.2	9.9

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

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Management report

Development in activities and economic factors

Economy

The result before financial value adjustments and tax amounts to a profit of DKK 2,050 million, which is DKK 218 million higher than in 2020, but DKK 132 million lower than in 2019, the year preceding the Covid-19 pandemic when profits amounted to DKK 2,182 million.

Revenue is DKK 350 million higher compared to 2020 and amounts to DKK 3,252 million. Revenue from Storebælt's road link rose by 13.7 per cent corresponding to DKK 354 million and thus totals DKK 2,932 million. The rise can be attributed to the fact that traffic overall increased by 10.9 per cent compared to 2020. The rail fee totals DKK 290 million and is on a par with 2020.

Expenses amount to DKK 371 million and are DKK 10 million higher than in 2020.

Depreciation, amortisation and writedowns are on a par with last year and amount to DKK 537 million.

Interest expenses in 2021 were higher than last year and total DKK 301 million. The rise can primarily be attributed to the impact of high inflation of the portion of the net debt that is exposed to inflation indexation.

Fair value adjustments amount to gains of DKK 104 million against gains of DKK 100 million in 2020. The fair value adjustments are an accounting item with no effect on the repayment period for the company's debt as the debt is repaid at nominal value.

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 profit (EBIT)	2,351		2,351	2,007
Financial items excl. value adjustment	-197	-104	-301	-175
Profit before fair val. adjstmts. and tax			**2,050**	**1,832**
Fair value adjustment		104	104	100
Profit before tax	**2,154**		**2,154**	**1,932**
Tax	-474		-474	-425
Profit	**1,680**		**1,680**	**1,507**

Net financing expenses, including fair value adjustment, amount to a loss of DKK 197 million against a loss of DKK 75 million in 2020.

The result before tax shows a profit of DKK 2,154 million against a profit of DKK 1,932 million in 2020.

Tax on the year's profits amounts to an expense of DKK 474 million.

The company's result after tax is a profit of DKK 1,680 million.

Additions for the year for the road and rail link in progress total DKK 129 million. Additions relate primarily to the installation of mobile crash barriers and an extensive upgrading of signage and traffic monitoring which will, in part, help to boost safety and, in part, improve traffic flow in the event of accidents. In 2021, a major project concerning the upgrading of the power supply with new safety relays and contacts in the Storebælt tunnel was completed and transferred to facilities in service.

The outlook for the year's results before financial value adjustments and tax in the interim report for Q3 2021 was within the range of DKK 1.9-2.1 billion. The realised profit before fair value adjustments and tax is thus within this range.

Equity in the company was positive at DKK 4,216 million as at 31 December 2021 and will remain positive following the proposed dividend of DKK 1,365 million.

Cash flow from operations totals DKK 2,645 million, which is DKK 286 million more than in 2020.

Cash flow from investing activities is negative and totals DKK 303 million as a result of the purchase of securities and investments in road and rail facilities.

The free cash flow arises on the basis of operations, less capital investments, and totals DKK 2,342 million. Free cash flow expresses the company's ability to generate funds for the financing of interest and repayments on the company's liabilities.

Financing activities include borrowings, repayment, interest expenses and dividend, which amount to DKK 2,042 million net.

In total, the company's cash and cash equivalents increased by DKK 300 million. Thus, cash and cash equivalents totalled DKK 315 million 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 the traffic forecasts for road traffic.

It should be noted that under the terms of the Act on Sund & Bælt Holding A/S for A/S Storebælt, 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.

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.

The interest-bearing net debt was reduced by DKK 785 million and amounted to DKK 17,688 million at the end of 2021.

Financial strategy

A/S Storebælt's objective is to conduct an 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.

Through 2021, A/S Storebælt raised loans via Nationalbanken only. Such on-lending continues to remain very attractive compared to alternative funding sources.

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

Net financing expenses rose by DKK 127 million in 2021 compared to 2020, which is primarily due to increasing inflation in Denmark which impacted the company's inflation-indexed debt.

The duration of the nominal debt in 2021 increased from 4.4 years to 5.4 years.

A/S Storebælt – financial ratios 2021

	DKK million	% per annum
Borrowing 2021	1,850	
- of which on-lending	1,850	
Gross debt (fair value)	20,723	
Net debt (fair value)	19,091	
Interest-bearing net debt	17,688	
Real interest rate (before value adjustment)		-0.40
Interest expenses	272	1.47
Value adjustments	-103	-0.56
Total financing expenses[1)]	**169**	**0.91**

1) Note: The amount excludes the guarantee commission, which totals DKK 28.0 million.

A/S Storebælt: profitability
A/S Storebælt's debt is repaid from the revenue from road and rail traffic. In the long-term profitability calculation, the repayment period is calculated on the basis of 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.

The political agreement of 21 September 2017 regarding a 25 per cent reduction in toll charges and the obligation to co-finance the extension of the Funen Motorway to the amount of DKK 2.1 billion (in 2017 prices) resulted in the repayment period being extended to 34 years, whereafter the debt is expected to be repaid in 2032.

The rail companies' payment for use of the fixed links across Storebælt was reduced in connection with the Finance Act of 2016. For A/S Storebælt, revenue depends on actual train traffic. The lowering of the railway payment resulted in a reduction in rail revenues of DKK 270 million (2016 prices).

Co-financing of the political agreement, 'A Green Transport Policy' from 29 January 2009, is included in the calculation of the repayment period where the company pays a dividend to the State of DKK 9.0 billion (2008 prices) until the financial year 2022. In addition, there is an obligation to co-finance the aforementioned Funen Motorway of DKK 2.2 billion (2018 prices).

In the 'Infrastructure Plan 2035', the continued distribution of dividends from A/S Storebælt was agreed until 2030. Seen in isolation, this means an extension to A/S Storebælt's repayment period of two years to 36 years.

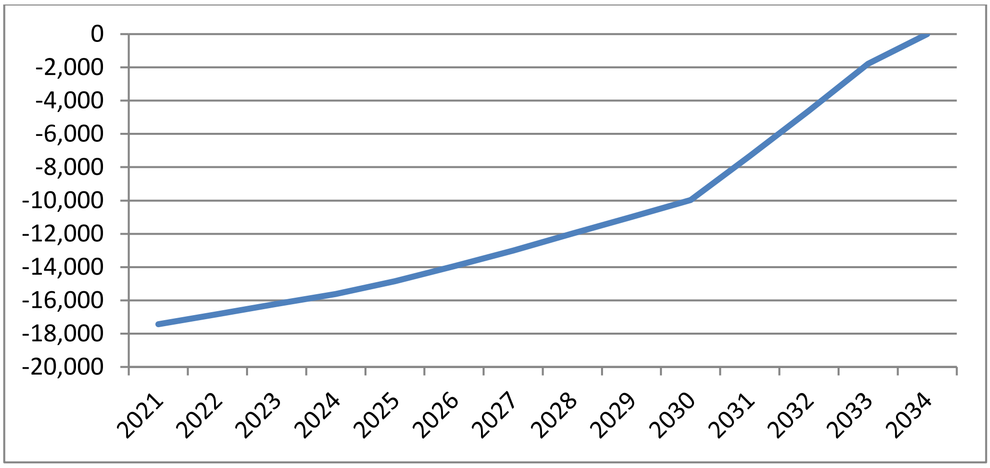
After distribution of the proposed dividend of DKK 1,365 million for the financial year 2021 to Sund & Bælt Holding A/S, Sund & Bælt Holding A/S expects to distribute an extraordinary dividend of DKK 1,265 million to the State. Hereafter, Sund & Bælt Holding A/S will have distributed a total of DKK 11,086 million to the State. Of the total distribution to the State, DKK 10,200 million relates to the co-financing of the political agreement, 'A Green Transport Policy' from 2009 and DKK 886 million to the co-financing of the expansion of the Funen Motorway. At current prices, there remains approx. DKK 0.5 billion relating to 'A green transport policy' and approx. DKK 1.4 billion relating to the financing of the Funen Motorway.

The main uncertainties in the profitability calculations relate to the long-term traffic trend and the projection for the interest rate development, which is based on the Ministry of Finance's interest rate projection for a 10-year government bond.

In 2022, positive traffic growth is expected for passenger cars, which in part makes up for the lost traffic in 2020 caused by the Covid-19 pandemic. Lorries are expected to show zero growth. Traffic growth will gradually increase towards a long-term level of 1.5 per cent for passenger cars and 1.0 per cent for lorries by

2025. Operating expenses are based on assumed annual efficiency improvements of 2 per cent per annum until 2024, after which they are expected to rise in line with general inflation. There is also some uncertainty about the size and timing of the reinvestments in the railway system.

A/S Storebælt – 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 2.1-2.2 billion. The budget reflects the expectation that traffic will return to pre-Covid-19 levels, but there is, of course, some uncertainty attached to this.

In addition to the uncertainty associated with traffic revenues from the road link across Storebælt, financing expenses are also difficult to predict as expenses are affected by both rising interest rates and inflation. Short-term interest rates are expected to remain low in 2022, while long-term interest rates are expected to rise during the year.

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 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.

Business areas

Road

Major maintenance and investment projects in 2021 include the painting of the East Bridge girders and the replacement of the motorway's wearing course at Knudshoved.

Work to promote safety and accessibility on the road link continued throughout 2021. This included the installation of remotely control moveable barriers at four places on the link, including appurtenant barriers for traffic management. The installation of variable message signs on the entire link remains outstanding.

With regard to strong winds on Storebælt, the previous recommendation which advised drivers of wind-sensitive vehicles not to cross the bridge has been changed to a ban. As the owner of the Storebælt Bridge, Sund & Bælt has thus banned such traffic in strong winds.

The Covid-19 pandemic continued to impact traffic on Storebælt in 2021. The year delivered traffic growth of 10.9 per cent[1] compared to 2020, but with 12,436,060 vehicles traffic was 6.3 per cent below that for 2019.

Passenger car traffic was affected by Covid-19 where the ongoing tightening and easing of restrictions was reflected in the traffic figures. For the year as a whole, passenger car traffic was 11.1 per cent over 2020, but was still 8.2 per cent below that for 2019. During the lockdown in the first months of the year, passenger traffic was more than 30 per cent below the level for 2019 while in July and August traffic figures broke monthly records. The late summer and autumn were also characterised by substantial weekend traffic.

The pandemic had a particular effect on coach traffic which despite growth of 19.9 per cent in 2021 remained 52.5 per cent under 2019 levels.

HGV traffic has seen solid growth since the start of the pandemic in March 2020. For the year as a whole, HGV traffic was 9.4 per cent above 2020 and 9.7 per cent above 2019.

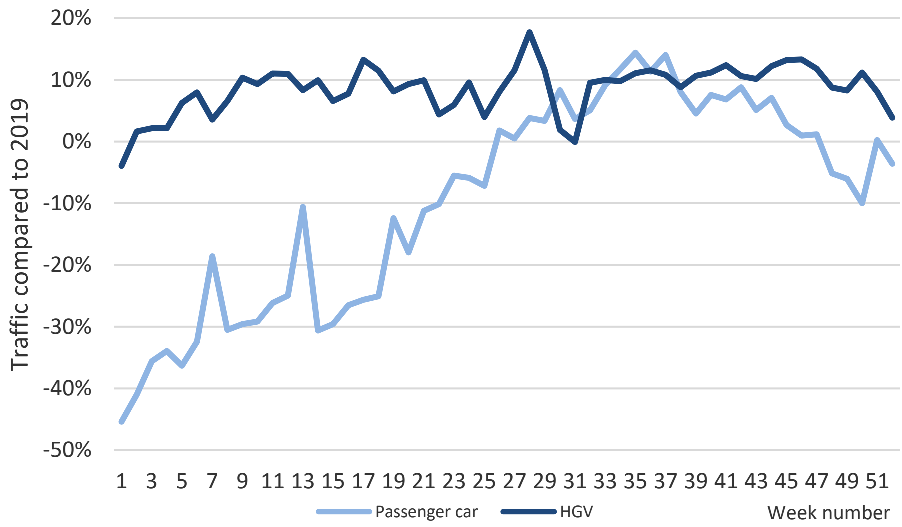
The use of automatic number plate recognition in the express lanes at the Storebælt toll station was widespread by holiday traffic. Just over 32 per cent of all passenger cars used the ANPR system at weekends in July and August while 37 per cent made use of the system over the Christmas period. For the year as a whole, the percentage was 27 per cent. ANPR thus accounted for more than 35 per cent of the overall number of passenger car crossings using automatic payment during the year.

Key figures, DKK milion

Road – Storebælt	**2021**	**2020**
Revenue	2,932	2,578
Expenses	-212	-211
Depreciation	-233	-238
Operating profit (EBIT)	**2,487**	**2,129**
Financial items excl. value adjustments	47	28
Profit before financial value adjustments	**2,534**	**2,157**

[1] Adjusted for leap year.

Effect of Covid-19 i 2021



Traffic per day on Storebælt

	2021	2020	2019
Passenger cars	29,475	26,522	32,094
Lorries	4,535	4,144	4,135
Coaches	62	51	130
Total	**34,072**	**30,718**	**36,359**

Annual traffic development on Storebælt (%)

	2020-2021	2019-2020	2018-2019
Passenger cars	11.1	-17.4	1.8
Lorries	9.4	0.2	2.1
Coaches	19.9	-60.4	-3.7
Total	**10.9**	**-15.5**	**1.8**

Quarterly traffic development (%) on Storebælt in 2021 compared to the same quarter in 2020

	Q1.	Q2.	Q3.	Q4.
Passenger cars	-18.1	32.6	8.9	21.7
Lorries	4.4	13.1	11.3	8.8
Coaches	-79.5	106.4	29.5	164.7
Total	**-14.9**	**29.6**	**9.2**	**20.0**

Railway

Storebælt's rail facilities comprise an approx. 25 km double track, electrified railway and includes the stations at Nyborg and Korsør.

The number of passenger trains on Storebælt's rail section in 2021 totalled 41,812, which is a rise of approx. 6 per cent compared to 2020 when 39,586 passenger trains crossed the link. The number of freight trains in 2021 totalled 6,511, which corresponds to a decrease of approx. 23 per cent compared to 2020, when 8,463 freight trains used the link.

The framework conditions for the operational impact of trains on the Storebælt railway in 2021 were set at a maximum of 576 delayed trains (more than 4:59 minutes delay). By year end, 850 delayed trains were reported, which corresponds to an overstepping of approximately 48 per cent of the quota assigned to Sund & Bælt in 2021. The number of faults in the signalling system in 2021 also weighed heavily in the fault statistics. Storebælt was also affected by a broken overhead line at Nyborg Station in December.

The Ringsted-Odense section is to be upgraded to handle higher speeds, which will also include Storebælt's railway system. Preparations for the roll-out of ERTMS (new signalling system) on Storebælt have begun in the form of upgradings of GSM-R (train radio) and transmission systems.

Key figures, DKK million

Railway – Storebælt	**2021**	**2020**
Revenue	290	295
Expenses	-109	-108
Depreciation	-291	-287
Operating loss (EBIT)	**-110**	**-100**
Financial items, excl. value adjustments	-334	-200
Loss before financial value adjustments	**-454**	**-300**

Ports and ferry services

A/S Storebælt owns four ferry ports north and south of the Storebælt fixed link. They are Odden and Ebeltoft, Spodsbjerg and Tårs.

The ports are operated on standard commercial terms under which port revenues from users finance investments, operations and maintenance. Molslinjen A/S manages the two ferry services that operate out of the four ports.

As the operation of the Spodsbjerg-Tårs ferry service cannot be run on commercial terms, the task of operator of the service – following the tender in 2016 – is handled by Molslinjen A/S. A/S Storebælt covers the ongoing losses on this route.

The Covid-19 pandemic affected ferry traffic on the routes north and south of Storebælt. On the Odden-Aarhus route, passenger car traffic was below the level for 2019 despite growth of 24.1 per cent in 2021. HGV and coach traffic saw growth of 23.4 per cent. Spodsbjerg-Tårs also experienced significant growth rates with a rise of 16.1 per cent for passenger cars and a rise of 13.2 per cent for HGVs and coaches. Annual traffic on Spodsbjerg-Tårs was thus higher than in 2019. Summer and autumn traffic is the main reason for the uplift in passenger car traffic.

The operating subsidy for Spodsbjerg-Tårs amounted to DKK 35 million in 2021 against DKK 33 million in 2020.

Key figures, DKK million

Ports	**2021**	**2020**
Revenue	30	30
Expenses	-8	-6
Depreciation	-13	-13
Operating profit (EBIT)	**9**	**11**
Financial items excl. value adjustments	-4	-2
Profit before financial value adjustments	**5**	**9**

Ferries	**2021**	**2020**
Revenue	0	0
Expenses	-35	-33
Depreciation	0	0
Operating loss (EBIT)	**-35**	**-33**
Financial items excl. value adjustments	0	0
Loss before financial value adjustments	**-35**	**-35**

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 Storebælt's objectives are supported.

Certain events may prevent A/S Storebælt 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 Storebælt has no control. A/S Storebælt 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 A/S Storebælt from such events, including operating losses for up to two years, are covered by insurances.

One of A/S Storebælt'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. To promote safety and accessibility on the Storebælt road link, four moveable barriers have been established which enable traffic to be diverted around any incidents that block traffic.

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. The dykes on Sprogø were raised, and similar projects have been planned for the infrastructure facilities at Knudshoved and Halsskov.

In collaboration with the relevant authorities, A/S Storebælt maintains a comprehensive contingency plan, including an internal crisis management programme, for handling accidents etc. on the company'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 21 and 22, 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 Storebælt 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 Storebælt's risk management and internal controls 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.

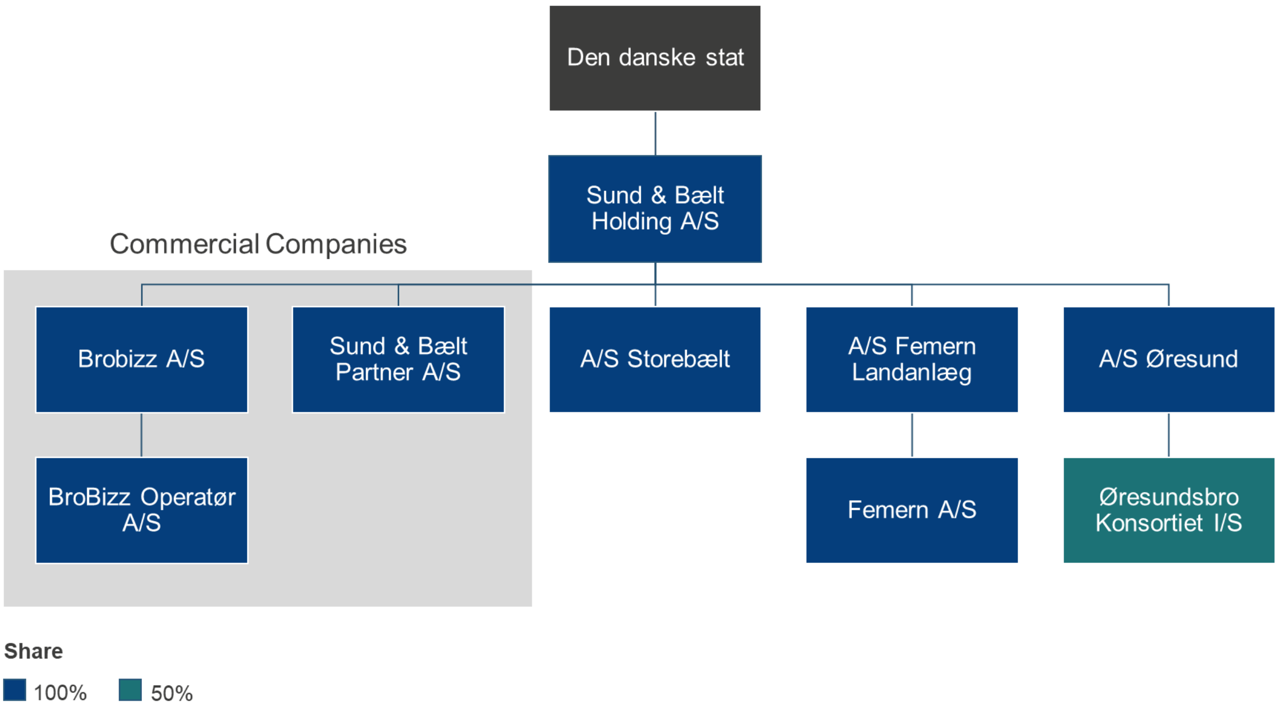
About A/S Storebælt

Shareholder information

A/S Storebælt is a limited company based in Denmark. A/S Storebælt is a subsidiary company 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' entire share capital is owned by the Danish State.

Group overview



Main activity

A/S Storebælt's primary task is to own and operate the fixed link across Storebælt. This task is managed with due consideration for the maintenance of a high level 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.

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 positions held
Chair of:
A/S Øresund
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

Claus F. Baunkjær
Vice-Chair

Director of:
Sund & Bælt Holding A/S

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

Other positions held
Board member of:
A/S Øresund
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.

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

Other positions held
Board member of:
A/S Øresund (Vice-Chair)
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.

Management Board

Signe Thustrup Kreiner
CEO

Financial Statements

Comprehensive income statement 1 January – 31 December

(DKK million)

	Note	2021	2020
Net revenue			
Net revenue		3,252	2,902
Total net revenue	4	**3,252**	**2,902**
Expenses			
Other external expenses	5	-371	-361
Other operating income		7	3
Depreciation, amortisation and writedowns	7	-537	-538
Total expenses		**-901**	**-896**
Operating profit (EBIT)		**2,351**	**2,007**
Financial items			
Financial income		7	40
Financial expenses		-308	-214
Value adjustments, net		104	100
Total financial items	8	**-197**	**-75**
Profit before tax		**2,154**	**1,932**
Tax	9	-474	-425
Profit		**1,680**	**1,507**
Other comprehensive income		0	0
Tax on other comprehensive income		0	0
Comprehensive income		**1,680**	**1,507**

Balance sheet 31 December – Assets

(DKK million)

	Note	2021	2020
Non-current assets			
Property, plant and equipment			
Road link	11	13,221	13,354
Rail link	12	11,318	11,567
Port facilities	13	158	170
Land and buildings	14	62	68
Other fixtures and fittings, plant and equipment	15	30	28
Total property, plant and equipment		**24,789**	**25,187**
Other non-current assets			
Securities	20	1,317	789
Derivatives	20	497	48
Total other non-current assets		**1,814**	**837**
Total non-current assets		**26,603**	**26,024**
Current assets			
Receivables			
Receivables	16	323	304
Securities	20	0	374
Derivatives	20	0	851
Prepayments and accrued income	17	178	198
Total receivables		**501**	**1,726**
Cash at bank and in hand		**315**	**15**
Total current assets		**816**	**1,741**
Total assets		**27,419**	**27,765**

Balance sheet 31 December – Equity and liabilities

(DKK million)

	Note	2021	2020
Equity			
Share capital	18	355	355
Retained earnings		2,496	2,181
Proposed dividend		1,365	1,378
Total equity		**4,216**	**3,914**
Liabilities			
Non-current liabilities			
Deferred tax	19	1,243	1,135
Bond loans and amounts ow ed to credit institutions	20	17,077	17,907
Derivatives	20	1,686	1,835
Total non-current liabilities		**20,006**	**20,877**
Current liabilities			
Current portion of non-current liabilities	20	2,520	2,338
Corporation tax	9	366	268
Trade and other payables	23	199	167
Derivatives	20	0	54
Accruals and deferred income	24	112	147
Total current liabilities		**3,197**	**2,975**
Total liabilities		**23,203**	**23,852**
Total equity and liabilities		**27,419**	**27,765**

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Statement of changes in equity 1 January – 31 December

(DKK million)

	Share capital	Retained earnings	Proposed dividend	Total
Balance at 1 January 2020	355	2,052	1,600	4,007
Dividend paid	0	0	-1,600	-1,600
Profit for the year and comprehensive income	0	129	1,378	1,507
Balance at 31 December 2020	**355**	**2,181**	**1,378**	**3,914**
Balance at 1 January 2021	355	2,181	1,378	3,914
Dividend paid	0	0	-1,378	-1,378
Profit for the year and comprehensive income	0	315	1,365	1,680
Balance at 31 December 2021	**355**	**2,496**	**1,365**	**4,216**

Cash flow statement 1 January – 31 December

(DKK million)

	Note	2021	2020
Cash flow from operating activities			
Operating profit (EBIT)		2,351	2,007
Adjustments			
Depreciation, amortisation and writedowns	7	537	538
Gains on the disposal of property, plant & equipment		-1	0
Joint taxation contribution	9	-366	-268
Cash flow from operations (operating activities) before change in working capital		**2,521**	**2,276**
Change in working capital			
Receivables and prepayments		-371	-232
Trade and other payables		495	314
Total cash flow from operating activities		**2,645**	**2,359**
Cash flow from investing activities			
Acquisition of tangible fixed assets		-140	-85
Purchase of securities		-163	-231
Total cash flow from investing activities		**-303**	**-316**
Free cash flow		**2,342**	**2,043**
Cash flow from financing activities			
Other non-current liabilities incurred		1,850	2,144
Redemption and repayment of non-current liabilities		-2,304	-2,296
Debt reduction with credit institutions		0	-30
Interest expenses, paid		-210	-245
Paid dividend to shareholder		-1,378	-1,600
Total cash flow from financing activities	20	**-2,042**	**-2,027**
Change for the period in cash and cash equivalents		**300**	**15**
Opening cash and cash equivalents		15	0
Closing cash and cash equivalents		**315**	**15**

Notes

Note 1 Accounting policies

A/S Storebælt is a limited company based in Denmark. A/S Storebælt 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 Storebælt'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 comprehensive income statement includes income from the use of fibre optic and telephone cables on the Storebælt Bridge, and other income in Other operating income. This is in contrast to 2019 and previously where such income was recognised in net revenue.

The accounting policies for net revenue, other external expenses, staff expenses, receivables, prepayments and accrued income, accruals and deferred income and cash at bank and in hand 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 Storebælt_2021.zip, containing an XHTM file that can be opened with standard web browsers.

Implementation of new and amended accounting standards
In 2021, no new or amended accounting standards and interpretations came into force that are of relevance to the company.

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 Storebælt estimates that there is one segment only. Internal reporting and financial control by the top management are on the basis of one overall segment.

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 at fair value 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.

Intangible assets
On initial recognition, intangible assets are measured at cost. Subsequently, the assets are measured at cost less depreciation, amortisation and writedowns.

Intangible assets comprise software and are depreciated on a straight-line basis over the expected useful life, not exceeding more than 5 years.

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 across Storebælt, the facilities are divided into components with similar useful lives:

- The main part of the facilities 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
- The rail facilities' technical installations are depreciated over 25 years

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

• Administrative IT systems and programmes (software)	3-5 years
• Other plant, machinery, fixtures and fittings	5-10 years
• Port facilities and buildings at the ports	25 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.

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 22: Profitability.

Provision for losses is recognised in the comprehensive income statement.

Equity
Dividend proposed by the management for the financial year is shown as a separate item under Equity.

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 liability to withhold tax 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 intangible assets, property, plant and equipment, financial assets and dividend received from the jointly managed company.

Cash flow from financing activities comprises borrowing, repayment of debt, financial items and dividend to the shareholder.

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 links and by calculating the fair value of certain financial assets and liabilities.

Depreciation of the road and rail links 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. The facilities were originally designed for a technical and financial useful life of 100 years for the main components. Due to the long useful life, expectations for the long-term development in traffic patterns and other infrastructure, and thus the need for the current fixed link across Storebælt, are subject to significant estimates. Management is of the opinion that it is currently unlikely that the expected useful life will exceed 100 years from the time of completion of the facilities regardless of whether their technical useful life is longer. A change in the expected useful lives may have a significant impact on the results in the form of changes in the depreciation for the year 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 Storebælt, 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 company’s expected future earnings 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 19. Deferred tax.

A/S Storebælt’s facilities are deemed as one cash flow generating unit in that the company’s road and rail link functions as one overall unit.

Note 3 Segment information

The segment information below is the information that is mandatory even if there is only one segment, c.f. Note 1 Accounting Policies.

Net revenue from 'Road' comprises payment per vehicle that crosses the link while net revenue from 'Rail' comprises payments from Banedanmark and is based on the number of trains in operation. Net revenue thus includes net revenue for one customer amounting to more than 10 per cent of the company's net revenue.

The company’s entire net revenue is generated in Denmark.

In addition to the payment from Banedanmark in net revenue 'Rail', the company is not dependent on individual major customers and has no transactions with individual customers amounting 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. Net revenue includes revenue from the road and rail links and port fees for use of the port facilities.

Net revenue from the road link comprises payment per vehicle crossing the Storebælt link. Payment is collected in cash, via debit/credit card or through subsequent invoicing. Tolls on the Storebælt link are set by the Minister of Transport.

Net revenue from the rail link comprises payment from Banedanmark for the use of the rail facilities and is based on actual traffic.

Specification of net revenue	**2021**	**2020**
Net revenue, road	2,932	2,578
Net revenue, railw ay	290	295
Net revenue, ports	30	30
Total net revenue	**3,252**	**2,902**

Note 5 Other external expenses

Other external expenses comprise expenses relating to the technical, traffic-related and commercial operations of the Storebælt Bridge. This includes, for instance, the operation and maintenance of technical systems, staffing and charging costs relating to the toll station, insurances, rent of premises, financial management and external services. Other operating expenses also include fees to the parent company of DKK 117 million (DKK 95 million in 2020).

Fees to auditors appointed by Annual General Meeting:	**Deloitte**	**Deloitte**	**Price waterhouse Coopers**
Amount	**2021**	**2020**	**2020**
Statutory audit	200	200	0
Other assurance statements	55	0	0
Other services	18	12	76
Audit fees, total	**273**	**212**	**76**

Other services 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 0.7 million (DKK 0.7 million in 2020).

Note 7 Depreciation, amortisation and writedowns

Gains and losses on the disposal of tangible fixed assets are stated as the difference between the sales price less sales costs and the net book value at the time of sale. Gains or losses are recognised in the comprehensive income statement under other operating income and other operating expenses.

	2021	2020
Depreciation		
Tangible fixed assets - road link	226	225
Tangible fixed assets - rail link	282	280
Tangible fixed assets - port facilities	13	13
Tangible fixed assets - land and buildings	6	6
Tangible fixed assets - other fixtures and fittings, plant and equipment	7	6
Total depreciation	**534**	**531**
Writedowns:		
Tangible fixed assets - rail link	3	0
Tangible fixed assets - road link	0	7
Total writedowns	**3**	**7**
Total depreciation and writedowns	**537**	**538**
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, financial instruments	7	40
Total financial income	**7**	**40**
Financial expenses		
Interest expenses, loans	-179	-134
Interest expenses, financial instruments	-118	-79
Other financial items, net	-11	-2
Total financial expenses	**-308**	**-214**
Net financing expenses	**-301**	**-174**
Value adjustments, net		
- Securities	0	-4
- Loans	235	59
- Currency and interest rate swaps	-131	45
Value adjustments, net	**104**	**100**
Total financial items	**-197**	**-75**
Of which financial instruments	-242	6

Commission to the Danish State of DKK 28 million (2020: DKK 29 million) is recognised in interest expenses.

Net financing expenses were DKK 127 million higher in 2021 compared to 2020. This is primarily due to the impact of high inflation on the part of the net debt exposed to inflation indexation.

Note 9 Tax

	2021	2020
Current tax	-366	-268
Change in deferred tax	-108	-157
Total tax	**-474**	**-425**
Tax on the year's results is specified as follows:		
Computed 22 per cent tax on annual results	-474	-425
Total	**-474**	**-425**
Effective tax rate	22.0	22.0

Note 10 Software

	2021	2020
Cost opening balance	13	13
Disposals for the year	-1	0
Cost closing balance	**12**	**13**
Depreciation, amortisation and writedowns, opening balance	13	13
Depreciation on assets disposed of	-1	0
Depreciation, amortisation and writedowns, closing balance	**12**	**13**
Net book value	**0**	**0**

Note 11 Road link

The road 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 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	12,920	982	4,399	52	18,353	18,402
Additions for the year	0	0	0	93	93	46
Disposals for the year	-9	0	0	0	-9	-95
Transfers for the year	65	0	0	-65	0	0
Cost closing balance	**12,976**	**982**	**4,399**	**80**	**18,437**	**18,353**
Depreciation, amortisation and writedowns, opening balance	3,765	226	1,008	0	4,999	4,863
Depreciation, amortisation and writedowns for the year	172	10	44	0	226	225
Depreciation on assets disposed of	-9	0	0	0	-9	-88
Depreciation, amortisation and writedowns, closing balance	**3,928**	**236**	**1,052**	**0**	**5,216**	**4,999**
Net book value	**9,048**	**746**	**3,347**	**80**	**13,221**	**13,354**

Note 12 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. The cost price for the rail link also includes stocks of spare parts. The cost price includes the acquisition price plus landed costs.

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.

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	12,404	567	5,034	43	18,048	18,080
Additions for the year	0	0	0	36	36	26
Disposals for the year	-27	0	0	0	-27	-57
Transfers for the year	40	0	0	-40	0	0
Cost closing balance	**12,417**	**567**	**5,034**	**39**	**18,057**	**18,048**
Depreciation, amortisation and writedowns, opening balance	4,399	211	1,871	0	6,481	6,258
Depreciation, amortisation and writedowns for the year	204	8	70	0	282	280
Depreciation on assets disposed of	-24	0	0	0	-24	-57
Depreciation, amortisation and writedowns, closing balance	**4,579**	**219**	**1,941**	**0**	**6,739**	**6,481**
Net book value	**7,838**	**348**	**3,093**	**39**	**11,318**	**11,567**

Note 13 Port facilities

	2021	2020
Cost opening balance	357	354
Additions for the year	0	3
Disposals for the year	-1	0
Cost closing balance	**356**	**357**
Depreciation, amortisation and writedowns, opening balance	186	173
Depreciation, amortisation and writedowns for the year	13	13
Depreciation on assets disposed of	-1	0
Depreciation, amortisation and writedowns, closing balance	**198**	**186**
Net book value	**158**	**170**

Note 14 Land and buildings

	2021	2020
Cost opening balance	157	158
Additions for the year	1	0
Disposals for the year	0	-1
Cost closing balance	**158**	**157**
Depreciation, amortisation and writedowns, opening balance	89	84
Adjustment to opening balance	1	0
Depreciation, amortisation and writedowns for the year	6	6
Depreciation on assets disposed of	0	-1
Depreciation, amortisation and writedowns, closing balance	**96**	**89**
Net book value	**62**	**68**

Note 15 Other plant, machinery and fixtures and fittings

	2021	2020
Cost opening balance	142	133
Additions for the year	10	10
Disposals for the year	0	-1
Cost closing balance	**152**	**142**
Depreciation, amortisation and writedowns, opening balance	115	109
Depreciation, amortisation and writedowns for the year	7	6
Depreciation on assets disposed of	0	-1
Depreciation, amortisation and writedowns, closing balance	**122**	**115**
Net book value	**30**	**28**

Note 16 Receivables

Trade receivables and services primarily comprise receivables relating to the rail fee. Receivables from company members and affiliated companies include receivables from revenue from express lanes, which is reinvoiced to users by Brobizz A/S and Øresundsbro Konsortiet I/S respectively.

Provision is made for losses 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. There are no significant receivables due that require provision.

In contrast to previous years, A/S Storebælt is not obliged to cover any losses on receivables from revenue, which is reinvoiced by Brobizz A/S and Øresundsbro Konsortiet I/S, which is why no provision has been made for losses on receivables in 2021.

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

	2021	**2020**
Trade receivables and services	14	27
Members	298	278
Receivables, Øresundsbro Konsortiet I/S	10	0
Other receivables	1	-1
Total receivables	**323**	**304**

Loss on receivables

DKK 1,000	**Weighted loss rate**	**Amount receivable**	**Expected Loss**	**Total 2021**
Balances not due	0.0%	14,443	0	14,443
Less than 30 days overdue	0.0%	0	0	0
30 to 90 days overdue	0.0%	0	0	0
More than 90 days overdue	0.0%	0	0	0
Total	**0.0%**	**14,443**	**0**	**14,443**

DKK 1,000	**Weighted loss rate**	**Amount receivable**	**Expected Loss**	**Total 2020**
Balances not due	0.5%	26,062	-141	25,921
Less than 30 days overdue	3.6%	796	-29	767
30 to 90 days overdue	-10.3%	58	6	64
More than 90 days overdue	100.0%	469	-469	0
Total	**2.3%**	**27,385**	**-633**	**26,752**

Note 17 Prepayment and accrued income

Prepayments and accrued income comprise paid expenses relating to subsequent financial years and accrued interest relating to financial instruments.

	2021	2020
Prepaid expenses - other	3	14
Accrued interest, financial instruments	175	183
Total prepayments and accrued income	**178**	**198**

Note 18 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 concern.

A/S Storebælt's share capital comprises 5,000 shares at a nominal value of DKK 1,000, 1 share at a nominal value of DKK 150 million and 1 share at a nominal value of DKK 200 million.

The company expects to pay DKK 3,845 in dividend per share at a nominal value of DKK 1,000 on the basis of the year's results for 2021 (DKK 3,882 in 2020).

The share capital has remained unchanged since its establishment.

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

Without special notification of each individual case, the Danish State guarantees the company's other financial liabilities.

Note 19 Deferred tax

Due to the accounting 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	-1,135	-978
Deferred tax for the year	-108	-157
Balance, closing	**-1,243**	**-1,135**
Deferred tax relates to:		
Intang. fixed assets & tangible fixed assets	-1,281	-1,135
Reduced net financing expenses	38	0
Total	**-1,243**	**-1,135**

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	-978	-157	-1,135	-146	-1,281
Reduced net financing expenses	0	0	0	38	38
Total	**-978**	**-157**	**-1,135**	**-108**	**-1,243**

Note 20 Net debt

Fair value hierarchy	Level 1	Level 2	Level 3	Total 2021	Level 1	Level 2	Level 3	Total 2020
Securities	1,317	0	0	1,317	1,163	0	0	1,163
Derivatives, assets	0	497	0	497	0	899	0	899
Financial assets	**1,317**	**497**	**0**	**1,814**	**1,163**	**899**	**0**	**2,062**
Bond loans and debt	-19,331	-266	0	-19,597	-19,722	-523	0	-20,245
Derivatives, liabilities	0	-1,686	0	-1,686	0	-1,889	0	-1,889
Financial liabilities	**-19,331**	**-1,952**	**0**	**-21,283**	**-19,722**	**-2,412**	**0**	**-22,134**

Net debt spread across currencies	EUR	DKK	Other cur-rencies	Total 2021	EUR	DKK	Other cur-rencies	Total 2020
Cash at bank and in hand	23	292	0	315	-4	19	0	15
Securities	1,317	0	0	1,317	1,163	0	0	1,163
Bond loans and debt	0	-19,597	0	-19,597	0	-19,996	-249	-20,245
Currency and interest rate swaps	-1,315	126	0	-1,189	-1,706	467	249	-991
Currency forwards	0	0	0	0	201	-202	0	0
Accrued interest	-28	91	0	63	-42	78	0	36
Total net debt (fair value)	**-3**	**-19,088**	**0**	**-19,091**	**-388**	**-19,633**	**0**	**-20,021**

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	-236	0	0	-13	-249
Currency and interest rate swaps	0	0	236	0	0	13	249
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**

The above is included in the following items.

	Deriva-tives assets	Deriva-tives liabilities	Total 2021	Deriva-tives assets	Deriva-tives liabilities	Total 2020
Interest rate swaps	497	-1,686	-1,189	899	-1,859	-961
Currency swaps	0	0	0	0	-30	-30
Forward exchange contracts	0	0	0	0	0	0
Currency options	0	0	0	0	0	0
Gross value derivatives	**497**	**-1,686**	**-1,189**	**899**	**-1,889**	**-991**
Accrued interest, financial instruments	175	-97	78	170	-109	61
Offsetting cf. IAS32	0	0	0	0	0	0
Gross value	**672**	**-1,783**	**-1,111**	**1,069**	**-1,999**	**-930**
Offsetting options by default [1])	-389	389	0	-703	703	0
Collateral	-30	1,235	1205	-73	1,057	984
Net value, total	**253**	**-159**	**94**	**293**	**-239**	**54**

[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
Investment	0	0	0	3	-3	0
Payables	0	-15	-15	10	-34	-24
Interest rate swaps	0	-97	-97	168	-109	59
Currency swaps	175	0	175	2	0	2
Total	**175**	**-112**	**63**	**183**	**-147**	**36**

Net debt is DKK 17,432 million based on the nominal principal sum (2020: DKK 18,140 million) and there is thus an accumulated difference of DKK 1,659 million compared to the net debt at fair value (2020: DKK 1,881 million) 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	36	34
Interest-bearing net debt - DKK billion	17.7	18.5
Repayment of debt	2034	2032
Financing expenses excl. value adjustment - per cent per annum	1.47	0.76
Financing expenses incl. value adjustment - per cent per annum	0.91	0.24

Reconciliation of differences in financial liabilities	Payables	Derivatives	Total
Opening 2021	-20,245	-991	-21,236
Cash flow	573	61	634
Paid interest - reversed	-160	8	-152
Amortisation	109	-55	54
Inflation indexation	-109	-81	-190
Currency adjustment	4	-4	0
Fair value adjustment	231	-128	103
Closing 2021	**-19,597**	**-1,190**	**-20,787**

Reconciliation of cash flow	2021
Cash flow	634
Guarantee commission	29
Other financial items, net	1
Paid dividend	1,378
Cash flow from financing activities	**2,042**

Reconciliation of differences in financial liabilities	Payables	Derivatives	Total
Opening 2020	-20,633	-908	-21,541
Cash flow	442	-69	373
Paid interest - reversed	-234	13	-221
Amortisation	135	-62	73
Inflation indexation	-16	-9	-25
Currency adjustment	-16	18	2
Fair value adjustment	77	26	103
Closing 2020	**-20,245**	**-991**	**-21,236**

Reconciliation of cash flow	2020
Cash flow	373
Raising of loans at credit institutions	30
Guarantee commission	29
Other financial items, net	-4
Paid dividend	1,600
Cash flow from financing activities	**2,027**

Note 21 Financial risk management

Financing
A/S Storebælt's financial management is conducted within the framework determined by the company's Board 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 A/S Storebælt's funding in 2021 as well as the key financial risks.

Funding
All loans and other financial instruments employed by A/S Storebælt 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 5 billion of which USD 0 million has been utilised. In addition, the company has a Swedish MTN programme of SEK 5 billion of which SEK 0 billion 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 1.9 billion.

For the company, refinancing will amount to approx. DKK 2.5 billion and the expected net borrowing requirements will be around DKK 1.7 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 Storebælt's currency exposure at fair value 2021 and 2020 (DKK million)

Currency	Fair value 2021	Currency	Fair value 2020
DKK	-19,087	DKK	-19,634
EUR	-4	EUR	-387
Other currency	0	Other currency	0
Total 2021	**-19,091**	**Total 2020**	**-20,021**

Foreign exchange sensitivity for the company amounted to DKK 0 million in 2021 (DKK 2 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 Storebælt, the following framework for 2021 was applied in the interest rate risk management:

- Interest rate refixing risk may not exceed 40 per cent of the net debt
- Duration target on net debt is 4.0 years (variation limit: 3.25-4.75 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 Storebælt, the actual duration was between 3.6 years to 5.4 years. The duration was extended as a consequence of the fact that the repayment period was extended as part of the co-financing of the Infrastructure Plan 2035 agreement.

A/S Storebælt 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. The interest rate development produced an unrealised fair value gain of DKK 103 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 uses 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

Yield buckets	**0-1 years**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**> 5 years**	**Nominal value**	**Fair value**
Securities	0	1,301	0	0	0	0	1,301	1,317
Bond loans and debt	-2,500	-3,352	0	-2,832	0	-9,789	-18,473	-19,611
Interest rate and currency swaps	-4,162	2,795	-1,256	1,130	-350	1,269	-574	-1,111
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	314	0	0	0	0	0	314	314
Net debt	**-6,348**	**744**	**-1,256**	**-1,702**	**-350**	**-8,520**	**-17,432**	**-19,091**
Of this, real rate instruments								
Real rate debt	0	-1,656	0	0	0	-2,099	-3,755	-4,287
Real rate swaps	0	0	0	-2,517	0	-364	-2,881	-3,363
Real rate instruments total	**0**	**-1,656**	**0**	**-2,517**	**0**	**-2,463**	**-6,636**	**-7,650**

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	-5,520	-3,000	0	0
Of this, real rate instruments	-2,463	0	0	0

Yield exposure disclosed in nominal notional amounts 2020

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Securities	372	781	0	0	0	0	1,153	1,163
Bond loans and debt	-2,274	-2,500	-3,301	0	-2,832	-7,874	-18,781	-20,269
Interest rate and currency swaps	-3,097	744	2,796	-1,256	240	45	-528	-930
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	15	0	0	0	0	0	15	15
Net debt	**-4,984**	**-975**	**-505**	**-1,256**	**-2,592**	**-7,829**	**-18,141**	**-20,021**
Of this, real rate instruments								
Real rate debt	0	0	-1,604	0	0	-2,035	-3,639	-4,098
Real rate swaps	0	0	0	0	-2,440	-353	-2,793	-3,270
Real rate instruments total	**0**	**0**	**-1,604**	**0**	**-2,440**	**-2,388**	**-6,432**	**-7,368**

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	-7,829	0	0	0
Of this, real rate instruments	-2,388	0	0	0

Interest rate allocation

2021	Interest rate allocation in per cent	2020
36.4	Floating rate	27.4
25.6	Fixed rate	37.1
38.0	Real rate	35.5
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 60 million and 60 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, A/S Storebælt

2021 Duration (years)	BPV	Fair value		2020 Duration (years)	BPV	Fair value
5.4	6.2	-11,441	Nominal debt	4.4	5.6	-12,653
5.2	4.0	-7,650	Real rate debt	6.2	4.5	-7,368
5.3	10.2	-19,091	Net debt	5.1	10.1	-20,021

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 1,069 million (2020: DKK 1,067 million) with an interest rate fall and a fair value gain of DKK 971 million (2020: 978 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.

A/S Storebælt 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	Deriva-tives without netting	Deriva-tives with netting	Collateral	Number of counter-parties
AAA	1,317	0	0	0	1
AA	0	395	113	0	2
A	0	251	68	30	5
BBB	0	0	0	0	0
Total	**1,317**	**646**	**181**	**30**	**8**

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

Total counterparty exposure (market value) Rating	Deposits	Deriva-tives without netting	Deriva-tives with netting	Collateral	Number of counter-parties
AAA	1,163	0	0	0	1
AA	0	641	126	0	3
A	0	426	140	73	5
BBB	0	0	0	0	1
Total	**1,163**	**1,067**	**266**	**73**	**10**

The company has 8 financial counterparties, including Germany as bond issuer, while the business volume with the remaining 7 counterparties is primarily related to derivative transactions of which 5 counterparties are covered by collateral agreements.

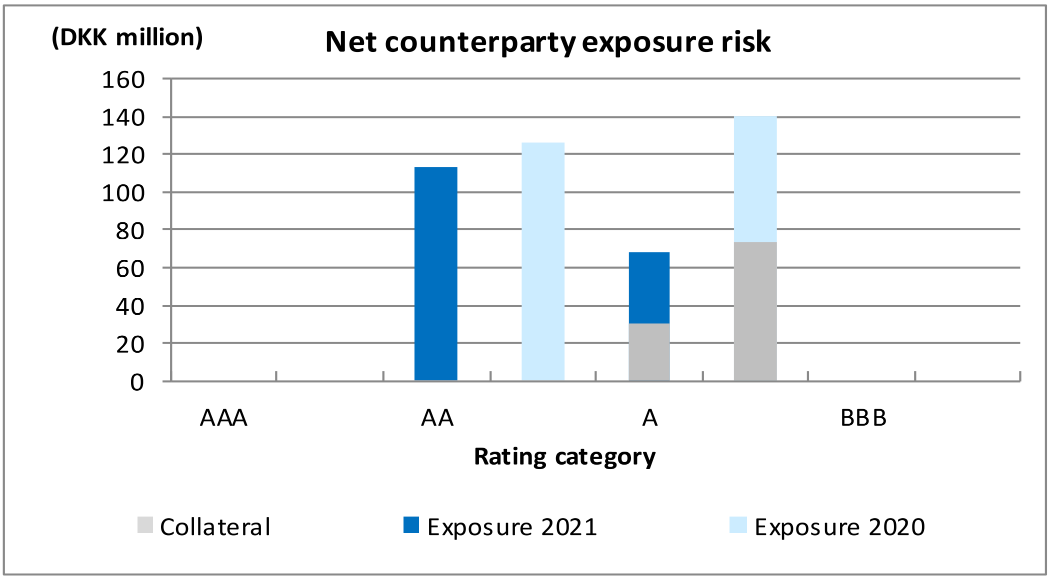
Credit exposure is primarily exposed to the AA and A rating category and is partly covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 26 million and collateral amounts to DKK 30 million. Counterparty exposure without collateral agreements totals DKK 155 million, primarily in the AA and A rating category.

A/S Storebælt has pledged collateral for DKK 941 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	-2,500	-3,352	0	-2,832	0	-9,789	-18,473
Derivatives liabilities	0	0	0	-534	0	-40	-574
Derivatives receivables	0	0	0	0	0	0	0
Assets	0	1,301	0	0	0	0	1,301
Total	**-2,500**	**-2,051**	**0**	**-3,366**	**0**	**-9,829**	**-17,746**
Interest payments							
Debt	-116	-183	-81	-81	-32	-458	-951
Derivatives liabilities	-189	-189	-192	-401	-85	-230	-1,286
Derivatives receivables	165	140	82	64	26	143	620
Assets	0	0	0	0	0	0	0
Total	**-140**	**-232**	**-191**	**-418**	**-91**	**-545**	**-1,617**

Maturity on debt as well as liabilities and receivables on financial derivatives, 2020

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-2,267	-2,500	-3,304	0	-2,832	-7,878	-18,781
Derivatives liabilities	-484	0	0	0	-462	-29	-975
Derivatives receivables	447	0	0	0	0	0	447
Assets	372	781	0	0	0	0	1,153
Total	**-1,932**	**-1,719**	**-3,304**	**0**	**-3,294**	**-7,907**	**-18,156**
Interest payments							
Debt	-184	-116	-156	-81	-81	-344	-962
Derivatives liabilities	-106	-57	-57	-105	-178	-224	-727
Derivatives receivables	110	27	13	0	1	123	274
Assets	0	0	0	0	0	0	0
Total	**-180**	**-146**	**-200**	**-186**	**-258**	**-445**	**-1,415**

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 22 Profitability

A/S Storebælt's debt is repaid with the revenue from road and rail traffic. In the long-term profitability calculation, the repayment period is calculated on the basis of 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 with the agreed interest rate terms.

The political agreement of 21 September 2017 regarding a 25 per cent reduction in toll charges and the obligation to co-finance the extension of the Funen Motorway to the amount of DKK 2.1 billion (in 2017 prices) resulted in the repayment period being extended to 34 years, whereby the debt is expected to be repaid in 2032.

The rail companies' payments for use of the fixed links across Storebælt were reduced in connection with the Finance Act of 2016. For A/S Storebælt, revenue depends on actual train traffic. The lowering of the railway payment resulted in a reduction in rail revenues of DKK 270 million (2016 prices).

Co-financing of the political agreement, 'A Green Transport Policy' from 29 January 2009, is included in the calculation of the repayment period where the company pays a dividend to the State of DKK 9.0 billion (2008 prices) until the financial year 2022. In addition, there is the obligation with regard to the aforementioned co-financing of the Funen Motorway in the sum of DKK 2.2 billion (in 2018 prices).

The Infrastructure Plan 2035 agrees the continued distribution of dividends from A/S Storebælt until 2030. Seen in isolation, this means an extension of the repayment period for A/S Storebælt of 2 years to 36 years.

After distribution of the proposed dividend of DKK 1,365 million for the financial year 2021 to Sund & Bælt Holding A/S, Sund & Bælt Holding A/S expects to distribute an extraordinary dividend of DKK 1,265 to the State. Hereafter, Sund & Bælt Holding A/S will have distributed a total of DKK 11,086 million to the State. Of the total distribution to the State, DKK 10,200 million relates to the co-financing of the political agreement, 'A Green Transport Policy' from 2009 and DKK 886 million to the co-financing of the expansion of the Funen Motorway. At current prices, there remains approx. DKK 0.5 billion relating to 'A green transport policy' and approx. DKK 1.4 billion relating to the financing of the Funen Motorway.

The main uncertainties in the profitability calculations relate to the long-term traffic trend and the projection for the interest rate development, which is based on the Ministry of Finance's interest rate estimate for a 10-year government bond.

In 2022, positive traffic growth is expected for passenger cars, which in part makes up for the lost traffic in 2020 caused by the Covid-19 pandemic. Lorries are expected to show zero growth. Traffic growth will gradually increase towards a long-term level of 1.5 per cent for passenger cars and 1.0 per cent for lorries by 2025. Operating expenses are based on assumed annual efficiency improvements of 2 per cent per annum until 2024, after which they are expected to rise in line with general inflation. There is also some uncertainty about the size and timing of the reinvestments in the railway system.

Note 23 Trade and other payables

	2021	2020
Trade payables	59	38
Debt group enterprises - group companies	66	33
Guarantee commission payable	28	28
Other payables	46	68
Total	**199**	**167**

Note 24 Accruals and deferred income

Accruals and deferred income comprise payments received relating to revenue in subsequent years.

	2021	2020
Accrued interest, financial instruments	112	147
Accruals and deferred income, total	**112**	**147**

Note 25 Contractual obligations, contingent liabilities and collateral

The company's contractual obligations comprise construction, operation and maintenance contracts entered into with expiry dates up to 2024 with an overall balance of DKK 388 million (DKK 346 million in 2020). At year end, completed work under contracts amounted to DKK 135 million (DKK 85 million in 2020).

In accordance with the Act on Ferry Operations, A/S Storebælt is required, to a specified extent, to maintain car ferry operations between Zealand and Jutland across Kattegat and between Spodsbjerg and Tårs. For the Spodsbjerg and Tårs service, with effect from 1 May 2018, an agreement was entered into with Danske Færger A/S (acquired by Molslinjen A/S in 2018) with regard to the operation of the service for a period of 10 years with the option of a further two years. In 2022, costs are expected to amount to DKK 37 million.

The company 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 Storebælt has currently pledged collateral for DKK 941 million to hedge outstanding exposure from derivative transactions in favour of four counterparties.

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

Otherwise, the company has not pledged any collateral.

Note 26 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	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 Storebælt	Management of subsidiary's operational tasks Joint taxation contribution	Market price
A/S Øresund	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	-	-
Femern A/S	Copenhagen	Subsidiary of A/S Femern Landanlæg	Reinvoicing	Market price
Brobizz A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Issuer fee Reinvoicing of revenue Purchase/sale of services	Market price
BroBizz Operatør A/S	Copenhagen	Subsidiary of Brobizz A/S	Reinvoicing	Market price
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership of partnership via A/S Øresund	Issuer fee Reinvoicing Purchase/sale of services	Market price
Danish Road Directorate	Copenhagen	Owned by the the Ministry of Transport	Purchase of services	Market price
Banedanmark	Copenhagen	Owned by the the Ministry of Transport	Payment for use of rail link Maintenance work	Determined by the Minister of Transport

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	-28,678	-30,621	-28,000	-28,000
Sund & Bælt Holding A/S	Management of subsidiary's operational tasks	-119,467	-94,180	-48,384	-17,688
	Joint taxation contribution	-365,693	-268,438	-365,693	-268,439
A/S Øresund	Maintenance tasks	285	-178	379	0
Femern A/S	Consultancy	9	0	0	0
Brobizz A/S	Reinvoicing	2,803,512	2,514,987	297,380	277,697
	Issuer fee	-65,245	-72,781	-16,177	-14,557
	Purchase of services	-16,196	-12,201	-1,702	-857
BroBizz Operatør A/S	Reinvoicing	-504	-340	-52	-35
Øresundsbro konsortiet I/S	Reinvoicing	132,592	126,961	10,218	8,297
	Issuer fee	-2,497	-1,614	-121	-105
	Purchase of services	-1,553	-2,400	0	0
	Sale of services	632	0	0	0
Danish Road Directorate	Purchase of services	-224	98	0	0
Banedanmark	Payment for use of rail link	290,100	295,356	-5,368	-2,803
	Maintenance w ork	-4,125	-2,454	-1,322	-344

Note 27 Events after the balance sheet date

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

Note 28 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 Storebælt 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 Storebælt.

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 Storebælt for the financial year, 1 January - 31 December 2021, with file name Storebælt_2021.zip has, in all material respects, 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

Signe Thustrup Kreiner
CEO

Board of Directors

Mikkel Hemmingsen
Chair

Claus F. Baunkjær
Vice-Chair

Signe Thustrup Kreiner

Independent auditor's report

To the shareholder of A/S Storebælt

Our opinion
We have audited the financial statements for A/S Storebæltsforbindelsen 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 company 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 Storebæltsforbindelsen 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 497 million as at 31 December 2021 (DKK 899 million as at 31 December 2020) and DKK 1,686 million as at 31 December 2021 (DKK 1,889 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 20.	• 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 Storebæltsforbindelsen, 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 Storebælt_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 Storebælt_2021.zip has, in all material respects, been prepared in accordance with the ESEF regulation.

Copenhagen, 31 March 2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Anders Oldau Gjelstrup
State-Authorised Public Accountant
MNE no. mme10777

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