

Copenhagen Airports Denmark ApS

c/o Apex Fund Service (Denmark) ApS
Hørmarken 2
3520 Farum
CVR no. 29144249

Annual Report 2023

18. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 28 May 2024

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Torben Christensen

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Torben Christensen

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Management's Statements

The Executive Boards have today considered and adopted the Annual Report of Copenhagen Airports Denmark ApS for the financial year 1 January – 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

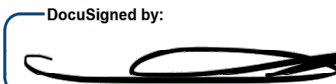
In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and of the results of the Company operations for 2023.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 28 May 2024

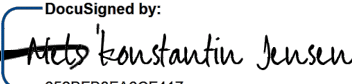
Executive Board

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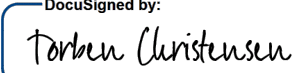
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Independent Auditor's Report

To the Shareholders of Copenhagen Airports Denmark ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Copenhagen Airports Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with 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 in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report

Auditor's Responsibilities 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 in preparing the financial statements 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 contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

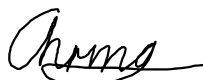
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 28 May 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Christian Møller Gyrsting
State Authorised Public Accountant
mne44111

Company details

Company	Copenhagen Airports Denmark ApS c/o Apex Fund Service (Denmark) ApS Hørmarken 2 3520 Farum
CVR no.	29144249
Date of Formation	18. October 2005
Registered Office	Farum
Financial year	1 January 2023 - 31 December 2023
Executive Board	Charles Thomazi Torben Christensen Niels Konstantin Jensen David Mark Stanton
Parent Company	Kastrup Airports Parent ApS c/o Apex Fund Service (Denmark) ApS Hørmarken 2 3520 Farum
Administration Company	Kastrup Airports Parent ApS c/o Apex Fund Service (Denmark) ApS Hørmarken 2 3520 Farum
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup CVR no. 33771231

Management's Review

The Company's principal activities

The Company's current primary activity is the holding of shares in other companies and the funding of these shareholdings.

Development in activities and financial matters

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a negative result of DKK 663m and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 10,341m and a negative equity of DKK 339m.

Expectations for the future

In 2024, the Company's subsidiary, Copenhagen Airports A/S ("CPH"), expects to continue its growth in passengers which will lead to higher profitability. However, economic outlook remains uncertain because of the ongoing geopolitical and macroeconomic effects. Any deterioration in these factors could negatively impact travel sentiment and CPH's financial outlook.

Revenue is expected to grow at around 20% in 2024, primarily driven by the increase in charges effective from 1 January 2024 as well as the increase in passenger numbers. CPH expects approximately 29 million passengers in 2024. If passenger levels reach around 29 million, profit before tax is expected to be between DKK 1.15 billion and DKK 1.35 billion, mainly supported by growth in passengers offset by increasing operating costs compared to 2023. The increasing cost levels are primarily due to the expected rise in passenger-related activities, regulatory requirements, salary expectations and inflation.

It is not expected that the Company will receive dividends from its subsidiary during the financial year 2024 as a consequence of waiver agreements in place with lenders. The expectation for 2024 is therefore at the same level as 2023.

Risks

The risk to the distribution level received from Copenhagen Airports A/S (CPH) are the same risks as those of the CPH Group.

Risk management at Copenhagen Airport is based on Danish and international corporate governance recommendations. A continual identification and quantification of risks and assessment of the probability and consequences of events enables CPH to consider and manage the risks that are material in relation to the creation of value in CPH.

Each of these risk factors is explained in detail in the CPH Group Annual Report – please refer to this document for further information. For a description of the financial risks faced by the Group, please refer to note 4.3 of the CPH Group financial statements.

Financing and liquidity

As a consequence of the Covid-19 pandemic, the Company would be in breach of certain loan covenants and has therefore agreed covenant waiver agreements with its lenders. These waiver agreements were extended in 2022 and cover the periods up to and including Q3 2024.

In line with covenant waiver agreements in place in CPH, the Company does not expect to receive dividends during 2024. However, the Company has sufficient liquidity available to cover its ongoing costs.

Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

Numbers appear in millions

	2023	2022	2021	2020	2019
Operating profit/loss	-4	-5	-5	-8	-6
Financial income	10	8	3	0	543
Financial expenses	-833	-769	-657	-595	-595
Net financial income and expenses	-822	-761	-653	-595	-51
Profit/loss for the year	-663	-652	-630	-480	55
Total equity	-339	353	196	782	1.206
Total fixed assets	9.348	9.348	9.348	9.348	9.348
Return on capital employed (%)	0	0	0	0	5
Return on equity (ROE) (%)	-9.917	-370	-129	-48	5
Solvency ratio (%)	-4	4	2	8	13

Income Statement

	Note	2023 DKK ^m	2022 DKK ^m
Other external expenses	2	(4)	(5)
Operating profit/loss		(4)	(5)
Other financial income from group enterprises		1	7
Finance expenses arising from group enterprises		(619)	(550)
Other finance income		9	1
Other finance expenses		(213)	(219)
Profit/(Loss) before tax		(826)	(766)
Tax expense on profit/loss for the year	4	163	114
Profit/(Loss)	5	(663)	(652)

Balance Sheet as of 31 December

	Note	<u>2023</u> DKKm	<u>2022</u> DKKm
Assets			
Investment in subsidiaries	6	9.348	9.348
Financial investment		<u>9.348</u>	<u>9.348</u>
Fixed assets		<u>9.348</u>	<u>9.348</u>
Other receivables & prepayments		136	135
Current receivables from group enterprises		153	3
Deferred Tax		79	0
Tax receivables from group enterprises		0	92
Receivables		<u>368</u>	<u>231</u>
Cash and cash equivalents		<u>626</u>	<u>452</u>
Current assets		<u>994</u>	<u>683</u>
Assets		<u>10.341</u>	<u>10.031</u>

Balance Sheet as of 31 December

	Note	<u>2023</u> DKKm	<u>2022</u> DKKm
Liabilities and equity			
Share capital		11	11
Retained earnings		(350)	342
Equity		<u>(339)</u>	<u>353</u>
Financial institutions and other loans	7	2.749	3.742
Payables to group enterprises	7	5.557	4.938
Other payables		28	13
Non-current liabilities		<u>8.334</u>	<u>8.693</u>
Financial institutions and other loans	7	1.861	984
Other payables		486	1
Current liabilities		<u>2.347</u>	<u>986</u>
Liabilities		<u>10.681</u>	<u>9.679</u>
Liabilities and equity		<u>10.341</u>	<u>10.031</u>
Contingent liabilities	8		
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Statement of Changes in Equity

	Share Capital DKKm	Retained Earnings DKKm	Total DKKm
Equity 1 January 2023	11	342	353
Net adjustments of hedging instruments	-	(29)	(29)
Profit/(Loss)	-	(663)	(663)
Equity 31 December 2023	11	(350)	(339)

The Company has not received dividends since the Covid-19 pandemic and consequently has negative equity. Management intends to restore equity through conversion of subordinated debt so that positive equity is obtained.

Share classes:

	Number of shares	shares
A-shares	1.000	5.000
B-shares	2.175.000	10.875.000
C-shares	34.000	170.000
Total	2.210.000	11.050.000

Notes

1. Accounting Policies

Reporting Class

The Annual Report of Copenhagen Airports Denmark ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The exemption from preparing consolidated financial statements has been used, and the financial statements presented are separate financial statements. (ÅRL § 112)

The accounting policies applied remain unchanged from last year.

Kastrup Airport Parent ApS is the ultimate holding company of CAD. The consolidated Annual Report of Kastrup Airport Parent ApS, in which CAD is included as a subsidiary, may be obtained from Apex Fund Service (Denmark) ApS, Hørmarken 2, 3520 Farum.

Reporting currency

The Annual Report is presented in Danish kroner.

General Information

Basis of recognition and measurement

The financial statements have been prepared under the historical cost principal.

Income is recognised in the Income Statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortised cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the Income Statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the Income Statement.

Assets are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the Annual Report, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

The accounting value of tangible assets are examined on a yearly basis to determine if there are any indications of impairment. If this is the case, an impairment will be made to reduce the carrying amount of the asset to its recoverable amount.

Notes

Income Statement

Other external expenses

Other external costs include costs for administration.

Income from investments in group enterprises and associates

Income from equity investments comprises dividends received from group enterprises and associates in so far as they do not exceed the accumulated earnings in the group enterprise or the associate during the ownership period.

Financial income and expenses

Financial income and expenses are recognised in the Income Statement based on the amounts that concern the financial year. Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses regarding securities, debt and foreign currency transactions, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax prepayment scheme.

Dividends from equity investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are jointly taxed. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Notes

Balance Sheet

Investments in subsidiaries

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realisable value, a write-down to this lower value will be performed.

Receivables

Receivables are measured at amortised cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the balance-sheet liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Derivative financial instruments

Derivative financial instruments are measured at cost and subsequently at fair value at initial recognition in the Balance Sheet. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and fulfilling the criteria for hedging the fair value of a recognised asset or liability are recognised in the Income Statement together with any changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging future assets and liabilities are recognised in other receivables or other payables and in equity. In the event that the future transaction results in the recognition of assets or liabilities, any amounts previously recognised in equity will be transferred to the cost of the asset or the liability, respectively. In the event that the future transaction results in income or expenses, any amounts previously recognised in equity will be transferred to the Income Statement in the period in which the hedged item affects the Income Statement.

For derivative financial instruments that do not fulfil the conditions for treatment as hedging instruments, changes in the fair value will continually be recognised in the Income Statement.

Current tax assets and liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Other payables

Other payables are recognised when, as a result of events occurring on or before the balance sheet date, the Group has a legal or constructive obligation, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Notes

Financial liabilities

Fixed-rate loans such as mortgage loans and loans from credit institutions are recognised initially at the proceeds received less transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the Income Statement as an interest expense over the term of the loan.

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

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Accounting policies Cash Flow Statement

According to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared.

The cash flow statement is part of the cash flow statement in the consolidated financial statements for Kastrup Airports Parent ApS, Denmark.

Explanation of financial ratios

Return on equity = $\frac{\text{Profit/Loss for the year} \times 100}{\text{Avg. Equity}}$

Return on capital employed (%) = $\frac{(\text{Operating profit} + \text{Financial income}) \times 100}{\text{Avg. Assets}}$

Solvency ratio (%) = $\frac{\text{Total equity} \times 100}{\text{Total assets}}$

2. Going concern

Management has adopted the going concern basis for preparing these financial statements and has considered the Company's cash flow, liquidity position and financial position in general, together with factors likely to affect development and performance.

A bank loan of DKK 1,712 million will mature during 2024. As of 31 December 2023, this loan is presented as current liabilities to financial institutions. Management has initiated the refinancing process with positive indications that CAD will obtain adequate liquidity. Management assesses that, given the underlying credit quality of the business, the debt market remains available and that lenders are willing to assist CAD with the funds necessary to refinance the loans prior to the maturity date. Management assesses that CAD will maintain adequate liquidity over the next 12 months and given the underlying credit quality of the business, will be able to secure the necessary and timely support of its lenders. After reviewing the current liquidity position, financial forecasts and potential risks regarding the committed funding facilities, it is management's assessment that it is appropriate to adopt a going concern basis of preparation of the financial statements, and hence the financial statements have been prepared on a going concern basis.

The Company has not received distributions from Copenhagen Airport A/S since the Covid-19 pandemic and consequently has negative equity. Management intends to restore equity through conversion of subordinated debt so that positive equity is obtained.

3. Executive board fee

The executive board has not received any fee in 2023 (2022: nil).

4. Tax Expense

	2023 DKKm	2022 DKKm
Tax expense for the year	163	114
	<u>163</u>	<u>114</u>

5. Proposed Distribution of Results

Dividends	-	-
Retained earnings	(663)	(652)
	<u>(663)</u>	<u>(652)</u>

6. Disclosure of investments in subsidiaries

Group enterprises

Name	Registered office	Share Held in %	Equity, DKKm		Profit, DKKm	
Copenhagen Airports A/S	Copenhagen	59,35	2.697	191	<u>2.697</u>	<u>191</u>

Notes

7. Long-term liabilities

	Due within 1 year DKKm	Due within 1 to 5 years DKKm	Due after 5 years DKKm
Debt to banks	1.712	-	-
Financial institutions and other loans	149	1.538	1.211
Payables to group enterprises	-	-	5.557
	<u>1.861</u>	<u>1.538</u>	<u>6.768</u>

Financial institution and other loans are issued by a consortium of banks, with Crédit Agricole and Deutsche Bank acting as Agents. These loans are secured by shares in CPH and bank deposits.

Bonds not issued in DKK were swapped to DKK on close of contract, both in terms of principal and interest payments, using currency swaps.

All payables to group enterprises are payable after 5 years. The Company has received a letter of subordination (valid for 12 months) regarding interest and repayments on this loan until the Company has sufficient liquidity.

Loan costs for future amortisation included in "Financial institutions and other loans" amounted to DKK (14.6m) in 2023 and DKK (9.2m) in 2022.

8. Contingent liabilities

The Company is jointly taxed with the other enterprises in the Kastrup Airports Parent ApS group (KAP Group) and are jointly and severally liable for the taxes that concern the joint taxation.

The Company is jointly and severally liable for the tax liabilities of its subsidiaries and has a subsidiary liability for the tax liabilities of its parent, Copenhagen Airports Denmark Holdings ApS and its ultimate parent Kastrup Airports Parent ApS, which respectively hold, directly and indirectly, 100 % of shares of the Company.

The total amount appears from the annual report of Kastrup Airports Parent ApS which is the administration company in the joint taxation.

9. Collaterals and securities

The Company has pledged its shares in Copenhagen Airports A/S and its bank deposit as security for its bank loan. The book value of the amount pledged is DKK 9,974m.

10. Related parties

Copenhagen Airports Denmark ApS (CAD), company reg. (CVR) no. 29144249 is directly controlled by Copenhagen Airports Denmark Holdings ApS (CADH) with CADH being directly controlled by Kastrup Airports Parent ApS (KAP), company reg. (CVR) no. 33781903. The ultimate controlling shareholders of CAD, CADH and KAP are Arbejdsmarkedets Tillægspension (ATP) directly and Ontario Teachers' Pension Plan Board (OTPP), via OTPP's underlying holding company.

CAD owns 59.35% of both the shares and voting rights in CPH.

All transactions between the company and its related parties have been on general market conditions. For additional information on ATP and OTPP, see www.atp.dk and www.otpp.com

11. Fees for auditors elected on the general meeting

Group audit costs are disclosed in the consolidated financial statements of Kastrup Airports Parent ApS, CVR number 33781903. (ÅRL \$96)