Annual Report

2022

A/S Øresundsforbindelsen

Annual Report 2022

This is a translation of the Danish annual report. In the event of discrepancies, the Danish version of the annual report shall prevail.

Chair of the Annual General Meeting: Charlotte Yun Linde
Approved at the Annual General Meeting on 27 April 2023

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

Contents

Highlights of the year

Traffic

Road
On the 16 km link across the Øresund Bridge between Denmark and Sweden, traffic increased by 40.4 per cent in 2022 compared to 2021. Passenger car traffic, HGV traffic and coach traffic increased compared to 2021. Passenger car traffic increased by 44.4 per cent. compared to 2021 but fell by 11.5 per cent compared to 2019 (pre-Covid-19), while HGV traffic increased by 7.9 per cent compared to 2021 and 16.6 per cent compared to 2019. Compared to 2019 (pre-Covid-19), overall traffic on the Øresund Bridge was 9.7 per cent lower in 2022.

Railway
The total number of passenger trains on the Øresund railway, which comprises approx. 18 km section from Copenhagen Central Station up to and including Copenhagen Airport Station and from Ny Ellebjerg to Kalvebodbroen, amounted to 81,136 in 2022, which is an increase of 2.3 per cent compared to 2021. As regards freight train traffic, some 7,620 freight trains ran on the line in 2022, corresponding to a rise of 8.1 per cent compared to 2021.

Finance
The result before fair value adjustment and tax, including the share from Øresundsbro Konsortiet I/S, is a loss of DKK 372 million and is thus DKK 283 million lower compared to 2021.

Other external expenses total DKK 100 million and are DKK 15 million higher than in 2021. This is primarily due to an upscale in maintenance and increased costs for energy and materials.

The result before tax, including value adjustments, is a profit of DKK 2,971 million against a profit of DKK 288 million in 2021. The rise of DKK 2,683 million is due in the main to fair value adjustments which amount to gains of DKK 2,407 million in 2022, a rise of DKK 2,176 million compared to 2021. The result after tax is a profit of DKK 2,313 million.

The development in fair value adjustments is due to the composition of the company's loan portfolio. Some of the debt carries a fixed rate, which has resulted in unrealised gains due to the rising market interest rates in 2022.

Repayment period
The repayment period for A/S Øresund is estimated at 48 years, which is an extension of one year compared to last year. This is primarily due to the effect of rising interest expenses and the technical suspension of the dividend payment for 2022 in that the matter of state aid has not yet been decided.

The prerequisites for the calculation of the repayment period are described in more detail in Note 20, Profitability.

Key figures and financial ratios

(DKK million)	2022	2021	2020	2019	2018
Net revenue	10	14	20	41	70
Other external expenses	-100	-85	-40	-96	-98
Depreciation, amortisation and writedowns	-173	-178	-207	-221	-252
Operating loss (EBIT)	-311	-261	-226	-277	-280
Financial items	1,806	-35	-372	-643	-93
Profit/loss before fair val. adjstmts. and tax	-371	-89	17	191	120
Value adjustments, net	2,407	231	-214	-470	109
Share of results in jointly managed company					
(Øresundsbro Konsortiet I/S*))	1,476	584	223	427	691
Profit/loss	**2,313**	**222**	**-293**	**0**	**251**
Investments in tangible fixed assets	117	66	59	24	14
Capital investment, road and railway, closing balance	4,403	4,550	4,677	4,825	5,022
Net debt (fair value)	**11,447**	**13,074**	**12,999**	**12,681**	**12,278**
Interest-bearing net debt	12,313	11,516	11,169	11,018	11,017
Equity	-4,174	-6,487	-6,709	-6,416	-6,033
Balance sheet total	10,395	8,612	8,537	8,577	8,212
Cash flow from operating activities	-56	-7	113	263	-173
Cash flow from investing activities	-344	-58	-105	-294	521
Cash flow from financing activities	400	65	-141	165	-348
Total cash flow	**0**	**0**	**-133**	**134**	**0**
Financial ratios, per cent					
Profit ratio (EBIT)	-3,079.2	-1,933.3	-1,140.9	-675.1	-400.0
Rate of return (EBIT)	-3.0	-3.0	-2.6	-3.2	-3.4
Return on facilities (EBIT)	-7.1	-5.7	-4.8	-5.7	-5.6

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

*) Øresundsbro Konsortiet I/S's results for 2022 include gains of DKK 935 million relating to value adjust-ments (2021: gains of DKK 146 million).

Management report

Development in activities and economic factors

Economy
The result before financial value adjustments, the share of the jointly managed company and tax, is a loss of DKK 913 million against a loss of DKK 527 million in 2021.

Net revenue totals DKK 10 million and mainly comprises fees from Banedanmark for use of the rail link. Revenue fell by DKK 4 million as a consequence of the agreement in the Finance Act of 2016 wherein it was decided that the rail payment would be gradually scaled down until 2024.

Other external expenses total DKK 100 million and are DKK 15 million higher compared to 2021. This is primarily due to more extensive maintenance and increased costs for energy and materials.

Other operating expenses comprise compensation of DKK 50 million which A/S Øresund settled with Øresundsbro Konsortiet I/S in 2022 for lost fees from Banedanmark to Øresundsbro Konsortiet I/S. The compensation is the result of the aforementioned scaling down of railway payments under the 2016 Finance Act and is a consequence of the fact that the fee to Øresundsbro Konsortiet I/S is fixed under a previously concluded government agreement with the Swedish state.

Depreciation, amortisation and writedowns totalled DKK 173 million in 2022 and are DKK 5 million lower than last year. The lower depreciation can primarily be attributed to the fact that the company has extended the service life of the rail tracks by implementing a new data-driven maintenance strategy.

The share of the result from Øresundsbro Konsortiet I/S is DKK 1,476 million, which includes positive fair value adjustments of DKK 935 million. The share of the result before fair value adjustments is thus positive at DKK 541 million and is DKK 103 million higher than in 2021. The share of the result is affected by a rise in net revenue of DKK 479 million as a result of increased traffic, which is now approaching pre-Covid-19 levels. In addition, come higher financial expenses due to rising market interest rates and inflation, which had a negative impact on earnings development by DKK 258 million.

At the start of 2022, traffic on the Øresund Bridge continued to be significantly negatively affected by Covid-19 as travel restrictions remained in place until mid-February. However, the summer ushered in a significant level of leisure traffic with the highest daily and weekly records since the bridge's opening in 2000. The revival stagnated in Q4 when the economic situation began to impact travel generally and Swedish leisure traffic in particular. By the end of 2022, approximately nine out of ten passages from 2019 had returned, which meant that road traffic in 2022 had increased by 40 per cent compared to 2021 but was still 9.7 per cent lower than in 2019 and the pre-pandemic level.

In 2022, interest expenses were DKK 257 million higher than last year, which is primarily due to the impact of high inflation on the portion of the net debt that is exposed to inflation indexation.

The result for the year before fair value adjustments and tax is a loss of DKK 372 million, including the share of profits in Øresundsbro Konsortiet I/S.

Fair value adjustments amount to gains of DKK 2,407 million in 2022 against gains of DKK 231 million in 2021. Fair value adjustments are an accounting item with no impact on the repayment period for the company's debt as the debt is settled at nominal value.

The impact of value adjustments on financial results

(DKK million)	Compre-hensive income statement 2022	Fair value adjustments	Profit/loss ex. fair value adjustments 2022	Profit/loss ex. fair value adjustments 2021
Operating loss (EBIT)	-311		-311	-261
Financial items excl. value adjustment	1,806	-2,407	-601	-266
Loss before share of jointly managed company	**1,495**		**-912**	**-527**
Profit/loss from jointly managed company	1,476	-935	541	438
Profit/loss before fair val. adjstmts. and tax			**-371**	**-89**
Fair value adjustment		3,342	3,342	377
Profit/loss before tax	**2,971**		**2,971**	**288**
Tax	-658		-658	-66
Profit/loss	**2,313**		**2,313**	**222**

Financial items including fair value adjustment constitute a value of DKK 1,806 million against gains of DKK 35 million in 2021.

The result before tax shows a profit of DKK 2,971 million against a profit of DKK 288 million in 2021.

Tax on the annual profit amounts to an expense of DKK 658 million.

The result after tax is a profit of DKK 2,313 million against a profit of DKK 222 million in 2021.

In the interim financial statements for Q3, the outlook for A/S Øresund's annual results before financial value adjustments and tax was for a loss in the order of DKK 385-485 million. The realised result before fair value adjustments and tax is a loss of DKK 371 million and is thus better than projected.

Equity as at 31 December 2022 was negative at DKK 4,179 million. The company's equity is expected to remain negative for a considerable number of years. On the basis of the estimated operating results for the company and Øresundsbro Konsortiet I/S, equity is expected to be restored within 15 years, calculated from the end of 2022. Future operating results are estimated on the basis of the Ministry of Transport's fixed fee from Banedanmark for use of the rail link and the traffic forecast for the Øresund Bridge where the operating results are recognised at 50 per cent corresponding to the ownership share.

The free cash flow is negative at DKK 400 million and arises on the basis of operations less capital investments and expresses the company's ability to generate liquidity for financing interest and repayments on the company's liabilities. The negative free cash flow is primarily due to the fact that Øresundsbro Konsortiet I/S has suspended dividend payments due to the pending state aid matter. The negative free cash flow is financed through increased borrowing.

A/S Øresund's cash at bank and in hand amounted to DKK 0 at the end of 2022.

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

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

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

New Kastrup Airport Station has been granted funding from the EU of up to approx. EUR 4 million for design and planning until the project is put up for tender. The project is also included in the Finance Act with a government subsidy of DKK 511.9 million (2022 prices) and a construction reserve of DKK 93.1 million.

Finance

Rising inflation was the overriding main theme in the financial markets in 2022. This had a direct impact on interest expenses as inflation-indexed debt is part of the debt portfolio.

The interest-bearing net debt increased by DKK 797 million and totalled DKK 12,313 million at the end of 2022.

Financial strategy

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

Throughout 2022, A/S Øresund took up on-lending from the Danish state exclusively. Such on-lending continues to remain very attractive compared to alternative funding sources.

A/S Øresund's cautious strategy as regards credit risk meant that the company did not lose money on the failures of financial counterparties in 2022.

Interest expenses rose significantly in 2022 compared to 2021. This is attributable almost exclusively to the impact of high inflation on the portion of the net debt that is exposed to inflation indexation.

The duration of the nominal debt in 2022 fell from 8.2 years to 7.1 years for A/S Øresund.

A/S Øresund – financial ratios 2022	**DKK million**	**Per cent p.a.**
Borrowing 2022	1,998	
- of which onlending	1,998	
Gross debt (fair value)	12,563	
Net debt (fair value)	11,447	
Interest-bearing net debt	12,313	
Real interest rate		-2.5
Net financing expenses [1]	584	4.96
Value adjustment	-2,407	-20.43
Total financing expenses[2]	**-1,823**	**-15.47**

[1] Note: Net financing expenses relating to active financial management. The amount is therefore different from the company's total net financing expenses

[2] Note: The amount excludes the guarantee commission, which totals DKK 16.6 million.

Outlook for 2023

The outlook for the result for 2023, based on the budget adopted in November 2022, constitutes a loss before fair value adjustments and tax in the order of DKK 115-215 million.

The greatest uncertainty will continue to be linked to inflation. An increase of 1 percentage point will therefore impact the financing expenses and thus also the result by approximately DKK 50 million.

Continued high inflation will have an effect on the year's operating expenses in line with other developments in society. An increase of 1 percentage point will impact the result by approximately DKK 5 million, while continued high inflation will particularly affect the size of the year's investments due to price increases on raw materials in general and steel and energy in particular.

Corporate Social Responsibility

Statutory statement of Corporate Social Responsibility c.f. Sections 99a and 107b 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 and corporate governance, please refer to the parent company's Management Report 2022 under Corporate Governance.

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

As regards senior management, there is equal gender representation, which is why the company has not drawn up and accounted for a target figure. As the company has no employees, no policy for increasing the underrepresented gender at other levels of management has been put in place. Reference is also made to the parent company's group management report 2022 in the section "Diversity".

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 2022 under Data Ethics.

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

Øresundsbro Konsortiet I/S

Further details are available in Øresundsbro Konsortiet I/S' annual report or at *www.oresundsbron.com*

Øresundsbro Konsortiet I/S publishes an independent report on social responsibility and sustainable development which is available at*: www.oresundsbron.com/da/info/csr-politik?q=samfundsansvar*

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

Risk management and control environment

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

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

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

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

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

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

Long-term traffic development is a significant factor in the repayment period of the debt, c.f. notes 19 and 20, where the calculations and uncertainty factors are described. In addition to the general uncertainties that are inherent in such long-term forecasts, there is a special risk related to adjustment to prices introduced by the authorities.

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

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

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

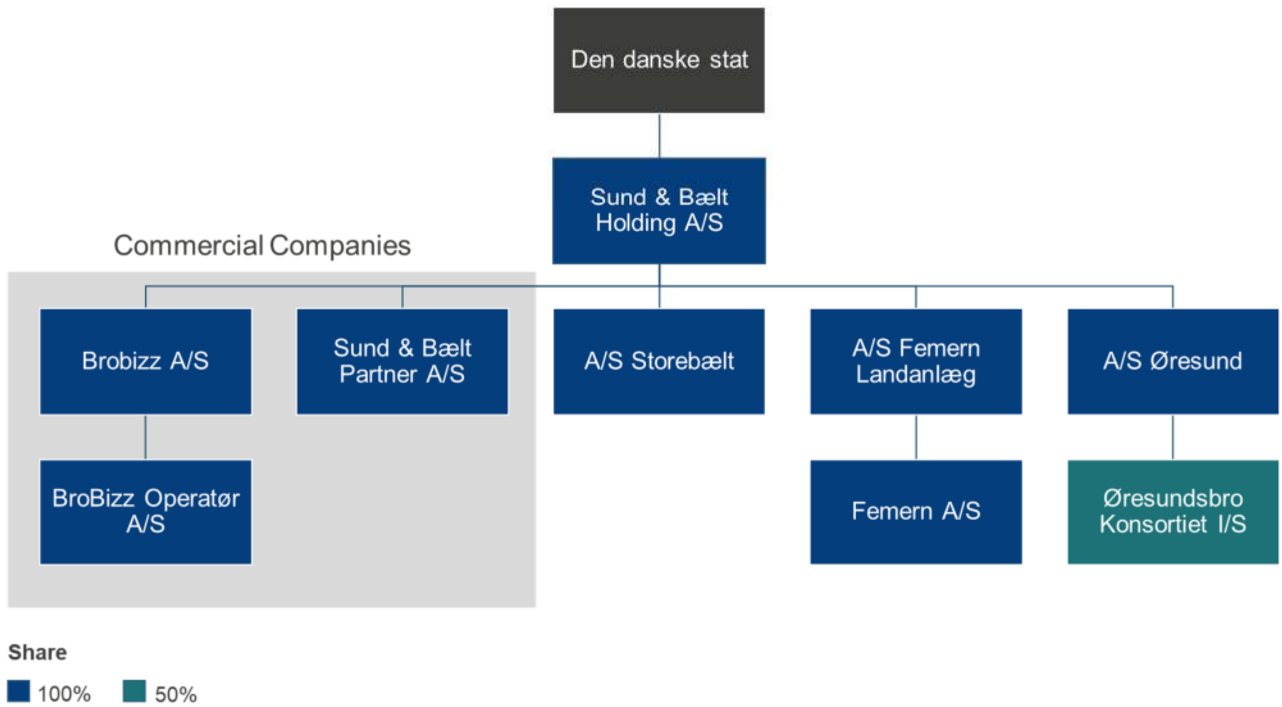
About A/S Øresund

Shareholder information

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

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

Group overview



Main activity

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

Board of Directors and Management Board

Board of Directors

Mikkel Hemmingsen
Chair

CEO of:
Sund & Bælt Holding A/S
Election period expires in 2024

Other offices held:
Chair of:
A/S Storebælt
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.

Signe Thustrup Kreiner

CFO of:
Sund & Bælt Holding A/S
Election period expires in 2024

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

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

Louise Friis
Vice-Chair

Chief Legal Officer
Election period expires in 2023

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

Areas of expertise
Substantial expertise in corporate law, drafting legislation and extensive experience with the legal aspects of transport and infrastructure.

Management Board

Signe Thustrup Kreiner
CEO

Financial statements

Comprehensive income statement 1 January – 31 December

(DKK million)

	Note	2022	2021
Net revenue			
Net revenue	4	10	14
Total net revenue		**10**	**14**
Expenses			
Other external expenses	5	-100	-85
Other operating income		2	1
Other operating expenses		-50	-13
Depreciation, amortisation and writedowns	7	-173	-178
Total expenses		**-321**	**-275**
Operating loss (EBIT)		**-311**	**-261**
Financial items	8		
Financial income		67	78
Financial expenses		-668	-344
Value adjustments, net		2,407	231
Total financial items		**1,806**	**-35**
Profit/loss before inclusion of share of results in jointly managed company and tax		**1,495**	**-296**
Share of results in jointly managed company		1,476	584
Profit before tax		**2,971**	**288**
Tax	9	-658	-66
Profit		**2,313**	**222**
Other comprehensive income		0	0
Tax on other comprehensive income		0	0
Comprehensive income		**2,313**	**222**

Balance sheet 31 December – Assets

(DKK million)

	Note	2022	2021
Non-current assets			
Property, plant and equipment			
Road facilities	10	1,180	1,151
Rail facilities	11	3,223	3,399
Lease assets	12	4	8
Total property, plant and equipment		**4,407**	**4,558**
Other non-current assets			
Participating interest in jointly managed company	13	3,603	2,128
Securities	18	635	75
Derivatives	18	522	490
Total other non-current assets		**4,760**	**2,693**
Total non-current assets		**9,167**	**7,251**
Current assets			
Receivables			
Receivables	14	95	7
Securities	18	481	821
Corporation tax	9	183	99
Prepayments and accrued income	15	469	434
Total receivables		**1,228**	**1,361**
Total current assets		**1,228**	**1,361**
Total assets		**10,395**	**8,612**

Balance sheet 31 December – Equity and liabilities

(DKK million)

	Note	2022	2021
Equity			
Share capital	16	5	5
Retained earnings		-4,179	-6,492
Total equity		**-4,174**	**-6,487**
Liabilities			
Non-current liabilities			
Deferred tax	17	953	111
Onlending from the Danish State	18	9,966	11,878
Bond debt	18	208	209
Lease liabilities	12	0	4
Derivatives	18	1,548	1,479
Total non-current liabilities		**12,675**	**13,681**
Current liabilities			
Onlending from the Danish State	18	1,684	1,210
Credit institutions	18	3	6
Lease liabilities	12	4	4
Trade and other payables	21	56	77
Derivatives	18	18	5
Accruals and deferred income	22	129	116
Total current liabilities		**1,894**	**1,418**
Total liabilities		**14,569**	**15,099**
Total equity and liabilities		**10,395**	**8,612**

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Statement of changes in equity 1 January – 31 December

(DKK million)

	Share capital	Retained earnings	Total
Balance at 1 January 2021	5	-6,714	-6,709
Profit for the year and comprehensive income	0	222	222
Balance at 31 December 2021	**5**	**-6,492**	**-6,487**
Balance at 1 January 2022	5	-6,492	-6,487
Profit for the year and comprehensive income	0	2,313	2,313
Balance at 31 December 2022	**5**	**-4,179**	**-4,174**

Cash flow statement 1 January – 31 December

(DKK million)

	Note	2022	2021
Cash flow from operating activities			
Operating loss (EBIT)		-311	-261
Adjustments			
Depreciation, amortisation and writedowns	7	173	178
Gains/loss on the disposal of property, plant & equipment		0	-1
Joint taxation contribution		65	99
Cash flow from operations (operating activities) before change in working capital		**-73**	**15**
Change in working capital			
Receivables and prepayments		-5	-44
Trade and other payables		22	22
Total cash flow from operating activities		**-56**	**-7**
Cash flow from investing activities			
Acquisition of tangible fixed assets		-117	-57
Purchase of securities		-227	-1
Total cash flow from investing activities		**-344**	**-58**
Free cash flow		**-400**	**-65**
Cash flow from financing activities			
Other non-current liabilities incurred		1,998	1,000
Redemption and repayment of non-current liabilities		-1,200	-650
Debt reduction with credit institutions		-3	-17
Interest income, received		0	1
Interest expenses, paid		-391	-292
Received government grants		0	15
Repayment of lease liabilities		-4	8
Total cash flow from financing activities	18	**400**	**65**
Change for the period in cash and cash equivalents		**0**	**0**
Opening cash and cash equivalents		0	0
Closing cash and cash equivalents		**0**	**0**

Notes

Note 1 Accounting policies

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

A/S Øresund's financial statements for 2022 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 forward, the comparative figures have not been restated.

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

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

Loans without associated derivative financial instruments are 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 fluctuations in the profit/loss for the year as a result of value adjustments.

Reporting under the ESEF Regulation
The EU Commission's Delegated Regulation 2019/815 on the Common Digital Reporting Format (ESEF Regulation) requires the use of a special digital reporting format for annual reports for listed companies. More precisely, the ESEF Regulation requires the preparation of the annual report in XHTML format. The annual report approved by management shall consist, in accordance with the requirements of the ESEF Regulation, of a zip file, file name Øresund_2022.zip, containing an XHTM file that can be opened with standard web browsers.

Implementation of new and amended accounting standards
The company implemented the standards and interpretations that come into force for 2022. None of these has affected recognition and measurement in 2022 or is expected to affect 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 expected to affect the Group's measurement and recognition.

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, debt 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 debt arose, or the rate recognised on the previous balance sheet date are recognised in the comprehensive income statement under financial items.

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

Segment information
IFRS requires disclosure of income, expenses, assets and liabilities by segment. A/S Øresund's assessment is that the company comprises one segment, as it constitutes one complete link. Internal reporting and financial control by senior management is effected on the basis of one overall segment.

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

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

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, amortisation of discounts/premiums, inflation indexation, gains and losses on loans and derivatives and foreign exchange translation for transactions in foreign currencies. 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 expenses for financing assets in progress are recognised in the cost price 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 management company for joint taxation and therefore settles all tax payments with the tax authorities.

Balances under 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 between 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 part attributable to entries 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, securities and other financial receivables are recognised at amortised cost.

Holdings and returns on treasury shares are offset 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 hedging, 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 determined as their market value based on discounting of known future and expected cash flows with the relevant discount rates, as there are typically no quotations available for unlisted bond issuers and bilateral loans. Discount rates are determined based on current market rates assessed to be available to the company as borrower.

The calculation of the fair value on on-lending from the state is based on observable market prices for the respective government bonds, with no restatement. No change in the fair value of on-lending to the state has been made as a result of changes in Sund & Bælt’s credit risk. This is due to the fact that Sund & Bælt has a guarantee from the Danish state, c.f. Act on Sund & Bælt.

On-lending was previously placed in level 1 fair value hierarchy. This has been changed to level 2 in that on-lending is a bilateral loan with the state. The comparative figures have been adjusted.

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

The fair value of loans with associated structured financial instruments is determined collectively 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 (closed form formula) where the volatility on reference rates and foreign exchange are included.

Loans with a contractual maturity of more than one year are included as long-term debt.

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 currency swaps, forward exchange contracts, 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 inflation-indexed loans, inflation swaps contain an add-on for inflation indexation. The projected inflation is recognised in the calculation of the fair value of the inflation swaps and is based on breakeven inflation from the so-called breakeven inflation swaps, where a fixed inflation payment is exchanged with realised inflation that is unknown at that time. Danish breakeven inflation is determined within a spread to e of European breakeven 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 currency options, interest rate guarantees and swaptions, fair value is determined on the basis of recognised and standardised valuation methods (closed form formulas) where the volatility of the underlying reference interest rates and 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 the individual financial instrument.

According to IFRS 13, financial assets and liabilities recognised at fair value shall be classified in a 3-layer hierarchy for the valuation method. 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.

Tangible fixed assets
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 facilities 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 the value of own work
- Net financing expenses are capitalised as construction loan interest

Significant future one-off replacements/maintenance works 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 facilities 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 railway facilities, these are divided into components with similar useful lives:

- The main sections of the facilities comprise structures designed for minimum useful lives of 100 years. The depreciation period for these 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
- Rail track is depreciated over 60 years. Types of track and railway engineering systems with shorter useful lives than rails are depreciated over 10-33 years.

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

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

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

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

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

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

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

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

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

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

- Leased premises 5 years

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

Impairment of assets
Intangible, tangible 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 discount 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 20: Profitability.

Provision for losses is recognised in the comprehensive income statement.

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

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

Joint tax contributions owed and receivable are included 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 performed on the basis of the different 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 by elimination of the tax on future earnings or by set-off against 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.

Deferred tax is adjusted in respect of the eliminations of unrealised intra-group profits and losses.

Other 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 compiled 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 stated as the profit/loss for the year before financial items adjusted for non-cash result items, calculated corporation tax and changes in working capital. The working capital comprises the operations-related balance sheet items under current assets and current liabilities.

Cash flow from investing activities comprises the acquisition and disposal of tangible and financial assets.

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

Cash and cash equivalents comprise cash at bank and in hand and securities that, at the time of acquisition, have a maturity of three months or less and which can be converted into cash at bank and in hand and with only negligible risks to 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 facilities.

Note 2 Significant accounting estimates and judgements

Determining 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 that are material to the financial reporting are made by calculating the amortisation, depreciation and writedowns of the road and rail facilities and by calculating the fair value of certain financial assets and liabilities.

Depreciation of the road and rail facilities 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 projections for the long-term development in traffic patterns and other infrastructure. A change in the expected useful lives may have a significant impact on the results in the form of depreciation but has no impact on cash flows.

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

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

Determining the fair value of financial instruments is associated with estimates of the relevant discount factor for the company, volatility on the reference rate of interest and the currency for financial instruments with optionality in the cash flows as well as estimates of future inflation developments for inflation-indexed loans and swaps. Estimates for determining fair values and depreciation requirements are, as far as possible, based on observable market data and assessed on an ongoing basis with current price indications, 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 trimmed net financing expenses, which are based on the expected future earnings of the company and the expected lifetime of the assets. The estimate made is as far as possible based on observable market data and assessed on an ongoing basis with inflation development and current price indicators, c.f. Note 17. Deferred tax.

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

Note 3 Segment information

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

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

The company's entire revenue is generated in Denmark.

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

Note 4 Net revenue

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

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

Specification of net revenue	**2022**	**2021**
Net revenue, railway	10	14
Total net revenue	**10**	**14**

Note 5 Other external expenses

Other operating expenses comprise expenses relating to the technical, traffic-related and commercial operations of the link. This includes, for instance, expenses for the operation and maintenance of technical systems, insurance, rent of premises, external services, financial management and fees to the parent company of DKK 35 million (2021: DKK 34 million).

Fees to auditors appointed by Annual General Meeting:	**Deloitte**	**Deloitte**
DKK 1,000	**2022**	**2021**
Statutory audit	89	90
Other assurance statements	116	55
Tax advice	0	183
Other services	282	18
Audit fees, total	**487**	**346**
Recognised under property, plant and equipment	-245	0
Audit fees in respect of the comprehensive income statement	**242**	**346**

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

Note 6 Staff expenses

The company has no employees.

The Management Board and the Board of Directors receive fees from Sund & Bælt Holding A/S, which are paid via the administration contribution. The Management Board's share totals DKK 0.5 million (DKK 0.3 million in 2021).

Note 7 Depreciation, amortisation and writedowns

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

	2022	2021
Depreciation		
Tangible fixed assets - road facilities	28	31
Tangible fixed assets - rail facilities	140	142
Tangible fixed assets - leasing	4	1
Total depreciation	**172**	**174**
Writedowns:		
Tangible fixed assets - rail facilities	1	4
Total writedowns	**1**	**4**
Total depreciation and writedowns	**173**	**178**
Profit/loss from sale of assets:		
Gains/loss on the disposal of property, plant & equipment	-1	-1
Profit/loss from sale of assets Total	**-1**	**-1**

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 other cost 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.

	2022	2021
Financial income		
Interest income, securities, banks etc.	0	1
Interest income, financial instruments	67	77
Total financial income	**67**	**78**
Financial expenses		
Interest expenses, loans	-172	-167
Interest expenses, financial instruments	-492	-170
Other financial items, net	-4	-7
Total financial expenses	**-668**	**-344**
Net financing expenses	**-601**	**-266**
Value adjustments, net		
- Securities	-2	0
- Loans	2,057	445
- Currency and interest rate swaps	352	-214
Value adjustments, net	**2,407**	**231**
Total financial items	**1,806**	**-35**
Of which financial instruments	-73	-307

Commission to the Danish State of DKK 17 million (2021: DKK 18 million) is recognised in interest expenses.

Net financing expenses were DKK 335 million higher in 2022 compared to 2021. This is due almost exclusively to the impact of high inflation on the part of the debt exposed to inflation indexation.

Note 9 Tax

	2022	2021
Current tax	183	99
Change in deferred tax	-842	-165
Adjustment current tax, previous years	1	-2
Adjustment deferred tax, previous years	0	2
Total tax	**-658**	**-66**
Tax on the year's results is specified as follows:		
Computed 22 per cent tax on annual results	-653	-63
Other adjustments	-5	-3
Total	**-658**	**-66**
Effective tax rate	22.1	23.0

Note 10 Road facilities

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

During the construction period, the value of the road facilities 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 2022	Total 2021
Cost opening balance	1,503	14	165	15	1,697	1,687
Additions for the year	0	0	0	57	57	10
Transfers for the year	2	0	0	-2	0	0
Cost closing balance	**1,505**	**14**	**165**	**70**	**1,754**	**1,697**
Depreciation, amortisation and writedowns, opening balance	503	3	40	0	546	515
Depreciation, amortisation and writedowns for the year	26	0	2	0	28	31
Depreciation, amortisation and writedowns, closing balance	**529**	**3**	**42**	**0**	**574**	**546**
Net book value	**976**	**11**	**123**	**70**	**1,180**	**1,151**

Note 11 Rail facilities

The rail facilities are 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 facilities are ready for use. The facilities are subsequently measured at cost less depreciation, amortisation and writedowns applied.

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

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

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

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

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

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 2022	Total 2021
Cost opening balance	4,974	0	487	87	5,548	5,518
Additions for the year	0	0	0	60	60	47
Received government grants	0	0	0	-96	-96	-9
Disposals for the year	-10	0	0	0	-10	-8
Transfers for the year	23	0	0	-23	0	0
Cost closing balance	**4,987**	**0**	**487**	**28**	**5,502**	**5,548**
Depreciation, amortisation and writedowns, opening balance	1,956	0	193	0	2,149	2,012
Depreciation, amortisation and writedowns for the year	127	0	13	0	140	142
Depreciation on assets disposed of	-10	0	0	0	-10	-5
Depreciation, amortisation and writedowns, closing balance	**2,073**	**0**	**206**	**0**	**2,279**	**2,149**
Net book value	**2,914**	**0**	**281**	**28**	**3,223**	**3,399**

A/S Øresund receives public subsidies to cover costs. The subsidy is offset in projects in progress. In 2022, DKK 13 million was offset in respect of EU subsidies and DKK 83 million in other public funding for the construction of New Kastrup Airport Station.

Note 12 Leases

	2022	2021
Cost opening balance	9	0
Additions for the year	0	9
Cost closing balance	**9**	**9**
Depreciation, amortisation and writedowns, opening balance	1	0
Depreciation, amortisation and writedowns for the year	4	1
Depreciation, amortisation and writedowns, closing balance	**5**	**1**
Net book value	**4**	**8**

Lease liabilities

Maturity of lease liabilities

Under 1 year	4	4
Between 1 to 3 years	0	4
Total undiscounted lease liabilities, closing balance	**4**	**8**

Lease liabilities included in balance sheet

Included in current liabilities	4	4
Included in non-current liabilities	0	4
Total	**4**	**8**

Note 13 Participating interest in jointly managed company

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

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

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

	2022	2021
Value of participating interest, opening	2,128	1,544
Share of profit for the year	1,476	584
Participating interest, closing	**3,604**	**2,128**
Carried forward to provisions, opening	0	0
Carried forward to provisions, closing	**0**	**0**
Value of participating interest, closing	**3,604**	**2,128**

Key figures from jointly managed company		
Operating income	2,095	1,616
Operating expenses	-271	-266
Depreciation	-281	-272
Financial items	-460	-202
Value adjustment	1,869	292
Profit/loss for the year and comprehensive income	2,952	1,168
Current assets	3,579	1,450
- Of which cash and cash equivalents	269	111
Non-current assets	14,293	15,075
Equity	7,206	4,255
Current liabilities	4,006	1,259
- Of which current financial liabilities	3,706	1,214
Non-current liabilitites	6,660	11,012
- Of which non-current financial liabilities	6,660	11,012
Contingent liabilities	98	117

Note 14 Receivables

Trade receivables comprise amounts owed by customers. Provision is made for losses where an individual receivable or a portfolio of receivables are considered to be impaired. Historically, there have been no losses on accounts receivable. As no losses are expected, no provision for losses has been made.

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

	2022	2021
Trade receivables and services	0	1
EU subsidy receivable	7	0
Receivables from other public grants	83	0
Other receivables	5	6
Total receivables	**95**	**7**

Note 15 Prepayments and accrued income

Prepayments and accrued income comprise accrued interest and financial instruments.

	2022	2021
Accrued interest, financial instruments	469	434
Total prepayments and accrued income	**469**	**434**

Note 16 Equity

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

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

The share capital has remained unchanged since 1992.

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

On the basis of the estimated operating results for the company and for Øresundsbro Konsortiet I/S, equity is expected to be restored within a time frame of 15 years, calculated from end 2022. For further details, please refer to the section, Development in activities and economic factors.

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

Note 17 Deferred tax

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

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

	2022	2021
Balance, opening	-111	51
Deferred tax for the year	-842	-165
Adjustment deferred tax, previous years	0	2
Other adjustments	0	1
Balance, closing	**-953**	**-111**
Deferred tax relates to:		
Intang. fixed assets & tangible fixed assets	-162	-155
Tangible fixed assets, Øresundsbro Konsortiet I/S	-429	-367
Unrealized rate adjustments	-454	0
Provisions	-4	0
Reduced net financing expenses	0	216
Tax loss	96	195
Total	**-953**	**-111**

Difference during the year:	**Opening 2021**	**Adjstmts. for the year 2021**	**Closing 2021**	**Adjstmts. for the year 2022**	**Closing 2022**
Intang. fixed assets & tangible fixed assets	-143	-12	-155	-7	-162
Tangible fixed assets, Øresundsbro Konsortiet I/S	-317	-50	-367	-62	-429
Unrealized rate adjustments	0	0	0	-454	-454
Provisions	0	0	0	-4	-4
Reduced net financing expenses	296	-80	216	-216	0
Tax loss	215	-20	195	-99	96
Total	**51**	**-162**	**-111**	**-842**	**-953**

Note 18 Net debt

Fair value hierarchy	Level 1	Level 2	Level 3	Total 2022	Level 1	Level 2	Level 3	Total 2021
Securities	1,116	0	0	1,116	896	0	0	896
Derivatives, assets	0	522	0	522	0	490	0	490
Financial assets	**1,116**	**522**	**0**	**1,638**	**896**	**490**	**0**	**1,386**
Onlending from the Danish State	0	-11,650	0	-11,650	0	-13,088	0	-13,088
Bond debt	0	-208	0	-208	0	-209	0	-209
Derivatives, liabilities	0	-1,566	0	-1,566	0	-1,484	0	-1,484
Financial liabilities	**0**	**-13,424**	**0**	**-13,424**	**0**	**-14,781**	**0**	**-14,781**

Net debt spread across currencies	EUR	DKK	Other cur-rencies	Total 2022	EUR	DKK	Other cur-rencies	Total 2021
Credit institutions	13	-16	0	-3	18	-24	0	-6
Securities	1,116	0	0	1,116	896	0	0	896
Onlending from the Danish State	0	-11,650	0	-11,650	0	-13,088	0	-13,088
Bond debt	-208	0	0	-208	-209	0	0	-209
Currency and interest rate swaps	-1,587	543	0	-1,044	-2,622	1,628	0	-994
Accrued interest	-86	428	0	342	-66	393	0	327
Total net debt (fair value)	**-752**	**-10,695**	**0**	**-11,447**	**-1,984**	**-11,091**	**0**	**-13,074**

	Deriva-tives assets	Deriva-tives liabilities	Total 2022	Deriva-tives assets	Deriva-tives liabilities	Total 2021
Interest rate swaps	424	-1,566	-1,142	194	-1,484	-1,290
Currency swaps	98	0	98	296	0	296
Gross value derivatives	**522**	**-1,566**	**-1,044**	**490**	**-1,484**	**-994**
Accrued interest, financial instruments	469	-90	379	434	-70	364
Offsetting cf. IAS32	0	0	0	0	0	0
Gross value	**991**	**-1,656**	**-665**	**924**	**-1,554**	**-630**
Offsetting options by default [1])	-158	158	0	-315	315	0
Collateral	-368	966	598	-545	780	235
Net value, total	**465**	**-532**	**-67**	**64**	**-459**	**-395**

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

Accrued interest	Assets	Liabili-ties	Total 2022	Assets	Liabili-ties	Total 2021
Payables	0	-37	-37	0	-37	-37
Interest rate swaps	458	-90	368	419	-70	349
Currency swaps	11	0	11	15	0	15
Total	**469**	**-127**	**342**	**434**	**-107**	**327**

Net debt is DKK 11,711 million (2021: DKK 10,758 million) stated in nominal notional amounts, and there is thus an accumulated difference of DKK 264 million (2021: DKK 2,317 million) in relation to the net debt at fair value, where the fair value reflects the value on the balance sheet date, while the nominal value is the contractual liability at maturity.

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

Interest-bearing net debt	**2022**	**2021**
Repayment period - number of years	48	47
Interest-bearing net debt - DKK billion	12.3	11.5
Repayment of debt	2046	2045
Financing expenses excl. value adjustment - per cent per annum	4.96	2.22
Financing expenses incl. value adjustment - per cent per annum	-15.47	0.17

Reconciliation of differences in financial liabilities	**Payables**	**Derivatives**	**Total**
Opening 2022	-13,297	-993	-14,290
Cash flow	-468	42	-426
Paid interest - reversed	-271	-96	-367
Amortisation	117	-65	52
Inflation indexation	0	-280	-280
Exchange rate adjustment	0	0	0
Fair value adjustment	2,061	348	2,409
Closing 2022	**-11,858**	**-1,044**	**-12,902**

Reconciliation of cash flow	**2022**
Cash flow	-426
Debt reduction with credit institutions	3
Repayment of lease liabilities	4
Guarantee commission	17
Other financial items, net	2
Cash flow from financing activities	**-400**

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

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

Note 19 Financial risk management

Financing

A/S Øresund'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 the company's funding in 2022 as well as the key financial risks.

Funding

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

However, borrowing must adhere to certain criteria in part because of the demands from the guarantor and in part 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.

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

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

In 2022, funding requirements were mainly covered by on-lending from the state, which was a particularly attractive source of funding.

The company raised on-lending for DKK 2.0 billion in 2022.

The extent of A/S Øresund's borrowing in an individual year is largely determined by the repayments due on loans contracted earlier (refinancing) as well as the liquidity impact from operations. In 2023, the refinancing will amount to around DKK 1.7 billion and the expected net borrowing requirement will be around DKK 2.0 billion. This 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 infrastructure facilities and associated with financial management activities.

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 portion 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 stated at fair value.

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

A/S Øresund's currency exposure at fair value in 2022 and 2021 (DKK million)

Currency	Fair value 2022	Currency	Fair value 2021
DKK	-10,696	DKK	-11,091
EUR	-751	EUR	-1,983
Other currency	0	Other currency	0
Total 2022	**-11,447**	**Total 2021**	**-13,074**

Foreign exchange sensitivity for the company amounted to DKK 3 million in 2022 (DKK 6 million in 2021) calculated as Value-at-Risk.

Value-at-Risk for foreign exchange risk sensitivity expresses the maximum loss resulting from unfavourable exchange rate developments within a one-year horizon, with a 95 per cent probability. Value-at-Risk is calculated based on 1-year's history of volatility and correlations in the currencies to which the company is exposed.

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

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

For A/S Øresund, the following framework for 2022 was applied in the interest rate risk management:
- Interest rate refixing risk may not exceed 30 per cent of the net debt
- Duration target on net debt is 8.0 years (variation limit: 7.0-9.0 years)
- Limits for interest rate exposure with fluctuation bands.

The distribution of debt between fixed and floating rate nominal debt and inflation-indexed debt, in conjunction with the maturity profile (maturity on the fixed rate debt) and the currency distribution, determines the uncertainty of 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 inflation-indexed debt where financing expenses comprise a fixed real interest rate plus inflation 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 railway revenue are normally indexed. Inflation-indexed debt, therefore, represents a 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 specific expectations for short-term interest rate developments and an isolated balancing of financing expenses and interest rate refixing risk on the nominal debt.

For A/S Øresund, the target for the duration of the nominal debt was 8.0 years in 2022, and the actual duration was between 7.1 years to 8.5 years.

The company is exposed to interest rates in DKK and EUR, and here interest rates on the long-term maturities increased by around 2-2.5 percentage points overall over the year. Interest rate developments in 2022 produced an unrealised fair value gain of DKK 2,407 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 inflation-indexed debt, including, primarily, interest rate and currency swaps.

Yield exposure stated in nominal notional amounts, 2022 (DKK million)

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Securities	0	0	0	0	0	0	0	0
Bond loans and debt	-1,923	-2,562	-800	0	-1,460	-5,500	-12,245	-11,896
Interest rate and currency swaps	-1,475	743	1,358	0	1,460	-2,663	-577	-665
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	480	632	0	0	0	0	1,112	1,113
Net debt	**-2,918**	**-1,187**	**558**	**0**	**0**	**-8,163**	**-11,710**	**-11,448**
Of this, real rate instruments								
Real rate debt	0	0	0	0	0	0	0	0
Real rate swaps	0	-1,413	0	0	0	-3,526	-4,939	-5,078
Real rate instruments total	**0**	**-1,413**	**0**	**0**	**0**	**-3,526**	**-4,939**	**-5,078**

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	-3,093	-3,008	-1,690	-372
Of this, real rate instruments	-2,141	-794	-592	0

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

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

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

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

Interest rate allocation

2022	Interest rate allocation in per cent	2021
24.9	Floating rate	31.5
32.9	Fixed rate	25.2
42.2	Real rate	43.3
100.0	**Total**	**100.0**

As regards inflation-indexed 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 stated at DKK 30 million and DKK 50 million respectively and the impact is symmetrical for a rise and fall, respectively.

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

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

2022 Duration (years)	BPV	Fair value		2021 Duration (years)	BPV	Fair value
7.1	4.6	-6,369	Nominal debt	8.2	6.0	-7,245
7.3	3.7	-5,078	Real rate debt	9.0	5.2	-5,829
7.2	8.3	-11,447	Net debt	8.5	11.2	-13,074

The fair value adjustment's sensitivity to an interest rate change of 1 percentage point can be measured at a fair value loss of DKK 909 million (2021: DKK 1,235 million) with an interest rate fall and a fair value gain of DKK 800 million (2021: 1,070 million) with an interest rate rise.

The sensitivity calculations are based on the net debt at the balance sheet date. The impact is similar in the financial result and balance sheet due to 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 surplus liquidity, receivables from derivative transactions and trade receivables.

The credit policy for the investment of surplus 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 counterpart, and it is explicitly set out that netting of positive and negative balances will apply.

The credit risk from financial counterparties is controlled and monitored on a daily basis through a specific line and limit system which has been approved by the Board of Directors in the company's financial policy and defines the principles for calculating such risks and limits for acceptable credit exposures. The allocation of limits for acceptable credit exposures is determined on the basis of the counterpart'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. Financial counterparties must adhere to high standards for credit quality and agreements are only entered into with counterparties that have a long-term rating above A3/A-. The rating requirement can be eased to BBB/Baa2, provided that the counterparty is resident in a country with an AA/Aa2 rating and that a number of strict collateral requirements are met.

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

The credit exposure is effectively limited by low threshold values for unhedged receivables 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, 2022

Total counterparty exposure (market value) Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	1,093	0	0	0	1
AA	0	0	0	0	3
A	0	573	423	368	6
BBB	0	0	0	0	0
Total	**1,093**	**573**	**423**	**368**	**10**

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

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

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

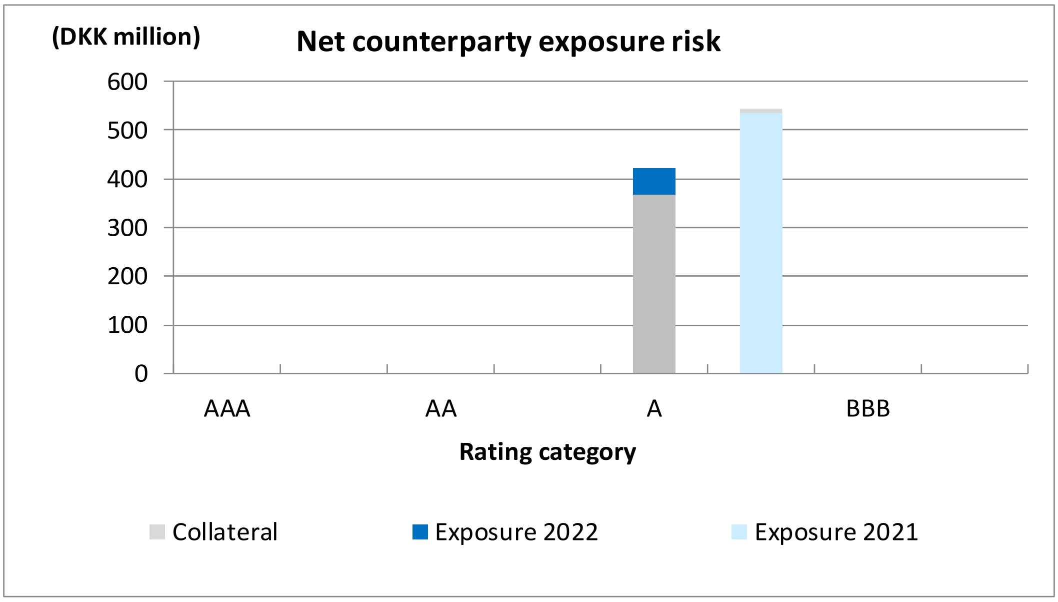
Credit exposure is primarily exposed to the A rating category and is largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 423 million and collateral amounts to DKK 368 million. There is no exposure to counterparties without collateral agreements.

A/S Øresund has pledged collateral for DKK 966 million to hedge outstanding exposure from derivative transactions in favour of six 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 2022 and 2021



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 requirement 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), 2022

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,700	-2,562	-800	0	-1,460	-5,723	-12,245
Derivatives liabilities	0	-1,413	0	0	0	-577	-1,990
Derivatives receivables	0	1,412	0	0	0	0	1,412
Assets	483	632	0	0	0	0	1,115
Total	**-1,217**	**-1,931**	**-800**	**0**	**-1,460**	**-6,300**	**-11,708**
Interest payments							
Debt	-275	-250	-105	-90	-90	-911	-1,721
Derivatives liabilities	-298	-212	-112	-95	-101	-396	-1,214
Derivatives receivables	106	130	38	33	33	666	1,006
Assets	0	0	0	0	0	0	0
Total	**-467**	**-332**	**-179**	**-152**	**-158**	**-641**	**-1,929**

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

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

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 20 Profitability

The investment in the Øresund fixed link's landworks will be repaid in part through payment from Banedanmark for use of the Øresund railway line and in part through dividend payments from Øresundsbro Konsortiet I/S which is 50 per cent owned by A/S Øresund. In the long-term profitability calculation, the repayment date is calculated on the basis of the Ministry of Finance's long-term interest rate estimate for a 10-year government bond from August 2022 on the part of the debt that is not hedged while the part of the debt that is hedged is included at the agreed interest rate terms.

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

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

The repayment period for A/S Øresund is calculated at 48 years, which is an increase of one year compared to last year's accounts. This is primarily due to the effect of rising interest expenses and a technical suspension of the dividend payment for 2022, in that the matter of state aid has still to be settled.

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

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

Note 21 Trade and other payables

	2022	2021
Trade payables	21	14
Debt group enterprises - group companies	4	25
Debt, Øresundsbro Konsortiet I/S	4	13
Guarantee commission payable	17	18
Other payables	10	7
Total	**56**	**77**

Note 22 Accruals and deferred income

	2022	2021
Accrued interest, financial instruments	127	107
Other accruals	2	9
Accruals and deferred income, total	**129**	**116**

Note 23 Contractual obligations, contingent liabilities and collateral

A/S Øresund's contractual obligations comprise operation and maintenance contracts entered into with expiry dates up to 2025 at an overall balance of DKK 55 million (DKK 63 million in 2021). At year end, completed work under contracts amounted to DKK 61 million (DKK 21 million in 2021).

In 2013, the former HH Ferries *et al* lodged a complaint with the EU Commission claiming that the Danish/Swedish State guarantees for Øresundsbro Konsortiet I/S's loans etc. are illegal under the EU's State Aid rules. In October 2014, the EU Commission ruled that the guarantees are covered by the State Aid rules, and that they are in compliance with these rules. HH Ferries *et al* brought this before the European Court of Justice, which reached a decision on 19 September 2018. This resulted in an annulment of the EU Commission's decision from 2014. The judgement does not state whether or not the State Aid was illegal only that the Commission had committed several procedural errors. The EU Commission then launched a formal investigation procedure. A decision is still awaited. Øresundsbro Konsortiet I/S' view is that it cannot be excluded that this matter will result in some repayment of previously received support in the form of guarantees, etc. It is not possible to quantify this uncertainty.

A/S Øresund has entered into two-way collateral agreements (CSA agreements) with a number of financial counterparties and is required to pledge collateral in the form of government bonds for outstanding exposure from derivative contracts in the counterparties' favour. A/S Øresund has currently pledged collateral for DKK 966 million to hedge outstanding exposure from derivative transactions in favour of four counterparties.

A/S Øresund is part of a Danish joint taxation agreement with Sund & Bælt Holding A/S as the management company. A/S Øresund is jointly and severally liable with the other jointly taxed companies for corporation tax of DKK 401 million and for any liabilities to collect tax on interest, royalties and dividends for the jointly taxed companies.

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

Note 24 Related parties

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

Related party	Registered office	Affiliation	Transactions	Pricing
The Danish State	Copenhagen	100 per cent ownership via Sund & Bælt Holding A/S	On-lending	Based on a specific government bond with the same terms. Priced as that bond is traded in the market.
			Commission for onlending and guarantee for company's debt.	Determined by legislation. Accounts for 0.15 per cent of nominal debt.
Sund & Bælt Holding A/S	Copenhagen	100 per cent ownership of A/S Øresund	Management of operational tasks Joint taxation contribution	Market price
A/S Storebælt	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Maintenance tasks	Market price
Sund & Bælt Partner A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
A/S Femern Landanlæg	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Reinvoicing	Market price
Femern A/S	Copenhagen	Subsidiary of A/S Femern Landanlæg	Reinvoicing	Market price
Brobizz A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
BroBizz Operatør A/S	Copenhagen	Subsidiary of Brobizz A/S	-	-
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership of partnership via A/S Øresund	Purchase of services The Ministry of Transport's instructions of 17 Dec 2021	Market price
Banedanmark	Copenhagen	Owned by the Ministry of Transport	Payment for use of rail link Maintenance tasks	Determined by the Minister of Transport
Danish Road Directorate	Copenhagen	Owned by the the Ministry of Transport	Maintenance tasks	Market price

DKK 1,000 Related party	Description	Trans- actions 2022	Trans- actions 2021	Balance at 31 December 2022	Balance at 31 December 2021
The Danish State	On-lending (net cash flow)	468,488	69,938	11,650	13,088
	Guarantee commission	-16,524	-17,771	-17,178	-18,000
Sund & Bælt Holding A/S	Management of subsi-diary's operational tasks	-69,735	-41,307	-2,385	-19,153
	Joint taxation contribution	182,988	98,638	182,988	98,638
A/S Storebælt	Maintenance tasks	-243	-285	0	-379
Femern A/S	Reinvoicing	-1,012	-4,744	0	-5,930
A/S Femern Landanlæg	Reinvoicing	0	19	0	0
Øresundsbro Konsortiet I/S	Purchase of services	-273	-1,355	-25	-42
	The Ministry of Transport's instructions of 17 Dec 2021	-49,627	-12,674	-4,136	-12,674
Banedanmark	Payment for use of rail link	10,100	13,500	0	0
	Maintenance tasks	-1,207	-2,327	-89	-1,303
Danish Road Directorate	Maintenance tasks	-1,876	-1,510	-1,536	-669

Note 25 Events after the balance sheet date

No events of significance to the Annual Report 2022 have occurred after the balance sheet date.

Statements and Auditor's report

Management statement

The Board of Directors and Management Board have today considered and approved the annual report for the financial year 1 January - 31 December 2022 for A/S Øresund.

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

It is our view that the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2022, as well as the results of the company's activities and cash flow for the financial year 1 January - 31 December 2022.

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

It is our view that the Annual Report for A/S Øresund for the financial year 1 January - 31 December 2022 with file name Øresund_2022.zip has been prepared in accordance with the ESEF regulation.

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

Copenhagen, 28 March 2023

Management Board

Signe Thustrup Kreiner
CEO

Board of Directors

Mikkel Hemmingsen
Chair

Louise Friis
Vice-Chair

Signe Thustrup Kreiner

Independent auditor's report

To the shareholders of A/S Øresundsforbindelsen

Our opinion
We have audited the financial statements for A/S Øresundsforbindelsen for the financial year 1 January 2022 - 31 December 2022, 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 2022 and the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

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

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

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

We were first appointed auditor for A/S Øresundsforbindelsen on 17 April 2020 for the financial year 2020. We are reappointed annually by resolution of the Annual General Meeting for a total continuous term of 2 years up to and including the financial year 2022.

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 2022. 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 522 million as at 31 December 2022 (DKK 490 million as at 31 December 2021) and DKK 1,566 million as at 31 December 2022 (DKK 1,484 million as at 31 December 2021). 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.

• 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 18.	• Random checks of registered trades for underlying documentation. • Random comparison of fair values with market data from external party.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Declaration of compliance with the ESEF Regulation
As part of the audit of the financial statements for A/S Øresundsforbindelsen, we have performed actions with a view to expressing an opinion as to whether the annual report for the financial year 1 January - 31 December 2022, with file name Øresund_2022.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 2022, with file name Øresund_2022.zip has, in all material respects, been prepared in accordance with the ESEF regulation.

Copenhagen, 28 March 2023

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 96 35 56

Anders Oldau Gjelstrup	**Anders Houmann**
State-Authorised Public Accountant	State-Authorised Public Accountant
MNE-no. mme10777	MNE-no. mme46265