

Sund & Bælt
Interim report

Half year ended 30 June 2022

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Summary of 1st half year 2022

The Board of Directors has today approved the interim report for the first half year 2022 (1 January-30 June 2022) for Sund & Bælt Holding A/S. The auditors appointed by the Annual General Meeting have not conducted a review of the interim report.

Financial headlines

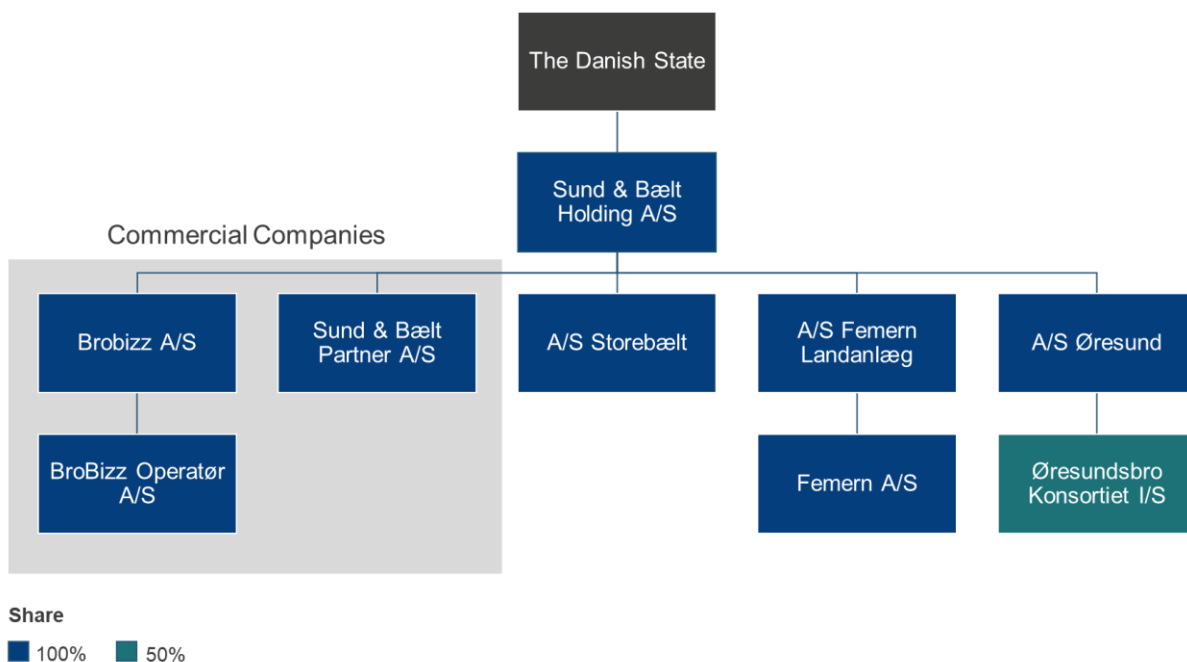
- Net revenue totals DKK 1,683 million and increased by DKK 197 million, corresponding to a rise of 13.3 per cent compared to the same period in 2021. Road traffic on Storebælt increased by 20.5 per cent compared to the same period in 2021 as passenger car traffic increased by 23.2 per cent and HGV traffic increased by 4.7 per cent.
- In the first six months of the year, other external expenses totalled DKK 189 million, which is DKK 26 million higher compared to the same period last year. Staff expenses totalled DKK 88 million and are on a par with the same period last year.
- EBIT increased by 15.9 per cent to DKK 1,006 million in the 1st half year 2022.
- Net financing expenses increased by DKK 410 million compared to the same period in 2021 and total DKK 651 million, which is primarily due to the impact of higher inflation on the part of the debt exposed to inflation indexation.
- Fair value adjustments amount to gains of DKK 14,594 million for the first six months of the year. For the same period in 2021, value adjustments amounted to gains of DKK 2,489 million. Fair value adjustments are an accounting item with no effect on the Group's debt repayment as the debt is repaid at nominal value.
- The share of the results from Øresundsbro Konsortiet I/S amounts to DKK 913 million for the 1st half year 2022 against DKK 343 million for the same period in 2021. In 2022, the results are positively affected by a rise in traffic revenue of DKK 136 million and higher positive value adjustments of financial items of DKK 495 million, but negatively affected by higher interest expenses of DKK 61 million.
- The result for the period after tax is a profit of DKK 12,372 million against a profit of DKK 2,696 million for the first half year 2021.
- Additions for the period for the road and rail facilities in progress total DKK 3,019 million. Work carried out on the Fehmarnbelt link amounts to DKK 2,928 million – DKK 331 million on the Danish landworks and DKK 2,597 million on the coast-to-coast link.
- Cash flow from operating and investing activities (free cash flow) resulted in a net increase in liquidity of DKK 1,075 million. Cash flow from financing activities resulted in a reduction in liquidity of DKK 1,171 million whereby cash at bank and in hand for the period was reduced by DKK 96 million.

Sund & Bælt Group and its companies

Shareholder information

Sund & Bælt Holding A/S is a limited company based in Denmark. Sund & Bælt Holding A/S is the parent company of the Sund & Bælt Group. The interim report for Sund & Bælt Holding A/S comprises the consolidated accounts for Sund & Bælt Holding A/S and its subsidiaries (the Group). The entire share capital of Sund & Bælt Holding A/S is owned by the Danish State.

Group overview



Main activity

The Sund & Bælt Group's primary task is to own and operate the fixed links across Storebælt and Øresund and to build, own and, in time, operate the fixed link across the Fehmarnbelt. With respect to the commissioned links, these responsibilities are carried out with a view to maintaining a high level of accessibility and safety. The construction of the Fehmarnbelt link is based on specific objectives for the economics of the project, its timing, sustainability, safety, quality and organisation. In addition, repayment of the loans raised to finance the links must take place within a reasonable time frame.

The Group also handles matters related to the charging of road tolls.

The Group comprises three commercial companies, Sund & Bælt Partner A/S, Brobizz A/S, and BroBizz Operatør A/S. Sund & Bælt Partner A/S provides consultancy services for client companies and operators. Brobizz A/S handles issuer and operator matters relating to infrastructure-related toll collection. The operations of BroBizz Operatør A/S ceased on 1 January 2022 as a result of the ending of toll charging on Crown Princess Mary's Bridge.

Key figures for the Group's companies

Sund & Bælt Holding A/S

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	-12	-43
Profit before val. adjstmts.	1,355	1,338
Road and rail links	0	0
Interest-bearing net debt	182	443
Equity	1,043	943
Balance sheet total	1,520	1,735

A/S Øresund

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	-153	-109
Loss before val. adjstmts.	-433	-227
Road and rail links	4,511	4,621
Interest-bearing net debt	11,756	11,245
Equity	-4,861	-6,283
Balance sheet total	9,692	8,667

A/S Femern Landanlæg

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	-5	-2
Profit before val. adjstmts.	119	107
Road and rail links	5,150	4,415
Interest-bearing net debt	4,906	4,189
Equity	1,118	44
Balance sheet total	16,030	9,572

Brobizz A/S

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	2	2
Profit before val. adjstmts.	2	2
Road and rail links	0	0
Interest-bearing net debt	0	0
Equity	124	124
Balance sheet total	541	605

Sund & Bælt Partner A/S

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	0	0
Profit before val. adjstmts.	0	0
Road and rail links	0	0
Interest-bearing net debt	0	0
Equity	11	12
Balance sheet total	12	13

A/S Storebælt

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	1,181	1,029
Profit before val. adjstmts.	818	906
Road and rail links	24,339	24,713
Interest-bearing net debt	18,410	19,086
Equity	4,416	3,385
Balance sheet total	27,695	27,927

Femern A/S

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	-1	-1
Loss before val. adjstmts.	-1	-1
Road and rail links	11,592	7,178
Interest-bearing net debt	11,610	6,683
Equity	7,680	580
Balance sheet total	15,483	13,701

BroBizz Operatør A/S

	2022	2021
Key figures, DKK million	1st half	1st half
EBIT	0	-1
Profit/loss before val. adjstmts	0	-1
Road and rail links	0	0
Interest-bearing net debt	0	0
Equity	9	8
Balance sheet total	14	14

Key figures and financial ratios for the Sund & Bælt Group

(DKK million)	2022 Q2	2021 Q2	2022 1st half	2021 1st half	2021 Full year
Net revenue, road	828	738	1,491	1,293	2,932
Net revenue, railway	77	77	152	154	304
Other net revenue	20	19	40	39	75
Other external expenses	-106	-89	-189	-163	-367
Other operating income	6	7	14	13	25
Depreciation, amortisation and write-downs	-192	-192	-389	-387	-779
Operating profit (EBIT)	574	516	1,006	868	2,031
Financial items excl. value adjustment	-445	-179	-651	-241	-565
Profit before val. adjustments	129	337	355	627	1,466
Value adjustments, net	8,626	9	14,594	2,489	656
Share of results in jointly managed company (Øresundsbro Konsortiet I/S*)	556	101	913	343	584
Profit for the period	7,262	346	12,372	2,696	2,055
Capital investment for the year, road and railway			3,019	1,908	4,958
Capital investment, road and railway, closing balance			44,774	40,382	42,610
Net debt (fair value)			37,081	44,737	48,638
Interest-bearing net debt			46,508	41,646	43,466
Equity			7,257	-3,210	-3,851
Balance sheet total			61,894	57,862	57,982
Cash flow from operating activities			2,898	1,465	2,588
Cash flow from investing activities			-1,823	69	-1,025
Cash flow from financing activities			-1,171	-103	-737
Total cash flow			-96	1,431	826

Financial ratios, per cent

Profit ratio (EBIT)	59.8	58.4	61.3
Rate of return (EBIT)	3.3	3.0	3.5
Return on facilities (EBIT)	4.5	4.3	4.8

NB. The financial ratios have been stated as referenced in Note 1 Accounting Policies.

*) The share of results from Øresundsbro Konsortiet I/S includes gains of DKK 678 million (DKK 183 million in 1st half year 2021) relating to value adjustments. The share of results excl. value adjustments amounts to a profit of DKK 235 million (DKK 160 million in 1st half year 2021).

Management report

Development in activities and financial situation

The Group's net revenue increased by DKK 197 million from DKK 1,486 million in the first half year 2021 to DKK 1,683 million in the first half year 2022.

In the first six months of the year, net revenue from the road link totalled DKK 1,491 million, which is a rise of 15.3 per cent, corresponding to DKK 198 million, compared to the same period last year. Overall, road traffic increased by 20.5 per cent in the 1st half year 2022 compared to the same period in 2021. Passenger car traffic increased by 23.2 per cent while lorry traffic increased by 4.7 per cent.

Net revenue from the railway and port facilities totals DKK 152 million in the first three months of the year, which is on a par with the same period last year.

Other external expenses total DKK 189 million and increased by DKK 26 million compared to the same period last year. The rise in expenses can be attributed to higher operating expenses as a result of bringing forward maintenance work on the Storebælt link and the Øresund landworks.

Staff expenses total DKK 88 million and are on a par with the same period last year.

Other operating expenses comprise compensation of DKK 25 million which A/S Øresund is obliged to settle with Øresundsbro Konsortiet I/S for lost fees from Banedanmark to Øresundsbro Konsortiet A/S. The compensation derives from a scaling down of railway payments under the Finance Act 2016 and is a consequence of the fee payment to Øresundsbro Konsortiet I/S being determined in accordance with a previously concluded government agreement with the Swedish state.

Depreciation, amortisation and writedowns amount to DKK 389 million and are on a par with the same period last year.

The impact of value adjustments on financial results

	Comprehensive income statement		Pro forma Comprehensive income statement	Pro forma Comprehensive income statement
	2022 1st half	Fair value adjustments	2022 1st half	2021 1st half
Operating profit (EBIT)	1,006		1,006	868
Financial items	13,943	-14,594	-651	-241
Profit before share of jointly managed company	14,949		355	627
Profit from jointly managed company	913	-678	235	160
Profit before fair val. adjstmnts. and tax			590	787
Fair value adjustment		15,272	15,272	2,672
Profit before tax	15,862		15,862	3,459
Tax	-3,490		-3,490	-763
Profit for the period	12,372		12,372	2,696

Net financing expenses, stated as financial items excluding fair value adjustments, total DKK 651 million and are DKK 410 million higher compared to the same period last year, which is primarily due to the impact of higher inflation on the part of the debt exposed to inflation indexation. Net financing expenses, excluding value adjustments total 3.89 per cent per year for A/S Storebælt (1.18 per cent per year in the first half year 2021) and for A/S Øresund 4.72 per cent per year (1.99 per cent per year for the first half year 2021).

The share of the result (50 per cent) from Øresundsbro Konsortiet I/S amounts to DKK 913 million, which includes positive fair value adjustments of DKK 678 million. The share of the result before fair value adjustments is thus positive at DKK 235 million and DKK 75 million higher compared to the same period last year. The share of the result is positively affected by a rise in traffic revenue of DKK 136 million and negatively affected by higher interest expenses of DKK 61 million.

In the first six months of the year, road traffic across the Øresund Bridge rose by 85.2 per cent compared to the same period in 2021. Passenger cars increased by 99.8 per cent while HGV traffic increased by 9.6 per cent. For the period as a whole, traffic is still 14.7 per cent lower compared to the same period in 2019.

The value adjustments of the Group's debt, including the share from Øresundsbro Konsortiet I/S, amount to gains of DKK 15,272 million. For the same period last year, value adjustments amounted to gains of DKK 2,672 million. The fair value adjustments are an accounting item with no impact on the company's debt repayment as the debt is repaid at nominal value.

The result before value adjustment and tax is a profit of DKK 590 million against a profit of DKK 787 million for the first half year 2021.

The result before tax is a profit of DKK 15,862 million against a profit of DKK 3,459 million for the same period in 2021. The improvement can primarily be attributed to value adjustments of financial items, which have positively impacted the result by approx. DKK 12,600 million.

Equity as at 30 June 2022 is positive at DKK 7,257 million against a capital shortfall of DKK 3,851 million as at 31 December 2021. Equity movements for the accounting period relate in part to the result for the first half year 2022 and in part to the dividend distribution of DKK 1,265 million to the state as adopted at the company's Annual General Meeting on 26 April 2022.

The Group's interest-bearing net debt totalled DKK 39.9 billion as at 30 June 2022.

Cash flow from operations is positive and totals DKK 2,898 million in the first six months of the year.

Cash flow from investing activities for the 1st half year 2022 is negative and amounts to DKK 1,823 million, primarily as a result of investments in tangible fixed assets.

The free cash flow arises on the basis of operations, less capital investments and is positive at DKK 1,075 million for the 1st half year 2022.

Financing activities include borrowings, repayments, interest and dividend, and were negative at DKK 1,171 million net for the 1st half year 2022.

In total, the Group's cash and cash equivalents reduced by DKK 96 million whereafter liquid assets amounted to DKK 1,285 million at the end of June 2022.

The repayment periods for the Group's companies' debt are unchanged and for A/S Storebælt amount to 36 years (2034), for A/S Øresund 47 years (2045), for Øresundsbro Konsortiet I/S 50 years (2050) and for Femern A/S and A/S Femern Landanlæg 28 and 8 years respectively from the time of opening.

The Group's financing model and commercial risks are unchanged in relation to the risks as set out in the 2021 Annual Report.

The Group's financial risks are largely unchanged in relation to the statement in the note to the 2021 Annual Report regarding financial risk management. At the end of June 2022, A/S Storebælt's floating rate debt amounted to 31.9 per cent, A/S Øresund 30.7 per cent and Øresundsbro Konsortiet I/S 36.6 per cent of the net debt. The part of the net debt revalued by an inflation index stands at 38.2 per cent for A/S Storebælt, 43.3 per cent for A/S Øresund and 41.9 per cent for Øresundsbro Konsortiet I/S.

In the first half year 2022, Femern A/S carried out construction work to the value of DKK 2,580 million added to which is DKK 150 million in financing expenses. Total project expenses for the period thus total DKK 2,730 million. The estimated EU subsidy for the period totals DKK 473 million and is offset against the capitalised project expenses, which hereafter amount to DKK 2,257 million net. The accumulated project expenses after offsetting the EU subsidy amount to DKK 11,592 million as at the end of June 2022. The guarantee commission is included in the project expenses. In the first half year 2022, DKK 121 million was included in the guarantee commission, which is settled with A/S Femern Landanlæg. The intra-group guarantee commission and the intra-group borrowing expenses are not included in the consolidated financial statements for Sund & Bælt Holding A/S, whereafter the capitalised project expenses amount to DKK 2,597 million for the first half year 2022.

Progress is being made across the main activities and work is in line with the project's overall schedule for the tunnel opening in 2029.

The tunnel element factory at Rødbyhavn is taking shape. In June, a topping out ceremony was held for the first of the main production halls. In the summer of 2022, the contractor, FLC, carried out the first important trial casing of part of a full-size tunnel element.

Work on dredging the 18 km trench for the future tunnel in the Fehmarnbelt is now more than halfway completed. The trench is expected to be fully dredged in 2023. The establishment of the large work harbour at Rødbyhavn is largely completed and the building of a new work harbour at Puttgarden is making good progress.

In May 2022, Femern A/S and the SICE-Cobra Consortium signed the contract for the tunnel's electrical and mechanical installations. The work under contract is expected to commence in 2023. A tender for a transformer station in Rødbyhavn is currently underway and final bids are expected to be received in Q3 2022.

In June 2022, the EU Commission announced that Femern A/S has been awarded a grant of EUR 540.5 million (DKK 4 billion) for the period 2022-2025 from the EU's Infrastructure Fund (CEFII). The award of the grant emphasises the importance of the project to Danish and European infrastructure.

There are two German appeals in progress, which are being heard at the Federal Administrative Court in Leipzig. The proceedings relate to compensation measures for handling protected stone reefs when dredging the tunnel trench and extending the size of the work areas in the Fehmarnbelt. In both cases, Femern A/S has been granted immediate permission to continue the work while the appeals are being dealt with. The Federal Administrative Court has stated that the final oral hearing in both cases is scheduled for 7 December 2022.

Femern A/S has established "Sustainability" as a fifth, independent management goal for the project.

As part of the sustainability work, former Prime Minister of Denmark Poul Nyrup Rasmussen has been appointed the project's apprentice protector.

In the first half year 2022, A/S Femern Landanlæg completed construction work to the value of DKK 245 million in addition to which is DKK 86 million in financing expenses. Total project expenses for the period amount to DKK 331 million. The estimated EU subsidy for the period amounts to DKK 45 million and is offset against the capitalised project expenses which hereafter amount to DKK 286 million. The accumulated project expenses after offsetting the EU subsidy hereafter amount to DKK 5,151 million net as at the end of June 2022. Construction work is on schedule.

In the first six months of the year, A/S Øresund completed construction work to the value of DKK 49 million. This primarily relates to the expansion of New Kastrup Airport Station and the Øresund line, which will ensure that the station and railway are prepared for the uplift in traffic when the Fehmarnbelt link opens. For the construction of New Kastrup Airport Station, the company has received a grant from the EU of almost EUR 4 million, which covers the period 2021-2023. Construction work also relates to the costs for the strategic environmental assessment of the establishment of a harbour tunnel along the Amager coast.

In the first six months of the year, A/S Storebælt completed construction work to the value DKK 49 million, which primarily relates to LED lighting and safety improvements on the Storebælt fixed link.

During Q2, Sund & Bælt implemented a new data-driven maintenance strategy for the Group's railway tracks. The deployment of new methods is expected to reduce annual maintenance costs and double the service life of the railway tracks. As a result, Sund & Bælt will carry out a reassessment of the accounting service life of the railway tracks. Changes in accounting estimates of service life are expected to reduce the Group's annual depreciation by DKK 10 million going forward.

In 2013, HH Ferries *et al* lodged a complaint with the EU Commission claiming that the Danish/Swedish state guarantees for Øresundsbro Konsortiet I/S' loans etc. are illegal according to 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. Former HH Ferries *et al* brought this before the European Court of Justice, which reached its decision on 19 September 2018. This resulted in an annulment of the EU Commission's decision from 2014. The judgement does not state whether State aid was illegal, only that the Commission had committed certain procedural errors. The Commission then launched a formal investigation procedure. However, a decision is still awaited. Øresundsbro Konsortiet I/S's view is that it cannot be excluded that this matter will lead to some repayment of previously received aid in the form of guarantees, etc. It is not possible to quantify this uncertainty.

An Extraordinary General Meeting was held on 25 August 2022 at which Claus Von Elling and Karen Hækkerup were elected as new members of the Board of Directors.

Events after the balance sheet date

No events have occurred after the close of the period that could affect the company's earnings and financial position.

Outlook for the year

The outlook for the results for 2022 has been adjusted downwards to a profit before fair value adjustments and tax within the range of DKK 1.5-1.65 billion. The adjustment has been made as a result of continuing inflation, which impacts the Group's financing expenses. The outlook for the whole year is based on annual inflation of 6.5 per cent. A change in the expected inflation of 0.5 percentage points will mean a change in the Group's interest expenses in the order of DKK 70 million.

Inflation and price pressure are expected to have limited impact on the year's operating expenses but will impact the extent of the year's investments as a result of price developments for raw materials in general and for steel and energy in particular. In the long run, the continued increase in price levels can be expected to be reflected in rising construction costs and user payments for the infrastructure.

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today discussed and approved the interim report for the period 1 January to 30 June 2022 for Sund & Bælt Holding A/S.

The interim report, which has not been audited by the Group's auditors, has been prepared in accordance with IAS 34, Presentation of Interim Reports, as approved by the EU and additional disclosure requirements for interim reports for companies with publicly traded debt instruments.

We are of the opinion that the interim report gives a true and fair view of the Group's assets, liabilities and financial position as at 30 June 2022 and the results of the Group's activities and cash flow for the period 1 January to 30 June 2022.

It is our view that the Management Report contains a true and fair view of developments in the Group's activities and financial position, the results for the period and the Group's financial position as a whole, and a description of the key risks and uncertainties facing the Group.

Copenhagen, 31 August 2022

Management Board

Mikkel Hemmingsen
CEO

Board of Directors

Michael Rasmussen
Chair

Jørn Tolstrup Rohde
Vice-Chair

Susanne Monferré

Claus Jensen

Erik Skotting

Lene Lange

Michael Hannibal

Claus Von Elling

Karen Hækkerup

Villads Engstrøm

Jens Villemoes

Klaus Benali Bendtsen

Financial statements

Comprehensive income statement 1 January - 30 June

(DKK million)		2022	2021	2022	2021
	Note	Q2	Q2	1st half	1st half
Net revenue					
Net revenue	2	925	833	1,683	1,486
Total net revenue		925	833	1,683	1,486
Expenses					
Other external expenses		-106	-89	-189	-163
Staff expenses		-47	-42	-88	-81
Other operating income		6	7	14	13
Other operating expenses		-12	0	-25	0
Depreciation, amortisation and write-downs		-192	-192	-389	-387
Total expenses		-351	-317	-677	-618
Operating profit (EBIT)		574	516	1,006	868
Financial items					
Financial income		20	21	40	41
Financial expenses		-465	-200	-691	-282
Value adjustments, net		8,626	9	14,594	2,489
Total financial items	3	8,181	-170	13,943	2,248
Profit before inclusion of share of results in jointly managed company and tax		8,755	346	14,949	3,116
Share of results in jointly managed company		556	101	913	343
Profit before tax		9,311	447	15,862	3,459
Tax		-2,049	-101	-3,490	-763
Profit for the period		7,262	346	12,372	2,696
Other comprehensive income		0	0	0	0
Tax on other comprehensive income		0	0	0	0
Comprehensive income		7,262	346	12,372	2,696

Balance sheet 30 June - Assets

(DKK million)		30 June 2022	31 Dec. 2021	30 June 2021
	Note			
Non-current assets				
Intangible assets				
Software		240	223	203
Total intangible assets		240	223	203
Property, plant and equipment				
Road link	4	20,164	18,645	17,972
Rail link	5	24,610	23,965	22,410
Port facilities		152	158	165
Land and buildings		74	77	81
Other fixtures and fittings, plant and equipment		60	67	70
Lease assets		31	41	51
Total property, plant and equipment		45,091	42,953	40,749
Financial assets				
Loan to contractor		38	83	129
Participating interest in jointly managed company		3,041	2,128	1,886
Securities	6	3,260	3,083	1,506
Derivatives	6	3,018	1,242	1,495
Total financial assets		9,357	6,536	5,016
Total non-current assets		54,688	49,712	45,968
Current assets				
Receivables				
Loan to contractor		91	91	91
Receivables		818	1,102	703
Securities	6	2,603	3,584	7,291
Derivatives	6	1	37	50
Prepayments and accrued income		2,408	2,075	1,773
Total receivables		5,921	6,889	9,908
Cash at bank and in hand		1,285	1,381	1,986
Total current assets		7,206	8,270	11,894
Total assets		61,894	57,982	57,862

Balance sheet 30 June - Equity and liabilities

(DKK million)			30 June 2022	31 Dec. 2021	30 June 2021
	Note				
Equity					
Share capital			355	355	355
Retained earnings			6,902	-4,206	-3,565
Total equity			7,257	-3,851	-3,210
Liabilities					
Non-current liabilities					
Provisions			6	7	0
Deferred tax			4,951	1,461	1,659
Bond loans and amounts owed to credit institutions	6		38,748	46,124	50,750
Lease liabilities			11	21	31
Derivatives	6		4,901	5,465	4,358
Total non-current liabilities			48,617	53,078	56,798
Current liabilities					
Current portion of non-current liabilities	6		3,908	6,850	2,187
Credit institutions	6		96	7	16
Lease liabilities			20	20	20
Corporation tax			88	88	22
Trade and other payables			1,244	1,370	1,277
Derivatives	6		0	4	55
Accruals and deferred income			664	416	697
Total current liabilities			6,020	8,755	4,274
Total liabilities			54,637	61,833	61,072
Total equity and liabilities			61,894	57,982	57,862

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Statement of changes in equity 1 January - 30 June

(DKK million)

	Share capital	Retained earnings	Total
Balance at 1 January 2021	355	-4,883	-4,528
Payment of extraordinary dividend	0	-1,378	-1,378
Profit for the year and comprehensive income	0	2,055	2,055
Balance at 31 December 2021	355	-4,206	-3,851
Balance at 1 January 2022	355	-4,206	-3,851
Payment of extraordinary dividend	0	-1,265	-1,265
Profit for the period and comprehensive income	0	12,373	12,373
Balance at 30 June 2022	355	6,902	7,257

Cash flow statement 1 January - 30 June

(DKK million)

	2022 1st half	2021 1st half
Cash flow from operating activities		
Operating profit (EBIT)	1,006	868
Adjustments		
Depreciation, amortisation and write-downs	389	387
Cash flow from operations (operating activities) before change in working capital	1,395	1,255
Change in working capital		
Receivables and prepayments	543	-277
Trade and other payables	960	487
Total cash flow from operating activities	2,898	1,465
Cash flow from investing activities		
Acquisition of intangible assets	-41	-24
Acquisition of tangible fixed assets	-3,022	-1,917
Non-current loans	45	45
Purchase of securities	-574	-45
Sale of securities	1,769	2,010
Total cash flow from investing activities	-1,823	69
Free cash flow	1,075	1,534
Cash flow from financing activities		
Raising of long term loans	2,425	5,252
Reduction of liabilities	-2,849	-4,081
Raising of loans at credit institutions	89	0
Debt reduction with credit institutions	0	-17
Interest income, received	22	24
Interest expenses, paid	-261	-364
Received EU subsidy	678	471
Repayment of lease liabilities	-10	-10
Paid dividend to shareholder	-1,265	-1,378
Total cash flow from financing activities	-1,171	-103
Change for the period in cash and cash equivalents	-96	1,431
Opening cash and cash equivalents	1,381	555
Closing cash and cash equivalents	1,285	1,986

Notes

Note 1 Accounting policies

The interim financial statements are presented in accordance with IAS 34, Presentation of Interim Reports, as approved by the EU and Danish disclosure requirements for listed companies. The financial section of the interim report complies with the provisions in IAS 34 for condensed interim financial statements.

The interim financial statements are presented in Danish kroner (DKK) which is the Group's functional currency.

The accounting policies applied in the interim financial statements are unchanged from the accounting policies applied in the 2021 financial statements. Reference should be made to the 2021 Annual Report for a further description of the accounting policies applied.

The financial ratios given in the main figures and financial ratios summary have been 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 the investment in the road and rail links.

Note 2 Net revenue

Revenue from the sale of services is recognised as the services are provided, and if the revenue can be estimated reliably and is expected to be received. Revenue is measured excl. VAT, taxes and discounts in connection with the sale. Net revenue includes revenue from the road and rail links and port fees for use of the port facilities.

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

Revenue from the rail link comprises payment from Banedanmark for the use of the rail facilities. The rail fee across Storebælt is based on actual traffic. Across Øresund, the rail fee is set by the Minister of Transport.

Other net revenue includes issuer fees, revenue from the sale of Bizzes, low emission zones and sale of financial management services, consultancy and fees for the development of traffic models.

Specification of net revenue	A/S Storebælt	A/S Øresund	Other companies	2022 1st half Total	2021 1st half Total
Net revenue, road	1,491	0	0	1,491	1,293
Net revenue, railway	147	5	0	152	154
Net revenue, ports	15	0	0	15	15
Other net revenue	0	0	25	25	24
Total net revenue	1,653	5	25	1,683	1,486

Note 3 Financial items

The Group 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 divided into value adjustments and net financing expenses.

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

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

	2022 1st half	2021 1st half
Financial income		
Interest income, securities, banks etc.	3	0
Interest income, financial instruments	37	41
Total financial income	40	41
Financial expenses		
Interest expenses, loans	-297	-154
Interest expenses, financial instruments	-385	-119
Other financial items, net	-9	-9
Total financial expenses	-691	-282
Net financing expenses	-651	-241
Value adjustments, net		
- Securities	-6,027	109
- Loans	17,865	1,789
- Currency and interest rate swaps	2,755	590
- Other value adjustments	1	1
Value adjustments, net	14,594	2,489
Total financial items	13,943	2,248
Of which financial instruments	2,407	512

Interest expenses include commission to the Danish State of DKK 38 million of which DKK 14 million is recognised under projects in progress (commission totalled DKK 37 million in the 1st half year 2021, of which DKK 13 million was recognised under projects in progress).

Note 4 Road links

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

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

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

All financing expenses, excluding financial value adjustments are capitalised in the companies that have projects in progress.

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 the construction of the road link in connection with the Fehmarnbelt fixed link.

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 30 June 2022	Total 31 Dec. 2021
Cost opening balance	14,480	996	4,564	4,367	24,407	22,706
Additions for the year	0	0	0	1,648	1,648	1,710
Disposals for the year	-1	0	0	0	-1	-9
Transfers for the year	31	0	0	-31	0	0
Cost, closing balance	14,510	996	4,564	5,984	26,054	24,407
Depreciation, amortisation and writedowns, opening balance	4,431	239	1,092	0	5,762	5,514
Depreciation, amortisation and writedowns for the year	101	5	23	0	129	257
Depreciation on assets disposed of	-1	0	0	0	-1	-9
Depreciation, amortisation and writedowns, closing balance	4,531	244	1,115	0	5,890	5,762
Net book value	9,979	752	3,449	5,984	20,164	18,645

In project in progress, financing expenses excluding financial value adjustments for the 1st half year are recognised at an expense of DKK 8 million in respect of Femern A/S (1st half year 2021: expense of DKK 19 million).

Note 4 Rail links

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

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

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

All financing expenses, excluding financial value adjustments are capitalised in the companies that have projects in progress.

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 the construction of the rail link in connection with the Fehmarnbelt fixed link.

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 30 June 2022	Total 31 Dec. 2021
Cost opening balance	17,391	567	5,521	9,375	32,854	30,436
Additions for the year	0	0	0	1,371	1,371	3,248
Received EU subsidy	0	0	0	-520	-520	-795
Disposals for the year	-6	0	0	0	-6	-35
Transfers for the year	18	0	0	-18	0	0
Cost, closing balance	17,403	567	5,521	10,208	33,699	32,854
Depreciation, amortisation and writedowns, opening balance	6,535	219	2,135	0	8,889	8,494
Depreciation, amortisation and writedowns for the year	163	4	39	0	206	424
Depreciation on assets disposed of	-6	0	0	0	-6	-29
Depreciation, amortisation and writedowns, closing balance	6,692	223	2,174	0	9,089	8,889
Net book value	10,711	344	3,347	10,208	24,610	23,965

Femern A/S, A/S Femern Landanlæg and A/S Øresund receive EU subsidies to cover costs. Subsidies are offset in projects in progress. DKK 520 million in respect of EU funding was offset in the 1st half year 2022, of which DKK 473 million relates to Femern A/S, DKK 45 million relates to A/S Femern Landanlæg and DKK 2 million to A/S Øresund.

In projects in progress, financing expenses excluding financial value adjustments for the 1st half year 2022 are recognised at an expense of DKK 8 million for Femern A/S (1st half year 2021: expense of DKK 20 million) and an expense of DKK 86 million for A/S Femern Landanlæg (1st half year 2021: expense of DKK 23 million).

Note 5 Net debt

Fair value hierarchy	Total			30 June 2022	Total			31 Dec. 2021
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Securities	5,863	0	0	5,863	6,667	0	0	6,667
Derivatives, assets	0	3,019	0	3,019	0	1,279	0	1,279
Financial assets	5,863	3,019	0	8,882	6,667	1,279	0	7,946
Bond loans and debt	-34,691	-7,965	0	-42,656	-51,604	-1,370	0	-52,974
Derivatives, liabilities	0	-4,901	0	-4,901	0	-5,469	0	-5,469
Financial liabilities	-34,691	-12,866	0	-47,557	-51,604	-6,839	0	-58,443

Net debt spread across currencies	Other			Total 30 June 2022	Other			Total 31 Dec. 2021
	EUR	DKK	cur- rency		EUR	DKK	cur- rency	
Cash at bank and in hand	386	890	9	1,285	68	1,300	13	1,381
Credit institutions	-44	-52	0	-96	18	-25	0	-7
Securities	5,506	357	0	5,863	4,877	1,790	0	6,667
Bond loans and debt	-864	-41,792	0	-42,656	-1,104	-51,870	0	-52,974
Currency and interest rate sw aps	-2,062	180	0	-1,882	-5,423	1,233	0	-4,190
Currency futures	5,163	-5,163	0	0	2,238	-2,238	0	0
Accrued interest	-203	608	0	405	-100	585	0	485
Total net debt (fair value)	7,882	-44,972	9	-37,081	574	-49,225	13	-48,638

Interest-bearing net debt

Company	Interest-bearing net debt DKK billion		
	30 June 2022	31 Dec. 2021	30 June 2021
A/S Storebælt	18.4	17.7	19.1
A/S Øresund	11.8	11.5	11.2
A/S Femern Landanlæg	4.9	4.6	4.2
Femern A/S	11.6	9.6	6.7
Øresundsbro Konsortiet I/S	8.1	8.8	9.4

Company	Repayment of debt			Repayment period number of years		
	30 June 2022	31 Dec. 2021	30 June 2021	30 June 2022	31 Dec. 2021	30 June 2021
A/S Storebælt	2034	2034	2032	36	36	34
A/S Øresund	2045	2045	2044	47	47	46
A/S Femern Landanlæg	*)	*)	*)	8	8	8
Femern A/S	*)	*)	*)	28	28	28
Øresundsbro Konsortiet I/S	2050	2050	2050	50	50	50

*) The repayment period will be calculated on the basis of the opening date.

Company	Financing expenses excl. value adjustment per cent per annum			Financing expenses incl. value adjustment per cent per annum		
	30 June	31 Dec.	30 June	30 June	31 Dec.	30 June
	2022	2021	2021	2022	2021	2021
A/S Storebælt	3.89	1.47	1.18	-2.69	0.91	0.21
A/S Øresund	4.72	2.22	1.99	-9.13	0.17	-1.85
A/S Femern Landanlæg	3.23	1.10	0.79	-38.49	0.54	-18.76
Femern A/S	0.48	0.82	0.50	-94.26	-3.45	-6.21
Øresundsbro Konsortiet I/S	4.88	2.18	1.74	-11.18	-0.96	-2.08

Note 7 Related parties

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

Related party	Registered	Affiliation	Transactions	Pricing
The Danish State	Copenhagen	100 per cent ownership via Sund & Bælt Holding A/S	Guarantee for the company's debt Guarantee commission	Determined by legislation. Accounts for 0.15 per cent of nominal debt.
Ministry of Transport	Copenhagen	100 per cent ownership via Sund & Bælt Holding	Consultancy	Market price
Danish Road Directorate	Copenhagen	Owned by the Ministry of Transport	Consultancy	Market price
Fjord Link Frederikssund	Frederikssund	Owned by the Ministry of Transport	Management of operational tasks Consultancy	Market price
Banedanmark	Copenhagen	Owned by the Ministry of Transport	Payment for use of rail link Consultancy Construction and maintenance work	Determined by the Minister of Transport
Metroselskabet I/S	Copenhagen	Partly owned by the Danish State	Consultancy	Market price
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership of partnership via A/S Øresund Partly common board members Common CFO	Management of operational tasks The Ministry of Transport's instructions of 17 Dec 2021	Market price

DKK 1,000		Trans- actions 2022 1st half	Trans- actions 2021 1st half	Balance at 30 June 2022	Balance at 31 Dec. 2021
Related party	Description				
The Danish State	Guarantee commission	-38,049	-36,604	-33,070	-73,293
Ministry of Transport	Consultancy	-65	-92	-59	-174
Danish Road Directorate	Consultancy	-266	15,518	47	-433
Fjord Link	Management of operational tasks	38	3,591	0	-4,159
Frederikssund	Consultancy	208	-11,784	0	1,347
Metroselskabet I/S	Consultancy	1,321	621	825	776
Banedanmark	Payment for use of rail link	152,449	153,340	-3,845	-5,368
	Consultancy	8,297	6,328	3,796	5,690
	Construction and maintenance work	-277,187	-410,237	-50,471	-80,634
Øresundsbro Konsortiet I/S	Management of operational tasks	-280	-3,200	-37	-54
	Purchase of operational tasks	-160,024	-170,504	-36,577	-33,102
	The Ministry of Transport's instructions of 17 Dec 2021	-24,814	0	-4,136	-12,674

Note 8 Auditor's statement

No audit or review of the interim report has been performed.