

Kastrup Airports Parent ApS
c/o Apex Fund Service (Denmark) ApS
Hørmarken 2
3520 Farum
CVR. nr. 33781903

Annual Report for 2022

The Annual Report was presented and approved
at the Company's Annual General Meeting
on 30th May 2023

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Torben Christensen

Kastrup Airports Parent ApS

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Kastrup Airports Parent ApS

Statement by the Executive Board

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Kastrup Airports Parent ApS for the financial year 1 January – 31 December 2022.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January - 31 December 2022.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

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

Copenhagen, 30th May 2023

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David Mark Stanton

Kastrup Airports Parent ApS

Independent Auditor's Report

To the Shareholders of Kastrup Airports Parent ApS

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2022 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2022 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company's Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2022 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2022 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Kastrup Airports Parent ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group (collectively the "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 Group 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 Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement 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 Consolidated 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 the preparation of Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as

Kastrup Airports Parent ApS

Independent Auditor's Report

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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

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 Group's and the Parent 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 Group's and the Parent 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 Group and the Parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Kastrup Airports Parent ApS

Independent Auditor's Report

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, 30th May 2023

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31



Søren Orlan Jensen

State Authorised Public Accountant

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Kastrup Airports Parent ApS

Company information

Executive Board

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The Company

Kastrup Airports Parent ApS
c/o Apex Fund Service (Denmark) ApS
Hørmarken 2
3520 Farum

CVR-nr.

33781903

Date of foundation

07-07-2011

Financial year

01-01-2022 - 31-12-2022

Auditor

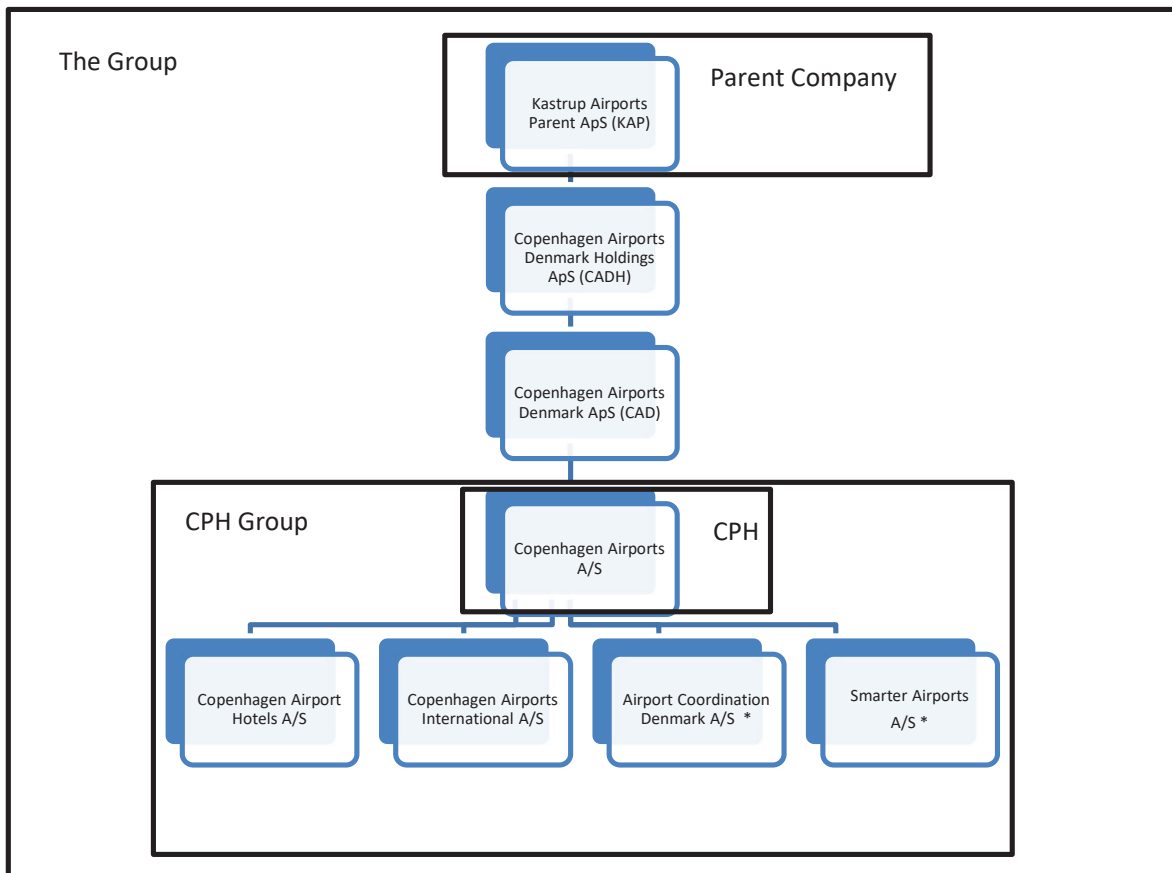
PricewaterhouseCoopers
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Kastrup Airports Parent ApS

Management's Review

The Management of the Parent Company submits the following review of the Group for the financial year ended 31 December 2022.

The objective of the Parent Company is holding shares in other companies. The Parent Company's current primary activity is the holding of shares in other companies and the funding of these shareholdings. A structure diagram is presented below.



*denotes associated companies.

As the ultimate controlling entity, the Parent Company is required to prepare a Group annual report for the entire Danish group shown above (the "Group"). A CPH Group statement is also prepared by Copenhagen Airports A/S ("CPH"), a limited company, domiciled in Denmark and listed on NASDAQ OMX. The entities included in the CPH Group statement are hereafter referred to as the "CPH Group". For a more detailed review of the CPH Group, please refer to the CPH Group Annual Report, available at www.cph.dk.

Business framework

The Parent Company's primary role is to hold shares in other companies especially CPH and its subsidiaries. CPH is regulated in accordance with Danish and EU law. CPH has two business areas: aeronautical and non-aeronautical. Where the aeronautical business is concerned, the airlines pay to use the aeronautical facilities and services based on a commercially negotiated multi-year charges agreement. The negotiated charges are subject to approval by the Danish Civil Aviation and Railway Authority. The non-aeronautical business area comprises the other facilities and services provided at the airport, including car-parking, shops, restaurants, lounges and hotels.

Kastrup Airports Parent ApS

Management's Review

Group financial highlights and key ratios

DKK million	2022	2021	2020	2019	2018
Income statement					
Revenue	3.532	1.761	1.576	4.346	4.445
EBITDA	1.388	500	191	2.363	2.502
EBIT	404	(512)	(725)	1.425	1.574
Net financing costs	1.003	1.002	489	1.036	2.218
Profit/(Loss) before tax	(596)	(1.518)	(1.214)	390	(644)
Net profit/(loss)	(707)	(1.318)	(1.002)	148	(949)
Statement of comprehensive income					
Other comprehensive income	68	42	94	91	52
Comprehensive income	(639)	(1.277)	(908)	239	(897)
Balance sheet					
Property, plant and equipment	14.200	14.213	13.556	12.995	11.726
Financial investments	264	431	240	117	86
Total assets	16.226	16.286	15.633	15.241	13.462
Equity	(8.279)	(7.581)	(10.362)	(9.454)	(9.321)
Cash flow statement					
Cash flow from operating activities	1.408	(421)	418	1.544	1.760
Cash flow from investing activities	(944)	(633)	(1.549)	(2.140)	(1.759)
Cash flow from financing activities	(390)	799	1.389	770	194
Cash at end of period	905	831	1.086	828	653
Key ratios					
EBITDA margin	39,3%	28,4%	12,1%	54,4%	56,3%
EBIT margin	11,4%	-29,1%	-46,0%	32,8%	35,4%

Ratios are defined and calculated in accordance with the Danish Finance Society's online version of "Recommendations & Financial ratios".

Kastrup Airports Parent ApS

Management's Review

Financial review

Income statement

EBIT rose to DKK 404 million from DKK (512) million (2021). The number of passengers was still impacted by COVID-19 but more than doubled from 9.2 million in 2021 to 22.1 million in 2022.

Balance sheet

Total equity and liabilities are DKK 16,226 million as at 31 December 2022 (2021: DKK 16,286 million). The decrease was driven by the recovery from COVID-19 on the Group's profitability.

As the operating activities of the Group predominantly take place at the CPH Group level, Management refers to the CPH Group Annual Report, which sets out these activities in further details.

The expected development of the Group

In 2023, CPH expects to continue its growth in passengers which will lead to higher profitability. However, the geopolitical landscape and macroeconomic outlook remain highly uncertain, and a worsening of such, will affect travel sentiment and the Group's financial outlook negatively.

Revenue is expected to grow by more than 10% in 2023 based on current market conditions. Growth in revenue is highly dependent on the passenger outlook for 2023 which is expected to exceed 25 million passengers in 2023. The passenger outlook increase is due to the easing of COVID-19 restrictions and recovery of travel sentiment amongst others, however, there is a high degree of uncertainty of the financial outlook due to volatility in energy prices, rising interest rates and high inflation as well as the geopolitical landscape.

If passenger levels reach around 25 million, profit before tax is expected to be between DKK 150 million to DKK 200 million mainly supported by growth in passengers offset by increasing operating costs and interest levels compared with 2022. The increasing cost levels are primarily due to the expected rise in passenger-related activities, regulatory requirements, salary increase expectations and inflation.

Investment level including capitalized interest is expected to be around DKK 1.7 billion. The expansion of Terminal 3 is around half of the investment level for 2023 whilst the remaining half constitutes of projects in relation to capacity, safety, security, and compliance.

There will be no dividend payment in 2023 as a consequence of commitment with lenders in waiver agreements.

Financing and liquidity

As a consequence of the COVID-19 pandemic, CAD and CPH would be in breach of certain loan covenants and the companies have therefore agreed covenant waiver agreements with their lenders. These waiver agreements were extended in 2022 and cover the periods up to and including Q3 2024.

In addition, CAD, CADH and KAP have received a letter of financial support from their respective parent companies, confirming that current loans and possible future loans to their parent companies will not be called unless liquidity of the company is adequate to repay its obligations. These letters of support are effective until at least 12 months after the date of signing of this Annual Report.

Kastrup Airports Parent ApS

Management's Review

Risk factors

The key operational risks faced by the Group arise in relation to the operations of the CPH Group.

Risk management at CPH 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.

The main types of risks are 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.

Report on Corporate Social Responsibility and the Gender Composition in Management Introduction

The Parent Company is the parent company of the Group which includes the following companies:

- Copenhagen Airports Denmark Holdings ApS
- Copenhagen Airports Denmark ApS
- Copenhagen Airports A/S

Work in relation to Corporate Social Responsibility in the Group is in all material aspects defined by the activities carried out in CPH. Therefore, the reporting of the Group's work in relation to Corporate Social Responsibility is identical to that of CPH, which is summarized below. The Group's Business Framework is introduced in page 8.

Non-Financial Performance Indicators – Basis of Preparation

The non-financial statements are prepared in accordance with the statutory statements on corporate responsibility, the under-represented gender and board diversity.

All CPH reporting sites and companies apply identical measurement and calculation methods. Data and disclosures are recorded continuously based on reporting from the individual areas and functions at the airports, and are essentially based on externally documented records, internal records, calculations and, to a lesser extent, estimates. It is clearly stated when estimations are used for reporting.

Information about employees, such as age and gender, is generally based on CPH's HR system records, in which an employee's data is recorded from the date the employment contract comes into force until the employee is no longer on the payroll. Number of employees is divided into men and women and calculated as a percentage. The same procedure is used for management.

The number of occupational injuries for contractors at CPH construction sites subject to a requirement for client coordination of the working environment measures is determined as the number of occupational injuries during the year leading to one or more days of absence in addition to the day on which the incident occurred. Client coordination refers to the Danish Executive Order no. 117 of 5 February 2013 on client obligations. The occupational injury frequency is determined as the number of occupational injuries per million working hours. The number of working hours for large projects is reported by the contractors and, for small projects, is based on contractor headcount at the site.

Absence due to illness is determined on the basis of CPH's HR system records.

The amount of waste is calculated based on annual statements from the waste recipients used: Amager Ressourcecenter, Avista Oil, Daka ReFood, Marius Pedersen, Norreco, RGS NORDIC, Ragn-Sells, SMOKA I/S and STENA Recycling.

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Management's Review

Environmental performance

2022 EU Taxonomy Report

The EU Taxonomy is a classification system for determining sustainable economic activities. Publicly traded companies, subject to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, are obliged to report on the share of revenue¹, CAPEX and OPEX eligible and/or aligned, respectively. CPH interprets eligible activities as activities described in the Delegated Acts². Aligned activities³ are economic activities, that in addition to eligibility, meet the Substantial contribution, Do no significant harm⁴ and Minimum safeguards⁵ criteria.

Taxonomy eligibility

CPH conducted an initial screening and interpretation of the criteria in 2021, and in 2022, following refinement of our interpretation of the Taxonomy Regulation, we included additional activities, such as 7.2 Renovation of existing buildings and 7.7 Acquisition and ownership of buildings in addition to 6.17 Low carbon airport infrastructure into our eligible activities. Several activities regarding construction and ownership of infrastructure were deemed at risk of overlapping and have been consolidated into activity 7.7 to avoid double counting.

Substantial contribution

CPH assessed its substantial contribution towards both climate change mitigation and climate change adaptation, the delegated acts pursuant to Articles 10(3) and 11(3) of the Taxonomy Regulation. No activities in 2022 are considered to have contributed substantially to climate change adaptation and, consequently, the bulk of CPH's activities is reported under Article 10(3) climate change mitigation.

By supporting the transition to a climate neutral economy, CPH works continuously to provide low-carbon alternatives that qualify as contributing substantially to climate change mitigation. Examples of this include providing infrastructure to support electrical charging stations for aircraft that will eventually be electrified, and a fuelling infrastructure that will eventually support efficient provision of sustainable aviation fuel in line with the technical screening criteria outlined in activity 6.17⁶.

CPH also owns and operates buildings in connection with the airport. All construction and renovation activities follow the Executive order on building regulations 2018 (BR18). None of the renovation activities in 2022 met the criteria for substantial contribution. 33% of CPH's buildings meet the criteria outlined in activity 7.7 and thus substantially contribute to climate change mitigation.

¹ Revenue will be used instead of turnover throughout our reporting to reflect our financial reporting

² Annex I and II to Delegated Regulation (EU) 2021/2139

³ In accordance with Regulation (EU) 2020/852 Article 17 (EU) 2020/852

⁴ In accordance with Regulation (EU) 2020/852 4 Article 17 (EU) 2020/852

⁵ Article 18 (EU) 2020/852

⁶ Annex I of the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139)

Kastrup Airports Parent ApS

Management's Review

Minimum safeguards

CPH is required to meet certain minimum safeguards⁵ as they pertain to human and labour rights, specified in the UN Guiding Principles for Business and Human Rights, ILO's Eight Core Conventions and OECD Guidelines for Multinational Enterprises, as well as other international standards related to taxation, fair competition and corruption/bribery.

Do no significant harm

The Do no significant harm (DNSH) criteria have been validated in accordance with the technical screening criteria for the published environmental objectives. For each eligible economic activity, CPH has assessed whether the performance of these activities do not significantly harm the other environmental objectives set out in Regulation (EU) 2020/852.

Climate change adaptation

CPH is close to the sea on the island of Amager, the highest point of which is just eight metres above sea level. For this reason, climate change and rising sea levels are naturally matters of concern for both local residents and the authorities. CPH is working with the municipalities on Amager and the state landowners to come up with joint solutions to protect the entire island from flooding. The state has now taken the lead in a joint pilot study of storm surge protection in the Copenhagen area.

Sustainable aviation and Climate

The Group is maintaining the goal of emission-free airport operations by 2030 and the commitment to develop know-how and solutions that can drive the aviation sector towards zero emissions by 2050.

CPH has been enrolled in the global scheme Airport Carbon Accreditation since 2013, and at the very start of 2023, CPH achieved the highest level of accreditation: 4+ Transition.

In 2022, CPH and the multipurpose utility group EWII entered into an agreement to install 1,350 charging points over the coming years. This will be Denmark's largest number of charging points at one company address to date. This will help CPH to archive their goal of all vehicles used at CPH to be zero-emission by 2030.

CPH is working actively to accelerate the development towards decarbonized aviation. This work continued in 2022 with two flagship projects: Alight and Green Fuels for Denmark.

The EU's Fit for 55 policy package contains a number of regulatory tools intended to advance the green transition in aviation and other sectors by reducing their collective emissions by 55% in 2030. An agreement is already in place to phase out the aviation industry's free carbon quotas. Furthermore, an agreement on fuel-blending requirements that will compel all aircraft fuelling at EU airports to use a set percentage of sustainable aviation fuel (SAF) from 2025 is expected before long. CPH strongly supports ambitious international regulation. With the right regulatory framework in place, the change may happen faster than most people expect.

In addition to the forthcoming European regulatory measures, in December 2022, Denmark's new coalition government proposed an average passenger fee of DKK 100 per passenger.

Kastrup Airports Parent ApS

Management's Review

Green Fuels for Denmark is a partnership between energy provider Ørsted and leading offtakers within heavy road transport (DSV), shipping (Mærsk and DFDS) and aviation (Copenhagen Airports and SAS) with the aim of producing large quantities of sustainable fuel for road, maritime and air transport in the Copenhagen area. In December 2022, the Danish Business Authority awarded Green Fuels for Denmark DKK 600 million as part of Denmark's participation in the IPCEI (Important Project of Common European Interest) programme.

CPH is also heading up ALIGHT, an EU-funded project with the aim of paving the way for the sustainable airports of the future. The project is run by a group of 16 partners across nine European countries, together representing key parts of the aviation industry.

Increased focus on energy savings at CPH

Energy management and energy savings are key elements of CPH's climate programme and climate targets. In 2022, the energy supply came under pressure from the European energy crisis triggered by the Russian invasion of Ukraine. Both the Danish government and the EU encouraged businesses and households to save energy throughout winter. CPH's energy costs rose by a factor of three in the summer, reinforced the need to make additional energy savings.

In 2022 the Group's preserved their ISO 50001 certification in energy management.

Circular Economy & Resources

CPH takes a targeted approach to minimising resource consumption by making it more sustainable and circular. In 2022, CPH's overall recycling rate increased and a total of 33% of all waste was recycled. This was largely due to good results in terms of collecting cardboard, biowaste and sweepings from taxiways and runways. The total waste volume at the airport increased to 4,338 tonnes in 2022. This was mainly caused by the rise in passenger numbers.

The development of the airport must also go hand in hand with further reductions in noise around the airport and lower impact on local air quality.

Despite an 84% growth in flight operations in 2022, the noise level was lower than prior to COVID-19. The number of flights almost doubled in 2022 compared to 2021, and this resulted in a noise exposure increase of 1.5 dB. However, despite the increase, the noise exposure was still 1.0 dB lower than before COVID-19 (2019).

Since 1994, noise exposure has been reduced by more than 80%. This is calculated in terms of both noise level (dB) and number of housing units exposed to levels above the Danish Environmental Protection Agency's guideline limit value for aircraft noise of 55 dB. CPH's targets that the number of households around CPH exposed to noise above the Environmental Protection Agency's guideline limit value (LDEN*: 55 dB) should be reduced by 50% relative to 2018.

In 2022 there were 0 violations of the noise limit value for take-offs and landings at night (80 dB(A)) for the ninth year in a row.

CPH works to improve air quality in the interests of neighbours and the working environment for employees at the airport. The air quality around CPH is affected by various factors such as road transport, activities at the airport and wood burners, and other regional sources. In 2021, CPH launched a programme to measure the presence of black carbon (BC) particles on the apron and at the boundaries of the airport. Black carbon is identified as the part of fine and ultrafine particles (UFP) that can be harmful to health.

In 2022, CPH received the results of the first year's measurements from both measuring stations, and CPH are pleased to note that the levels are similar to those of street-level measuring stations in other locations in Copenhagen

Kastrup Airports Parent ApS

Management's Review

CPH has set clear goals for how CO2 emissions from the airport and from aircraft are to be eliminated. The ambition is for 90% of the airport operation vehicles to be low-emission by as early as 2023, and for all vehicles to be emission-free, e.g. electric, by 2030.

Social performance

Biggest recruitment drive in CPH's history

CPH's management initiated a large-scale recruitment and ramp-up process at the beginning of 2022. This decision and an all-out effort from CPH's recruitment and HR partners, recruiting managers and experienced employees enabled CPH to welcome 810 new employees in 2022 – 369 of them in the airport's Security department. Almost one in two of CPH's total workforce have joined within the last two years, and one in three joined in 2022.

Training and onboarding

With so many new employees, thorough training and onboarding have been absolutely essential. In 2022, CPH's internal training and learning department, CPH Academy, developed and offered training programmes, primarily to support the onboarding of new employees. A total of 4,622 online courses were completed by 1,932 employees, who notched up a total of just under 4,000 hours of training.

Diversity is key to maintaining a strong CPH community

Diversity and inclusion are important elements of the Group's purpose and corporate responsibility. In 2022, CPH signed the Confederation of Danish Industry's Gender Diversity Pledge, and CPH has endorsed 16 principles that are intended to foster greater gender diversity within the company.

CPH has set specific targets to support their commitment to increase diversity at all organisational levels, including the Board of Directors. CPH aim to achieve a minimum representation of 30% for both men and women at all organisational levels and a more equal age distribution by 2025.

The share of women in CPH's workforce in 2022 was 35%, thus meeting the target of minimum 30% representation for both genders for CPH's general workforce. The share of female managers in 2022 was 25% – still short of the target of minimum 30% representation.

The Boards of Directors in CPH and Management Board in CAD, CADH and KAP

In 2022 the proportion of women among the shareholder-elected members of the Board of Directors/Management Board was 17% at CPH and 0% at CAD, CADH and KAP.

CPH is maintaining its ambition to achieve a percentage split of 33/67 (i.e. two women) on the Board by 2023, however no additional women were elected at the latest AGM. With regard to nationality, the distribution in 2022 was also unchanged among shareholder-elected members, 50% Danish and 50% other nationalities, well above the target of 33/67.

CAD, CADH and KAP have set a target figure for the proportion on women on the Management Board of 30%. No changes have occurred during the year and therefore the target figure has not been met. The Management aims to achieve its target before the end of 2024.

There are no employees in CAD, CADH and KAP and therefore no separate targets exist for these entities.

Kastrup Airports Parent ApS

Management's Review

Safety

Ensuring a safe and healthy working environment for everyone at CPH is central to their business. CPH are dedicated to continuously developing a positive working environment in the airport.

The strong culture of prevention is the foundation for safety, security and well-being. In 2022, CPH's Health and Safety (H&S) department drafted a new H&S policy and accompanying strategy to ensure that the policy is converted into practice. Focus on and management support for this topic are especially important with so many new colleagues joining the organisation, who may yet need to familiarise themselves with the airport and its many procedures. For this reason, all managers and all H&S employees were trained in the new policy. CPH is committed to eliminating occupational injuries.

All employees are represented by a working environment organisation, with whom CPH's H&S department collaborates regularly.

Absence due to illness

Like many other parts of society, CPH has also strengthened their focus on mental health and work-related stress. In 2022, the rate of absence due to illness was 5.9%, which was only slightly above the 2021 level of 5.5%. COVID-19-related illness in the first months of the year was a contributing factor, but CPH also noted a rising trend in stress-related long-term sick leave in the first half of 2022, probably as a result of the aforementioned ramp-up activities. This disturbing trend peaked in the busy summer months but, thanks to extensive efforts with a focus on both treatment and prevention, we succeeded in breaking the upward curve in the autumn. The proportion of stress-related sick leave fell significantly and is now down to 2019 levels.

Occupational injuries

Another key indicator for the working environment is the number of occupational injuries. The Group through CPH is committed to eliminating occupational injuries. CPH conducts regular monitoring, particularly of construction sites, to ensure policies are followed by employees and contractors alike.

In 2022, CPH recorded 8.3 occupational injuries per million working hours for employees and 11.7 for contractors. CPH will continue to engage with employees and contractors to maintain focus on reducing occupational injuries.

Local Community

CPH is committed to maintaining and enhancing the strong relationships they have with their local communities. Understandably, there is a high level of interest among CPH's neighbours regarding the airport's future development and how plans will affect local areas. CPH is determined to conduct an open and transparent dialogue and willingly submits data on noise exposure, air quality, etc.

In addition, at the end of 2022, CPH launched a sponsorship programme with the purpose of donating funds to specific projects that can have a positive impact in the local community. CPH donated DKK 75,000 to "Ildsjælene" and DKK 85,000 to Rotary Amager, both voluntary organisations based in the local community of Tårnby Municipality and Amager. The donations were allocated to Christmas aid for socially marginalised children and their families, and for Ukrainian refugees and their children living in the local community.

Kastrup Airports Parent ApS

Management's Review

CPH further regularly offers tours of the airport, giving anyone interested the chance to see behind the scenes. In the summer, CPH organised a special free tour for their neighbours, offering tickets on "Dear Neighbour" local Facebook group.

Business Ethics and Human Rights

Anti-corruption

Being a responsible workplace also means having clear rules in place for ethical conduct for employees and the company as a whole. The Group has a zero-tolerance approach to corruption, bribery, extortion, forced and child labour etc.

The guiding documents that outline how CPH approaches these important topics are our Supplier Code of Conduct and Employee Code of Conduct. The codes affirm CPH's continued support for and promotion of human and labour rights, the environment and good governance practices, both internally and externally and reiterates that we are holding our suppliers to the same ethical standards as ourselves. We expect our suppliers to conduct business in line with national and international principles and guidelines, such as the UN Guiding Principles for Business and Human Rights, OECD Guidelines for Multinational Enterprises, the UN Global Compact, etc. CPH's Supplier Code of Conduct outlines these expectations, and as part of our due diligence, we conduct regular assessments to confirm compliance. The frequency and intricacy of these audits is ESG risk-based and accounts for factors such as country of origin, industry, company size, etc. together with operational risks such as monetary value of the engagement and the suppliers' importance to execution of operations.

Furthermore, a new training module was developed and rolled out to all employees in 2022 as part of CPH's Quality Management System. The purpose is to raise awareness and encourage employees to take business ethics into account in their everyday work.

Responsible procurement

CPH's Supplier Code of Conduct sets out the standards CPH expect from all suppliers regarding the Ten Principles of the UN Global Compact. All suppliers are required to acknowledge that they will follow the principles described in the Code of Conduct and incorporate these into their own policies and practices.

In 2022, CPH conducted supplier audits covering 59% of the year's contract value. None of the assessments resulted in concerns for CPH. CPH also conducted an evaluation of current third-party risk management procedures as part of its continuous improvement process. CPH will continue this work in 2023.

Data ethics and GDPR

CPH gathers and processes data in connection with security in the airport area to provide various services to passengers, employees and partners. CPH follow established procedures for processing personal data, and CPH monitor and analyse any issues regarding compliance with these procedures.

In 2022, CPH reported five issues to the Danish Data Protection Agency in accordance with GDPR and their internal data protection processes. CPH is not aware of any complaints made to the Danish Data Protection Agency regarding their handling of personal data.

Kastrup Airports Parent ApS

Management's Review

CPH is committed to taking advantage of the possibilities offered by data and digital processes to evolve their services and offerings to stakeholders. To ensure due ethical considerations when developing new initiatives, their data ethics policy sets a clear framework for accountability, transparency, equal treatment and more.

Taxation

The Group is an important contributor of taxes to the Danish State. This applies both to taxes expensed by the Group and taxes collected (in transit). The Group's total tax contribution amounted to DKK 1,008 million in 2022 in direct and indirect taxes to the Danish State.

Group structure, ownership, tax strategy

Together with its subsidiaries, Copenhagen Airports A/S operates two airports and a hotel in Denmark, making it primarily liable to payroll tax. 59.35% of the shares are held by Copenhagen Airports Denmark ApS (CAD). CAD is indirectly controlled by Kastrup Airports Parent ApS (KAP), the highest-level Danish holding company, with which CPH is jointly taxed. As the administrative company in the joint taxation scheme, KAP is responsible for submitting tax returns and communicating with Danish tax authorities regarding corporate tax. For these purposes, CPH reports to KAP.

The Group's Business Framework is introduced in page 8.

Kastrup Airports Parent ApS

Management's Review

Risk management & risks

As most of the risk management and risks is placed with CPH, we included the information from the CPH Group annual report below.

Risk management

CPH's risk profile is determined by our role as the owner and operator of the airports at Kastrup and Roskilde. Safe, reliable and accessible travel remains our focus – especially in a year when passengers returned as the COVID-19 travel restrictions were gradually lifted and world stability was challenged by geopolitical developments that also affected energy prices and inflation rates.

Risk profile

As an airport operator, our risk profile must ensure that our vital role is executed in line with national interests and expectations. Providing safe, reliable and accessible travel 24/7 remained critical during 2022.

As the travel restrictions in force during the COVID-19 pandemic were gradually lifted, the pent-up appetite for travel increased passenger numbers in the terminals. Together with our partners, we focused on adapting to the changing needs and circumstances, taking our learnings from the past two years into account. Risk management is a key enabler in improving CPH's resilience. Risk management aims to prevent and prepare for incidents,

reduce uncertainty, leverage opportunities and facilitate the fulfilment of CPH's strategic goals.

Our level of resilience is also critical to how effectively we can respond to external influences on our business such as cybercrime, extreme weather and climate change. As a central player in the wider aviation sector, our ability to operate our business in an environmentally and socially responsible manner is of increasing importance to our licence to operate.

CPH's risk management approach

CPH's approach to risk management is proactive and consistent. We ensure that all risks are handled systematically by involving

relevant competences across CPH. Current risk scenarios are embedded in our decision-making processes across the organisation. This ensures that decisions that are susceptible to one or more risks are made in accordance with the defined level of risk appetite.

Where a risk arises, it will typically have a range of underlying causes. For each of these, the CPH risk management system indicates to what extent CPH is capable of exerting influence and thereby, via preventive measures (e.g. regulations, procedures and internal controls), affecting the likelihood of the risk materialising. Each risk is described in a risk card, which includes all relevant information revealed via the risk assessment.

Risk cards are used in the regular reporting that provides management, the Audit and Risk Management Committee and the Board of Directors with an overview of all significant risks and risk mitigations in a simple and readily understandable form.

To enhance CPH's ability to withstand and react to an adverse incident or crisis, and to limit negative consequences, CPH also has a business continuity management programme. The aim of this is to ensure a structured approach by maintaining reactive measures, including emergency response and contingency plans. We have further reduced our exposure to negative events through insurance cover where relevant.

Kastrup Airports Parent ApS

Management's Review



Governance

The Board has overall responsibility for risk management at CPH, meaning it determines CPH's overall risk appetite, which forms the basis for ongoing assessments and prioritisation of risks. The Board of Directors monitors risk management through the Audit and Risk Management Committee. Day-to-day responsibility for development and implementation is delegated to Executive Management. The Group Risk Manager monitors and facilitates the practical execution of risk management. These activities are closely coordinated to ensure that the internal control systems and risk management processes function as intended.

CPH applies the "Three Lines of Defence" model to increase the effectiveness of risk management and internal controls. The model supports effective communication on risk management, compliance and internal control by specifying the distribution of roles and responsibilities.

Responsibility for individual risks is embedded in the organisation and handled by designated risk owners in the various business units. Their responsibilities include identifying, evaluating, managing, controlling and reporting risks, as well as providing a basis for informed decision-making consistent with CPH's risk appetite.

All risks are carefully discussed and balanced at individual meetings with risk owners and at management group meetings in the respective business units in advance of the semi-annual risk reporting to the Audit and Risk Management Committee.

Internal controls

To ensure a strong internal control platform, CPH works actively to maintain and develop internal controls, anchoring them firmly in the organisation and engaging employees in their execution.

Financial risks

The Finance Department is responsible for addressing the company's financial risks. The Board of Directors approves the principles and framework governing CPH's financial risk management at least once a year. For further information about how financial risks are managed, see note 4.3 to the financial statements, pages 108-112.

Key risk types

The following table describes a selection of the types of risks that CPH considers to be particularly significant to our core business.

Kastrup Airports Parent Aps

Management's Review

	Description	Impact	Mitigation
Safety and security	Ensuring a positive, safe journey for our passengers is fundamental for CPH. This is why the safety of employees, business partners and passengers is at the heart of our risk management. In line with CPH's risk tolerance, safety has top priority and is a special focus of day-to-day activities.	Accidents or breaches of safety rules can have very serious consequences for an airport such as CPH. As an airport, we focus on delivering punctual and reliable operations within the current rules, while keeping employee and passenger safety needs in focus.	CPH goes to great lengths to monitor, prevent and respond to safety incidents. In this respect, we have developed targeted emergency response plans in close dialogue with our business partners. These plans enable us to react to any incidents at short notice. In addition, CPH is subject to a large number of regulatory safety and security requirements. The Danish Civil Aviation and Railway Authority monitors and checks compliance with these on an ongoing basis.
Climate and environment	CPH takes its environmental responsibility seriously and adopts a long-term, systematic approach to minimising its environmental impact and ensuring environmental responsibility in both operation and development of the airport. The challenges of climate change are attracting a lot of attention both nationally and internationally. In parallel with this, there is a growing need to take responsibility, identify opportunities and solve challenges.	Airport operations can impact the environment in many ways, for example in terms of noise, air quality, surface water, wastewater and groundwater. Our approach to building, including how we handle and transport building materials, waste, resource consumption and recycling, plays a big role in our impact on the environment and climate.	CPH works with innovative methods and solutions to environmental challenges – often in partnerships, and always in compliance with the relevant environmental regulations. We work systematically to ensure that both operation and development of the airport are carried out responsibly with respect to the environment and climate. This approach is embedded in CPH's activities and decision-making processes. Moreover, identifying and reducing potential environmental risks is a statutory requirement of major projects. Read more about climate and environment on pages 40-48.
Breaches of IT security	Digitalisation is one of CPH's strategic focus areas. Among other things, this requires us to be innovative and exploit the digitalisation wave as a lever for growth. This is why there is a particular focus on ensuring that CPH's IT strategy supports the goal.	CPH is particularly dependent on well-functioning and reliable IT systems that support its ability to operate the airport efficiently and ensure passenger safety. Cybercrime is a very real threat, as hackers can cause disruptions that extend far beyond the actual incident.	At CPH we are highly focused on protecting our IT systems against hacking, cybercrime and viruses by mitigating daily cyberattacks. To this end, we have adopted an IT security strategy to reduce the risk of CPH's IT systems being compromised or damaged.
Revenue risks	Since the COVID-19 crisis hit and the number of passengers fell dramatically, CPH's business model has come under pressure.	Passenger numbers are dependent on developments in current macroeconomic and geopolitical factors such as the ongoing war in Ukraine, high inflation rates worldwide and the hike in energy prices – all factors that may negatively affect the appetite for travel. Additionally, continued waves of new COVID-19 variants may still result in travel restrictions being reimposed, which may also adversely affect passenger numbers.	Since the COVID-19 pandemic hit in March 2020, CPH has borrowed a total of DKK 2.1 billion to keep the airport running and to make the necessary investments. CPH needs to bring down and eventually repay the excess debt it has accumulated, but it is important that we also have the financial strength to invest. We are confident about the future, and we are developing the airport on this basis. This is why CPH wishes to amend the regulatory model underlying the charges agreement between Copenhagen Airport and the airlines, to address the heavy losses, significantly increased business risk and debt accumulation during the COVID-19 pandemic.
Organisation & workforce	Attracting and retaining staff.	Attracting and retaining staff has historically not been an issue at CPH. However, in the wake of COVID-19, with aviation more affected than many other industries, employees have experienced increased uncertainty, which can potentially lead to key employees resigning and possible challenges with hiring qualified replacements.	CPH's recruitment activities illustrate our confidence in the future. During the crisis, CPH had to eliminate more than 800 jobs. Since the turn of the year, on the other hand, the company has been very busy recruiting, primarily security staff, and has filled some 810 positions.

Consolidated Income statement, 1 January - 31 December

Note	DKK million	2022	2021
	Traffic revenue	1.861	866
	Concession revenue	1.042	466
	Rent	182	169
	Sale of services, etc.	447	261
2.1, 2.2	Revenue	3.532	1.761
2.3	Other income	12	266
2.4	External costs	720	430
2.5	Staff costs	1.436	1.097
3.1	Amortisation and depreciation	984	1.012
	Operating profit/(loss)	404	(512)
	Share of profit/(loss) after tax in joint venture	3	(4)
4.1	Financial income	13	24
4.1	Financial expenses	1.016	1.026
	Profit/(loss) before tax	(596)	(1.518)
2.6	Tax on profit/(loss) for the year	110	(200)
	Net profit/(loss) for the year	(707)	(1.318)
	Non-controlling interest of subsidiaries	(84)	211
	Net loss for the year attributable to shareholders	(791)	(1.108)

Statement of comprehensive income, 1 January - 31 December

Note	DKK million	2022	2021
	Net profit/(loss) for the year	(707)	(1.318)
	Items that are reclassified to the income statement		
	Currency translation of equity in foreign branch	(2)	(3)
	Value adjustments of hedging instruments	154	138
4.1	Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	(65)	(81)
2.6	Tax on other comprehensive income	(20)	(13)
	Other comprehensive income for the year	68	42
	Total comprehensive income for the year	(639)	(1.277)
	Non-controlling interest of subsidiaries	(80)	212
	Total comprehensive income for the year	(719)	(1.065)

Balance sheet, Assets at 31 December

Note	DKK million	2022	2021
	NON-CURRENT ASSETS		
3.2	Total intangible assets	220	222
3.3	Property, plant and equipment		
	Land and buildings	6.308	6.285
	Investment properties	862	875
	Plant and machinery	4.821	4.972
	Other fixtures and fittings, tools and equipment	699	766
	Property, plant and equipment under construction	1.510	1.316
	Total property, plant and equipment	14.200	14.213
	Financial investments		
3.4	Investments in associates	129	126
4.3	Other financial assets	135	305
	Total financial investments	264	431
	Total non-current assets	14.684	14.866
	CURRENT ASSETS		
	Receivables		
4.3	Other financial assets	199	-
5.1	Trade receivables	295	449
	Other receivables	39	35
	Tax receivables	58	-
	Prepayments	46	106
	Total receivables	637	590
	Cash	905	831
	Total current assets	1.542	1.421
	Total assets	16.226	16.286

Balance sheet, Equity and liabilities at 31 December

Note	DKK million	2022	2021
	EQUITY		
	Share capital	0	0
	Reserve for hedging	15	(58)
	Retained earnings	(10.069)	(9.277)
	Non-controlling interests	1.775	1.754
	Total equity	(8.279)	(7.581)
	NON-CURRENT LIABILITIES		
2.6	Deferred tax	845	659
2.6	Income tax	512	213
4.2	Payables to related party	5.796	5.489
4.2	Financial institutions and other loans	9.453	15.580
4.3, 5.2	Other payables	169	266
	Total non-current liabilities	16.775	22.207
	CURRENT LIABILITIES		
4.2	Financial institutions and other loans	6.660	819
	Prepayments from customers	253	170
4.3	Trade payables	496	344
2.6	Income tax	-	1
4.3, 5.2	Other payables	275	284
	Deferred income	44	44
	Total current liabilities	7.729	1.660
	Total liabilities	24.504	23.867
	Total equity and liabilities	16.226	16.286

Statement of changes in equity, 1 January - 31 December

Note	DKK million								
	2022		2021						
	Share capital	Reserve for hedging	Retained earnings	Non-controlling interest	Share capital	Reserve for hedging	Retained earnings	Non-controlling interest	Total
Equity at 1 January	0	(58)	(9.277)	1.754	0	(103)	(11.395)	1.135	(10.362)
Equity addition during the year	-	-	-	-	-	-	-	-	-
Increase of capital	-	-	-	-	0	-	3.000	-	3.000
Comprehensive income for the year	-	-	(791)	84	-	-	(1.108)	(211)	(1.318)
Net profit/(loss) for the year	-	-	(791)	84	-	-	(1.108)	(211)	(1.318)
Other comprehensive income									
Currency translation of equity in foreign branch	-	-	(2)	(1)	-	-	(3)	(1)	(4)
Value adjustments of hedging instruments	-	103	-	18	-	82	-	26	107
Value adjustments of hedging instruments transferred to financial income and expenses in the income statement	-	(29)	-	(21)	-	(37)	-	(26)	(62)
Total other comprehensive income	-	73	(2)	(4)	-	45	(3)	(1)	41
Total comprehensive income for the year	-	73	(793)	80	-	45	(1.110)	(212)	(1.277)
Transactions with owners									
Transactions with owners	-	-	-	(59)	-	-	229	830	1.059
Total transactions with owners	-	-	-	(59)	-	-	229	830	1.059
Equity at 31 December	0	15	(10.069)	1.775	0	(58)	(9.277)	1.754	(7.581)

Cash flow statement, 1 January - 31 December

Note	DKK million	2022	2021
	CASH FLOW FROM OPERATING ACTIVITIES		
5.3	Received from customers	3.766	1.400
5.3	Paid to staff, suppliers, etc.	(1.961)	(1.351)
	Cash flow from operating activities before financial items and tax	1.805	48
5.3	Interest received, etc.	11	5
5.3	Interest paid, etc.	(407)	(429)
	Cash flow from operating activities before tax	1.409	(376)
2.6	Taxes	(1)	(46)
	Cash flow from operating activities	1.408	(421)
	CASH FLOW FROM INVESTING ACTIVITIES		
3.3	Payments for property, plant and equipment	(881)	(571)
3.2	Payments for intangible assets	(67)	(10)
	Sales of property, plant and equipment	4	3
	Payments related to investments in associates	-	(55)
	Cash flow from investing activities	(944)	(633)
	CASH FLOW FROM FINANCING ACTIVITIES		
4.2	Repayments of long-term loans	(3.846)	(3.746)
4.2	Proceeds from long-term loans	3.493	4.529
4.2	Repayments of short-term loans	(324)	(160)
4.2	Proceeds from short-term loans	346	176
	Dividends paid	(59)	-
	Cash flow from financing activities	(390)	799
	Net cash flow for the year	74	(255)
	Cash at beginning of year	831	1.086
	Cash at end of year	905	831

Note DKK Million

1.1 SIGNIFICANT ACCOUNTING POLICIES

To make the report more manageable and readable, the accounting policies and the estimates and judgements for specific items are placed together with the appropriate note, and all information related to the item is in one place.

Basis of preparation of the financial statements

The Group is a limited company domiciled in Denmark and CPH Group is listed on Nasdaq Copenhagen.

The consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and further requirements applicable in Denmark for companies in reporting class D.

The financial statements of the Parent Company, Kastrup Airports Parents ApS, are prepared in accordance with the Danish Financial Statements Act.

Significant accounting estimates

The estimates made by the Group in determining the carrying amounts of assets and liabilities are based on assumptions that are subject to future events. These include, among other things, estimates of the useful lives of property, plant and equipment, and their residual values. Estimates and underlying assumptions are based on historical data and a number of other factors that Management considers relevant under the given circumstances. There are no changes in the estimates made by the Group in determining the carrying amounts compared to 2021. The carrying amounts of these items are disclosed in notes 3.2 and 3.3.

For a description of the Group's risks, see note 4.3 on financial risks.

General information

The consolidated financial statements are prepared under the historical cost principle. Assets and liabilities are subsequently measured as described below. This is unchanged from 2021.

Basis of consolidation

The Group Annual Report comprises the Parent Company, KAP, and companies where the Parent Company directly or indirectly controls the majority of the votes or in some other way controls the companies (subsidiaries). Companies where the Group controls 50% or less of the votes and does not have control but exercises significant influence are considered associates.

In the consolidation, intercompany income and expenses, shareholdings, dividends and balances, and realized and unrealized intercompany gains and losses on transactions between the consolidated companies are eliminated.

The Group's Annual Report is prepared on the basis of the financial statements of the Parent Company and the subsidiaries. The financial statements used in the consolidation are prepared in accordance with the Group's accounting policies.

Other income

Other income contains items of a secondary nature relative to CPH's primary activities, including gains and losses on the sale of assets and compensation from the Danish government's support packages for wages and salaries and fixed costs.

Note DKK Million

Foreign currency translation

The Group's functional currency is the Danish krone (DKK). This currency is used as the measurement and presentation currency in the preparation of the Annual Report. Therefore, currencies other than DKK are considered foreign currencies.

Transactions denominated in foreign currencies are translated at the exchange rate ruling at the transaction date. Gains and losses arising as a result of differences between the exchange rate at the transaction date and the exchange rate at the date of payment are recognized in the income statement as Financial income or Financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled on the balance sheet date are translated at the exchange rates ruling at the balance sheet date.

Statement of comprehensive income

The Group presents comprehensive income in two statements: an income statement and a statement of comprehensive income, showing the results of operations for the year and income included in other comprehensive income. Other comprehensive income comprises hedging transactions. Tax related to other comprehensive income for the individual items is disclosed in the relevant notes.

Equity***Dividend***

Dividends expected to be declared in respect of the year are stated under equity. Dividends are recognized as a liability at the time of adoption by the shareholders at the Annual General Meeting.

Reserve for hedging

The reserve for hedging transaction contains the accumulated net change in the fair value of hedging transactions that meet the criteria for hedging future cash flows and where the hedged transaction has not yet been realized.

The reserve is dissolved, when the hedged transaction is realized, if the hedged cash flows are no longer expected to be realized or the hedging relationship is no longer effective.

Cost of hedge

Cost of hedging includes total cost of hedging for hedge transactions. Expenses are dissolved when the hedged transaction is realized.

Prepayments and deferred income

Prepayments recognized under assets comprise costs incurred relating to the following financial year and are measured at nominal value.

Deferred income recognized under liabilities comprises payments received relating to income in subsequent financial years and is measured at nominal value.

Cash flow statement

The cash flow statement shows the Group's cash flows for the year distributed between operating, investing and financing activities as well as the net changes in cash for the year and the Group's cash at the beginning and end of the year.

Note DKK Million

Cash and cash equivalents

Cash includes cash and balances on accounts available at no or short notice.

Cash flow from operating activities

The cash flow from operating activities comprises payments from customers less payments to employees, suppliers, etc., adjusted for financial items paid and income taxes paid.

Cash flow from investing activities

The cash flow from investing activities comprises cash flows from the purchase and sale of intangible assets, property, plant and equipment and investments.

Cash flow from financing activities

The cash flow from financing activities comprises cash flows from the raising and repayment of long-term and short-term debt to financial institutions as well as dividends paid to shareholders.

1.2 RECENTLY ADOPTED ACCOUNTING STANDARDS AND INTERPRETATIONS FOR IMPLEMENTATION

The IASB has issued a number of new standards and amendments not yet in effect or adopted by the EU and therefore not relevant for the preparation of the 2022 consolidated financial statements. The Group expects to implement the standards and amendments when they take effect.

None of the new standards issued are currently expected to have a significant impact on the consolidated financial statements when implemented.

New standards, amendments and interpretations adopted but not yet effective

As of 1 January 2022, The Group adopted all relevant new or revised International Financial Reporting Standards and IFRIC Interpretations with effective date 1 January 2022 or earlier. The new or revised standards and interpretations did not affect recognition and measurement materially nor did they result in any material changes to disclosures in the notes. Apart from this, the Annual Report is presented in accordance with the accounting policies applied in previous years' annual reports.

Notes to the financial statements

Note	DKK million
2	Results of the year
2.1	<p>Revenue</p> <hr/> <p><i>Accounting policies</i></p> <p>The accounting policies for recognition and measurement of business areas are the same as for the income statement and balance sheet. The accounting policies are unchanged from 2021. CPH does not have operating segments in accordance with IFRS 8.</p> <p>The operating results for the business areas comprise directly attributable revenue less related operating costs. Operating costs comprise external costs, staff costs and amortisation and depreciation.</p> <p>Business area assets comprise non-current assets used directly in the operating activities of each business area and current assets directly attributable to the operating activities of each business area, including trade receivables, other receivables, prepayments and deferred income. Jointly used properties are allocated to the business areas based on an overall estimate of the amount of space used.</p> <p>Business area liabilities comprise liabilities that have arisen out of the business area's operations, including prepayments received from customers, trade payables and other payables.</p> <p>Business areas</p> <p>CPH has two business areas: Aeronautical and Non-aeronautical.</p> <p>The business area classification follows the legal and organisational classification of the Group's activities. The aeronautical business area comprises the regulated part of Copenhagen Airports (traffic charges), and the non-aeronautical business area comprises all other activities. This classification is appropriate, as the aeronautical business area reporting also constitutes the reporting of regulatory activities under BL 9-15 (traffic charges). BL 9-15 is described in note 5.6.</p> <p>Aeronautical</p> <p>This business area comprises the operations and functions that the airports at Kastrup and Roskilde make available so that airlines can operate their flights, including facilities required for passengers to pass through these airports. Revenue in the aeronautical business area comprises passenger, security, take-off and aircraft-parking charges, and income, including handling and CUTE charges (IT technology used in connection with check-in).</p> <p>Non-aeronautical</p> <p>This business area comprises the other facilities and services provided at the airports for passengers and others, including car-parking facilities, shops, restaurants, rest areas, lounges and the hotels. The vast majority of the operations are operated by concessionaires. The business area also includes the leasing of CPH's buildings, premises and land to non-Group lessees. Revenue in the non-aeronautical business area comprises concession revenue; rent from buildings, premises and land; revenue from parking; the hotel operation; services for persons with reduced mobility (PRM); taxi management services (TMS); sale of consulting services concerning airport operation; and other services.</p> <p>Revenue related to CPH's largest customer amounted to DKK 578 million in 2022 (2021: DKK 323 million), representing 16% of revenue (2021: 18%). This revenue relates to both the aeronautical and non-aeronautical business areas. Revenue related to the second-largest customer amounted to DKK 318 million in 2022 (2021: DKK 104 million), representing 9% of revenue (2021: 6%). This revenue relates to both the aeronautical and non-aeronautical business areas. Revenue related to the third-largest customer amounted to DKK 306 million in 2022 (2021: DKK 137 million), representing 9% of revenue (2021: 8%). This revenue relates solely to the non-aeronautical business area.</p>
2.2	<p>Revenue</p> <p><i>Accounting policies</i></p> <p>Revenue comprises the year's traffic revenue, rent, concession revenue and the sale of services, net of value added tax and price reductions directly related to sales, cf. the information on business areas in note 2.1.</p> <p>Traffic revenue</p> <p>Traffic revenue comprises passenger, security, take-off and aircraft-parking charges and income, including handling and CUTE charges (IT technology used in connection with check-in), and is recognised at the time of departure of the aircraft to which the services relate. Start-up discounts for previously unserved routes, transfer/transit discounts based on the preceding 12 months of traffic, and incentive schemes for high-frequency feeder routes and to maintain passenger growth are deducted from traffic revenue. The NOx charge is included in take-off charges.</p> <p>Concession revenue</p> <p>Concession revenue comprises sales-related revenue from Copenhagen Airport's shopping centre, which is recognised in line with the revenue generated by the concessionaires. Revenue from car-parking facilities is recognised when a car exits the car-parking facilities.</p> <p>Rent</p> <p>Rent comprises rent for buildings and land and is recognised over the terms of the contracts.</p> <p>Revenue from the sale of services, etc.</p> <p>Revenue from the sale of services, etc. comprises revenue from the hotel operation, energy distribution and other activities, including services for persons with reduced mobility (PRM), which are recognised when the services are provided, and taxi management services (TMS), which are recognised on arrival at the taxi stand. Other services typically include a performance obligation that is recognised either on a straight-line basis over a period or at a particular time when the services are provided.</p>

Notes to the financial statements

Note	DKK million	2022	2021
Traffic revenue			
Passenger charges		844	359
Security charges		467	196
Handling		151	64
CUTE-charges		20	8
Take-off charges		338	196
Aircraft parking, etc.		41	42
Total traffic revenue		1.861	866
Concession revenue			
Shopping centre		665	259
Car parking		316	155
Other concession revenue		61	52
Total concession revenue		1.042	466
Rent			
Rent from premises		122	112
Rent from land		55	53
Other rent		5	5
Total rent		182	169
Sales of services etc.			
Hotel operation		109	85
Other sales of services etc.		338	176
Total sales of services etc.		447	261
Total revenue		3.532	1.761

Composition of revenue	2022					
	Aeronautical segment	Non-aeronautical segment				Total
DKK million	Traffic revenue	Concession revenue*	Car parking	Rent*	Other services	
Total for business areas	1.861	726	316	182	447	3.532
Time of recognition						
- At a certain time	1.861	-	316	-	-	2.177
- Over time	-	726	-	182	447	1.355
Total	1.861	726	316	182	447	3.532
Type of contract						
- Fixed price	1.861	26	316	182	447	2.832
- Revenue-based contracts	-	700	-	-	-	700
Total	1.861	726	316	182	447	3.532

Composition of revenue	2021					
	Aeronautical segment	Non-aeronautical segment				Total
DKK million	Traffic revenue	Concession revenue*	Car parking	Rent*	Other services	
Total on segments	866	311	155	169	261	1.761
Time of recognition						
- At a certain time	866	-	155	-	-	1.021
- Over time	-	311	-	169	261	740
Total	866	311	155	169	261	1.761
Type of contract						
- Fixed price	866	76	155	167	261	1.524
- Revenue-based contracts	-	235	-	2	-	237
Total	866	311	155	169	261	1.761

* Concession revenue and rent are recognised in accordance with IFRS 16 Leases.

CPH's revenue consists only of services in the aeronautical and non-aeronautical business areas.

Concession charges (except concessionaires that are subject to a minimum charge) related to the shopping centre and other concessions depend on the level of activity. There is no financing element, as payment terms follow cash payment on delivery or 14 days' credit.

	2022	2021
Maturity analysis of concession and rent (IFRS 16)		
Within 1 year	369	316
Between 1 and 2 years	367	505
Between 2 and 3 years	365	455
Between 3 and 4 years	366	394
Between 4 and 5 years	368	355
After 5 years	3.244	3.369
Total	5.079	5.394

Notes to the financial statements

Note	DKK million		
2.3	Other income		
	Other income contains items of a secondary nature relative to CPH's primary activities, including compensation from the Danish government's support packages and gains and losses on sale of assets.		
		2022	2021
	Compensation packages	-	260
	Other	12	6
	Total other income	12	266
	Other income primarily relates to compensation from the Danish government's support packages for fixed costs.		
2.4	External costs		
	Accounting policies		
	External costs comprise administrative expenses, sales and marketing expenses, and other operating and maintenance costs.		
		2022	2021
	Operation and maintenance	437	273
	Energy	205	103
	Administration	55	29
	Other	23	25
	Total external costs	720	430
	External costs increased by DKK 290 million compared to 2021. The increased costs are a combined result of higher activity levels in 2022, a hike in energy prices and the offsetting effect of continued cost consciousness throughout CPH.		
2.5	Staff costs		
	Accounting policies		
	Staff costs comprise salaries, wages and pension contributions for CPH staff, including the Executive Management, fees to the Board of Directors and other staff costs.		
	Regular pension contributions under defined contribution plans are recognised in the income statement for the period in which they arise. For civil servants seconded by the Danish State, CPH recognises a pension contribution in the income statement, which is fixed each year by the State and paid to the State on a regular basis.		
		2022	2021
	DKK million		
	Salaries and wages	1.336	1.033
	Pension contributions	111	94
	Other social security costs	10	8
	Other staff costs	46	28
		1.503	1.164
	Less work performed on own accounts	67	67
	Total staff costs	1.436	1.097
	Staff costs increased by DKK 339 million compared to 2021. The increase is due to an increase in headcount of 310 FTEs as a result of the higher activity level.		
	Number of people employed by CPH	2022	2021
	Average number of full-time employees	2.130	1.821
	Of which civil servants who, pursuant to the Copenhagen Airports Act, retain their status as State employees	8	11
	Total remuneration to the Executive Management	12	11
	Total emoluments to the Board of Directors*	3	3
	* For further information, see the Remuneration Report available at cph.dk.		
	Of the salaries paid to members of the Executive Management, employer-administered pension contributions accounted for DKK 1.1 million (2021: DKK 1.1 million).		
	The remuneration to the Executive Management consists of a fixed basic salary (including pension contributions), certain benefits (free company car, etc.) and an incentive plan, which is described below. In the event of termination of employment by CPH, members of the Executive Management are entitled to a maximum of two years' remuneration.		
	In order to promote a sound long-term approach, a rolling three-year incentive plan has been introduced for the Executive Management. For 2022, the total costs expensed for the long-term incentive plan were DKK 1.8 million (2021: DKK 0.9 million). Payments from the three-year incentive plan have a target level of four months' and a maximum of six months' salary per annum. The short-term incentive plan has terms of up to one year. The short-term incentive plan has a target level of six months' salary, if all stretched objectives are met, and a maximum of nine months' salary. For 2022, the total accrued costs for the short-term incentive plan were DKK 3.1 million (2021: DKK 3.5 million).		
	The total remuneration in 2022 to members of the Executive Management was DKK 12.3 million (2021: DKK 11.4 million), including a provision of DKK 1.8 million for a potential payout under the long-term incentive plan (2021: DKK 0.9 million) and a provision of DKK 3.1 million for the short-term incentive plan (2021: DKK 3.5 million). Pension contributions for members of the Executive Management are paid regularly to private pension companies. CPH has no liabilities in this respect.		
	Remuneration to the Board of Directors and Executive Management in 2022 was paid in accordance with the "General guidelines for remuneration to the Board of Directors and the Executive Management of Copenhagen Airports A/S". Key management consists of the Executive Management.		
	CPH makes annual pension contributions to the Danish State. These contributions are paid for those employees who, under their contracts of employment, are entitled to a pension from the Danish State. The rate of pension contributions is fixed by the Minister for Finance and was 21% in 2022 (2021: 21%). In 2022, these pension contributions amounted to DKK 0.6 million (2021: DKK 0.6 million).		

Notes to the financial statements

Note	DKK million		
2.6	Tax on profit/(loss) for the year		
	Accounting policies		
	Copenhagen Airports A/S is taxed jointly with Kastrup Airports Parent ApS (KAP), Copenhagen Airports Denmark Holding ApS (CADH) and Copenhagen Airports Denmark ApS (CAD), and the two subsidiaries Copenhagen Airports International A/S (CAI – 100% ownership) and Copenhagen Airport Hotels A/S (CAH – 53% ownership). KAP is the administrative company for the jointly taxed companies and settles corporation taxes due to the tax authorities. CPH, CAI and CAH pay tax on account to KAP and settle tax underpaid/overpaid with KAP.		
	Income tax for the year, consisting of the year's current tax and the year's change in deferred tax, is recognised in the income statement at the amount that can be attributed to the profit/(loss) for the year, and posted directly in other comprehensive income at the amount that can be attributed to movements therein.		
	Current tax liabilities are carried in the balance sheet as current liabilities to the extent such items have not been paid. Tax overpaid on account is included as a separate line item under Receivables. Interest and allowances regarding tax payments are recognised under Financial income and Financial expenses.		
	Deferred tax is calculated according to the balance sheet liability method on all temporary differences between the carrying amount and tax base of assets and liabilities.		
	Deferred tax is calculated on the basis of the tax rules and tax rates that will apply under the legislation in force at the balance sheet date when the deferred tax item is expected to crystallise as current tax. Changes in deferred tax resulting from changes in tax rates are recognised in the income statement.		
	Deferred tax assets are recognised in the balance sheet at the value at which they are expected to be realisable.		
		2022	2021
	Tax expense		
	Current income tax	9	(35)
	Change in deferred tax	121	(153)
	Total	130	(188)
	Tax is allocated as follows:		
	Tax on profit/(loss) for the year	110	(200)
	Tax on other comprehensive income related to hedging instruments	20	13
	Total	130	(188)
	Breakdown of tax on profit/(loss) for the year		
	Tax calculated at 22.0% of profit/(loss) before tax	(131)	(334)
	Tax effect of:		
	Non-deductible costs including effect of interest limitation etc.	242	134
	Total	110	(200)
	Provisions for deferred tax		
	Balance at 1 January	659	850
	Change in deferred tax	186	(191)
	Balance at 31 December	845	659
	Breakdown of deferred tax provisions		
	Property, plant and equipment	1.033	1.036
	Other receivables	(2)	(2)
	Other payables	(2)	9
	Tax loss carried forward	(184)	(384)
	Total	845	659
	Income tax payable		
	Balance at 1 January	213	433
	Tax paid on account in current year	-	-
	Payment of tax underpaid in previous year	-	-
	Accrued tax regarding earlier years	299	(220)
	Current income tax	-	-
	Balance at 31 December	512	213

The Group did not incur one-off tax items in 2022 (2021: DKK 0 million).

Notes to the financial statements

Note DKK million

3 Investments

3.1 Amortisation and depreciation

Accounting policies

Amortisation and depreciation comprise the year's charges for this purpose on CPH's intangible assets and property, plant and equipment.

	2022	2021
Software	71	97
Land and buildings	345	290
Investment properties	13	8
Plant and machinery	376	424
Other fixtures and fittings, tools and equipment	179	193
Total amortisation and depreciation	984	1.012

Depreciation and amortisation were down by DKK 28 million, mainly due to lower write-offs of assets in 2022 compared to 2021.

3.2 Intangible assets

Accounting policies

Software is measured at cost less accumulated depreciation.

Major projects in which software is the principal element are recognised as assets if there is sufficient certainty that the capitalised value of future earnings will cover the related costs.

Software costs comprise salaries, amortisation and other costs that can be attributed directly or indirectly to the software. Costs also include interest expenses incurred during development of the software.

Software projects that are clearly defined and identifiable, where the technical rate of utilisation, adequate resources and potential scope for development in the Group can be demonstrated, and where the intention is to produce and use the project, are recognised as non-current intangible assets, provided there is sufficient assurance that the value in use from future earnings will cover development costs.

Amortisation is charged on a straight-line basis commencing when the project is ready for use. The amortisation period is 3-5 years.

Impairments

The carrying amount of software and software under development is tested at least annually for any impairment beyond that expressed in amortisation charges. Where there are such indications, an impairment charge is made against the lower of the recoverable amount of the asset and the carrying amount.

The recoverable amount of the asset is determined as the higher of the net selling price and the value in use. The recoverable amount of software is assessed together with other assets in the smallest group of assets for which a reliable recoverable amount can be determined in an overall assessment.

Estimates and judgements

The estimated useful lives are determined based on historical experience and expectations of future use of the assets. These may prove to be unachievable, which could lead to future reassessment of their useful lives and a need for impairment.

	2022			2021		
	Software	Software under development	Total	Software	Software under development	Total
Cost						
Accumulated cost at 1 January	1.164	66	1.230	1.153	85	1.239
Adjustments for previous years	(3)	2	(1)	-	-	-
Additions	-	67	67	-	10	10
Disposals	(42)	-	(42)	(18)	-	(18)
Transferred	58	(58)	-	29	(29)	-
Accumulated cost at 31 December	1.177	77	1.254	1.164	66	1.230
Amortisation						
Accumulated amortisation at 1 January	1.008	-	1.008	929	-	929
Adjustments for previous years	(3)	-	(3)	-	-	-
Amortisation	71	-	71	97	-	97
Amortisation on disposals	(42)	-	(42)	(18)	-	(18)
Accumulated amortisation at 31 December	1.034	-	1.034	1.008	-	1.008
Carrying amount at 31 December	143	77	220	156	66	222
Of which intangible assets for operational leasing	23	-	23	32	-	32

Major investments in intangible assets include general renewal and maintenance of existing IT systems and development of other minor IT systems.

Notes to the financial statements

Note	DKK million																																				
3.3	<p>Property, plant and equipment</p> <hr/> <p><i>Accounting policies</i> Property, plant and equipment are measured at cost less accumulated depreciation.</p> <p>Cost comprises the cost of acquisition and costs directly related to the acquisition up until the time when the asset is ready for use. In the case of self-constructed assets, cost comprises direct costs attributable to the asset, including salaries and wages, materials, components, and work performed by subcontractors. Cost also includes interest expenses during construction.</p> <p>The depreciation base is determined as cost less any residual value. Depreciation is charged on a straight-line basis over the estimated useful lives of the assets and begins when the assets are ready for use.</p> <p>Land is not depreciated.</p> <p>Useful lives of property, plant and equipment</p> <p>Land and buildings</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Land improvements (sewers etc.)</td> <td style="text-align: right;">40 years</td> </tr> <tr> <td>Buildings (terminals, offices etc.)</td> <td style="text-align: right;">80-100 years</td> </tr> <tr> <td>Buildings (other)</td> <td style="text-align: right;">40 years</td> </tr> <tr> <td>Fitting out</td> <td style="text-align: right;">5-10 years</td> </tr> <tr> <td>Investment properties</td> <td style="text-align: right;">100 years</td> </tr> </table> <p>Plant and machinery</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Runways, roads etc. (foundations)</td> <td style="text-align: right;">80-100 years</td> </tr> <tr> <td>Surface of new runways, roads etc.</td> <td style="text-align: right;">10 years</td> </tr> <tr> <td>Technical installations on runways</td> <td style="text-align: right;">15 years</td> </tr> <tr> <td>Technical installations (lifts etc.)</td> <td style="text-align: right;">20 years</td> </tr> <tr> <td>Technical installations in buildings</td> <td style="text-align: right;">25 years</td> </tr> </table> <p>Other fixtures and fittings, tools and equipment</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">IT equipment</td> <td style="text-align: right;">3-5 years</td> </tr> <tr> <td>Energy plant</td> <td style="text-align: right;">15 years</td> </tr> <tr> <td>Vehicles etc.</td> <td style="text-align: right;">4-15 years</td> </tr> <tr> <td>Furniture and fittings</td> <td style="text-align: right;">10 years</td> </tr> <tr> <td>Hotel equipment</td> <td style="text-align: right;">15-20 years</td> </tr> <tr> <td>Security equipment</td> <td style="text-align: right;">10 years</td> </tr> <tr> <td>Technical equipment</td> <td style="text-align: right;">10 years</td> </tr> <tr> <td>Other equipment</td> <td style="text-align: right;">5 years</td> </tr> </table>	Land improvements (sewers etc.)	40 years	Buildings (terminals, offices etc.)	80-100 years	Buildings (other)	40 years	Fitting out	5-10 years	Investment properties	100 years	Runways, roads etc. (foundations)	80-100 years	Surface of new runways, roads etc.	10 years	Technical installations on runways	15 years	Technical installations (lifts etc.)	20 years	Technical installations in buildings	25 years	IT equipment	3-5 years	Energy plant	15 years	Vehicles etc.	4-15 years	Furniture and fittings	10 years	Hotel equipment	15-20 years	Security equipment	10 years	Technical equipment	10 years	Other equipment	5 years
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Gains and losses on the sale of non-current assets are recognised under Other income.

Significant estimates and judgements

Property, plant and equipment are depreciated to the estimated residual value over their expected useful lives, which CPH has estimated above. These estimates are based on the Company's business plans and expected useful lives of the assets, the technical and maintenance state of the assets, and regulatory requirements. The residual value was estimated at DKK 604 million (2021: DKK 604 million) at the balance sheet date. The useful lives and residual values of property, plant and equipment are reviewed at least at every year-end based on these factors. CPH evaluates the carrying amounts in order to assess whether events have occurred that require an adjustment of these amounts because they are not expected to be recoverable.

Investment properties owned by the Group are carried at cost less accumulated depreciation. The carrying amount of the investment properties amounts to DKK 1,367 million as of 31 December 2022 (included in the line items Investment properties, Land and buildings and Other fixtures and fittings). The corresponding fair value of the investment properties at 31 December 2022 amounts to DKK 2,332 million (2021: DKK 2,314 million). Fair value of the investment properties has been determined based on a discounted cash flow calculation on minimum lease payments agreed with the hotel operator with a discount rate of 4.5%.

In estimating the runways' useful lives, CPH has divided the system into three elements: foundations, surfaces and technical installations. CPH's assessment is that each element has a different useful life. The runway surfaces have shorter lives than the foundations due to immediate wear; their useful life expectancy is 10 years. This assessment is supported by historical replacement of runway surfaces and planning for future replacement. Technical installations related to the runways are estimated to have a useful life of 15 years. These technical installations related to the runways are not assessed to have the same useful life as other technical installations, taking into account safety measures.

Notes to the financial statements

Note DKK million

3.3 Property, plant and equipment, continued

Impairment

The carrying amount of property, plant and equipment is tested at least annually for indications of impairment beyond that expressed in the depreciation charges. Where there are such indications, an impairment charge is made against the lower of the recoverable amount of the asset and the carrying amount.

In assessing the recoverable amount, CPH takes into account significant indicators of potential impairment such as purchase and selling prices, and general market conditions.

	Land and buildings*	Investment Properties	2022 Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
DKK million						
Cost						
Accumulated cost at 1 January	10.174	919	9.761	2.527	1.316	24.697
Adjustment to previous years	(8)	-	-	-	14	6
Additions	-	0	-	-	903	903
Disposals	(149)	-	(291)	(21)	-	(461)
Transferred	385	-	225	113	(723)	-
Accumulated cost at 31 December	10.402	919	9.695	2.619	1.510	25.145
Depreciation						
Accumulated depreciation at 1 January	3.890	45	4.789	1.761	-	10.485
Adjustment to previous years	8	(1)	-	-	-	7
Depreciation	345	13	376	179	-	913
Depreciation on disposals	(149)	-	(291)	(20)	-	(460)
Accumulated depreciation at 31 December	4.094	57	4.874	1.920	-	10.945
Carrying amount at 31 December	6.308	862	4.821	699	1.510	14.200
Of which fixed assets for operational leasing	1.677	862	963	171	-	3.673

* At 31 December 2022, CPH's properties were mortgaged for a total of DKK 515 million (2021: DKK 515 million).

Major investments in 2022 included expansion of Terminal 3 airside, construction of a multi-storey car park, runway renovations and new security facilities.

DKK million

	Land and buildings*	Investment Properties	2021 Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction	Total
DKK million						
Cost						
Accumulated cost at 1 January	9.241	254	9.224	2.398	2.257	23.373
Additions	17	665	268	62	561	1.572
Disposals	(38)	-	(188)	(23)	-	(249)
Transferred	954	-	457	91	(1.502)	-
Accumulated cost at 31 December	10.174	919	9.761	2.527	1.316	24.696
Depreciation						
Accumulated depreciation at 1 January	3.637	37	4.553	1.591	-	9.818
Depreciation	290	8	424	193	-	915
Depreciation on disposals	(38)	-	(188)	(23)	-	(249)
Accumulated depreciation at 31 December	3.890	44	4.789	1.761	-	10.484
Carrying amount at 31 December	6.285	875	4.972	766	1.316	14.213
Of which fixed assets for operational leasing	1.667	875	993	199	-	3.734

* See above.

3.4 Subsidiaries and associates

Accounting policies

Subsidiaries are classified as companies where the Parent Company directly or indirectly controls the majority of the votes or otherwise controls the Associates are classified as companies where CPH controls 50% or less of the votes and does not have control but exercises significant influence.

Subsidiaries

- Copenhagen Airport Hotels A/S, Tårnby, Denmark – 53% owned by CPH
- Copenhagen Airports International A/S, Tårnby, Denmark – 100% owned by CPH
- Copenhagen Airports Denmark Holding ApS, Allerød, Denmark - 100% owned by KAP
- Copenhagen Airports Denmark ApS, Allerød, Denmark - 100% owned by CADH

Associates

- Airport Coordination Denmark A/S, Tårnby, Denmark – 50% owned by CPH
- Smarter Airports A/S, Tårnby, Denmark – 50% owned by CPH

Notes to the financial statements

Note DKK million

4 Financing and financial risks

4.1 Financial income and expenses

Accounting policies

Financial income and expenses include interest, realised and unrealised exchange differences, recycled accumulated gains and losses on swaps related to terminated hedges, amortisation of mortgage loans and other loans, including reversal of fair value adjustments of effective hedges of loans, supplements and allowances under the on-account tax scheme. Fair value adjustment of interest elements of swaps classified as a cash flow hedge for accounting purposes is recognised in comprehensive income.

	2022	2021
Financial income		
Other financial income	2	20
Interest on other receivables	8	(0)
Exchange gains	3	5
Total financial income	13	24

Financial income decreased by DKK 12 million, primarily due to reversal of other financial income.

	2022	2021
Financial expenses		
Interest on debt to financial institutions and other loans, etc.	389	372
Interest on debt to related party	625	644
Capitalised interest expenses regarding assets under construction	(27)	(32)
Exchange losses	1	2
Other financing costs	20	19
Amortisation of loan costs	8	22
Total financial expenses	1.016	1.026

Financial expenses decreased by DKK 10 million, primarily due to lower interest expenses in debt to related parties. In addition, capitalised interest expenses regarding assets under construction decreased due to the lower level of assets under construction than last year. The increase in financial expenses was partly offset by a decrease in amortisation of loan costs due to recycling of amortised financial costs in 2021.

An effective interest rate of 1.9% was applied to calculate loan costs for the cost of assets in 2022 (2021: 1.8%), corresponding to CPH's weighted average cost of capital for borrowings for purchases of property, plant and equipment.

As stated under Currency swaps and Hedging transactions in note 4.3 on financial risks, the Group uses currency swaps to hedge foreign currency loans (in this case USD only) so that the exchange rate exposure on interest as well as the principal is converted from the foreign currency into fixed payments in DKK over the terms of the respective loans. The loans in question have been fully hedged.

Exchange rate adjustments of loans as well as currency swaps (for loan principals) are recognised in Financial income/expenses in the income statement at a net amount of zero, as the exchange rate adjustment of the loans is fully offset by an opposite exchange rate adjustment of the currency swaps.

The net value of the exchange loss recognised in 2022 included an unrealised exchange loss of DKK 66 million (2021: unrealised exchange loss of DKK 81 million) related to long-term loans denominated in USD, offset by an unrealised exchange gain of DKK 66 million on currency swaps (2021: unrealised exchange gain of DKK 81 million) relating to the same loans.

Amortisation of loan costs relates to costs in connection with the establishment of bank loans and credit facilities and recycling of amortised cost related to loan renewal.

4.2 Financial institutions and other loans

Payables to related Parties

CAD, CADH and KAP have received a letter of financial support from its respective parent companies, confirming that current loans and possible future loans to their parent companies will not be called unless liquidity of the company is adequate in order to repay its obligations. These letters of support are effective until at least 12 months after the date of signing of this Annual Report.

Accounting policies

Mortgage loans, loans from financial institutions and other loans are recognised when taken out at the amount received. In subsequent periods, the loans are measured at amortised cost so that the effective interest rate is recognised in the income statement over the term of the loan.

	2022	2021
Non-current liabilities	9.453	15.580
Current liabilities	6.660	819
Total	16.113	16.399

DKK million	1 January	Cash flow	Non-cash changes		31 December 2022
			Reclassification and loan costs	Foreign exchange movements	
Long term loans	15.580	191	(6.414)	95	9.453
Short term loans	819	(522)	6.364	-	6.660
Total	16.399	(331)	(50)	95	16.113

DKK million	1 January	Cash flow	Non-cash changes		31 December 2021
			Reclassification and loan costs	Foreign exchange movements	
Long term loans	15.299	733	9	141	16.181
Short term loans	148	70	-	-	218
Total	15.447	803	9	141	16.399

Notes to the financial statements

Note **DKK million**

4.2 Financial institutions and other loans, continued

The Group had the following loans at 31 December:

DKK million Loan	Currency	Fixed/floating	Maturity date	Carrying amount		Fair value*	
				2022	2021	2022	2021
Overdraft	DKK	Floating	-	38	16	38	16
Bank Club	DKK	Floating	22 Aug 2023	2.230	2.680	2.230	2.680
Term Loan	DKK	Floating	22 Aug 2023	2.000	2.000	2.000	2.000
RD (DKK 64 mio.)**	DKK	Fixed	23 Dec 2032	35	39	35	42
Nordea Kredit**	DKK	Floating	30 Dec 2039	382	405	382	405
Nordic Investment Bank (NIB)***	DKK	Fixed	12 Feb 2026	54	69	53	70
Nordic Investment Bank (NIB)****	DKK	Fixed	19 Dec 2027	529	635	454	593
European Investment Bank (EIB)***	DKK	Fixed	15 Dec 2026	250	250	223	255
European Investment Bank (EIB)***	DKK	Fixed	7 Apr 2032	545	600	490	623
European Investment Bank (EIB)***	DKK	Fixed	26 Jan 2033	400	400	358	417
European Investment Bank (EIB)***	DKK	Fixed	14 Aug 2033	600	600	523	618
European Investment Bank (EIB)***	DKK	Fixed	12 Apr 2034	700	700	587	697
USPP bond	DKK	Fixed	27 Aug 2025	1.055	1.055	1.006	1.160
USPP bond	USD	Fixed	22 Aug 2023	1.116	1.050	1.117	1.118
CAD Bank Loan	DKK	Floating	12 Dec 2024	1.712	1.712	1.712	1.712
USPP bond	DKK	Fixed	30 Dec 2023	-	273	-	273
USPP bond	DKK	Fixed	29 Dec 2023	273	273	273	273
USPP bond	DKK	Fixed	31 Dec 2025	546	546	546	546
USPP bond	USD	Fixed	30 Dec 2023	-	328	-	328
USPP bond	USD	Fixed	29 Dec 2023	488	459	488	459
USPP bond	EUR	Fixed	29 Dec 2023	223	223	223	223
EUPP bond	DKK	Floating	22 Jan 2024	340	970	340	970
EUPP bond	EUR	Floating	22 Jan 2026	446	446	446	446
EUPP bond	EUR	Fixed	22 Jan 2026	558	558	558	558
EUPP bond	EUR	Fixed	22 Jan 2024	149	149	149	149
KAP Bank Loan	DKK	Floating	27 Okt 2027	1.473	-	1.473	-
Total				16.142	16.436	15.704	16.630
Loan costs for future amortisation				(29)	(36)	(29)	(36)
Total				(29)	(36)	(29)	(36)
Total				16.113	16.399	15.675	16.594

* See note 4.3 for a description of the method for determining the fair value of financial liabilities.

** At 31 December 2022, The Group's properties were mortgaged for a total value of DKK 514.9 million (2021: DKK 514.9 million).

*** Funding for the expansion of Pier C.

**** Funding for the expansion of Copenhagen Airport, which is expected to be completed by the end of 2028.

All USD and EUR bond loans were swapped to DKK on close of contract, both in terms of principal and interest payments, using currency swaps.

Notes to the financial statements

Note	DKK million
4.3	<p>Financial risks</p> <p>Accounting policies</p> <p>In connection with the Group's hedging of future financial transactions and cash flows, derivative financial instruments are used as part of the Group's risk management.</p> <p>Derivative financial instruments are initially recognised in the balance sheet at fair value on the transaction date under Other receivables and Other payables respectively.</p> <p>Changes in the fair value of derivative financial instruments that are designated as fair value hedges 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 hedged liability.</p> <p>Changes in the fair value of derivative financial instruments designated as hedges of expected future cash flows are recognised in Other comprehensive income and accumulated under Reserve for hedging. If the expected future transaction results in the recognition of non-financial assets or liabilities, amounts previously deferred in Other comprehensive income are transferred via Other comprehensive income from Equity and included in the initial measurement of the cost of the asset or liability respectively. Other amounts deferred in Other comprehensive income as part of equity are transferred to the income statement in the period in which the hedged transaction affects the income statement.</p> <p>The fair value of interest rate and currency swaps is determined as the present value of expected future cash flows. The fair value of forward exchange contracts and other derivative financial instruments is determined based on observable exchange rates and the swap and forward rates at the balance sheet date. An evaluation of own and counterparty credit risks is also included.</p> <p>The Group's risk management policy</p> <p>The Group's financial risks are managed from its head office by the Treasury department. The principles and framework governing CPH's financial management are laid down once a year by the Board of Directors. The financial risks occur primarily as a result of operating and investing activities.</p> <p>Credit risks</p> <p>The Group's credit risks primarily relate to receivables, bank deposits, securities and derivative financial instruments.</p> <p>Credit risk regarding receivables arises when CPH's revenue in the form of traffic charges, concession charges, rent etc. is not prepaid, or when customer solvency is not covered by guarantees etc.</p> <p>The Group's revenue comprises aeronautical revenue from national and international airlines, and non-aeronautical revenue from national and international companies within and outside the aviation industry. As part of CPH's internal procedures regarding risk management, the credit risk relating to customers is monitored on a monthly basis. This is done by reviewing any failure to pay amounts due and assessing whether the customer has financial problems.</p> <p>The Group's trading partners SAS, Norwegian and Gebr. Heinemann (the largest concessionaire) constitute the most significant concentration of credit risk. Gross receivables from the sale of services to these customers amounted to approximately 35% of the total in 2022 (2021: 58%). SAS's credit rating from Standard & Poor's is D (2021: CCC). On 5 July 2022, SAS voluntarily entered Chapter 11 protection in the USA. It has previously informed the market that important milestones in the SAS FORWARD plan have been reached. Throughout this process, SAS has continued to honour its obligations as they have matured. Norwegian does not have a published credit rating but has provided a deposit for rent. Gebr. Heinemann does not have a published credit rating but has given CPH a banker's guarantee equivalent to four months' revenue (2021: four months' revenue). The remaining credit risk is distributed among CPH's other customers. See note 5.1 on trade receivables for further information.</p> <p>Credit risks related to bank deposits, securities and derivative financial instruments arise as a result of uncertainty regarding the counterparty's ability to meet liabilities when due. CPH seeks to limit the credit risk regarding bank deposits and derivative financial instruments by diversifying financial contracts and by entering into contracts only with financial counterparties with satisfactory credit ratings. The credit risk is calculated per counterparty based on the actual market value of the contracts entered into. At the balance sheet date, CPH had no credit risk on derivative financial instruments.</p> <p>Credit exposure to financial counterparties at 31 December 2022 totalled DKK 97 million (2021: DKK 78 million), corresponding to the value of bank deposits and money market deposits, including accrued interest.</p> <p>Capital management</p> <p>The Group's policy concerning borrowings is, as far as possible, to ensure a certain flexibility by diversifying funding by maturity date and counterparties. Furthermore, it is CPH's policy to comply with the loan covenants in its loan agreements. The Board of Directors and management ensure that the Company has a sound capital structure and, based on this, the financing policy is approved on an annual basis.</p> <p>The Group, individually and on behalf of its subsidiaries, has undertaken not to create or permit to subsist any charge over its assets or those of its subsidiaries, subject to a maximum permitted amount. Furthermore, CPH and CAD have made a commitment to its lenders to comply with a number of other terms and conditions, including financial covenants. A number of CPH's and CAD's agreements on loans and credit facilities may be terminated in the event of failure to comply with these terms and conditions. In May 2021, CPH and CAD obtained waivers for financial covenants covering the period up to and including Q3 2022. CPH and CAD complied with all the applicable terms and conditions related to the waivers during 2022. In December 2022, CPH and CAD obtained new waivers for the financial covenants covering the period up to and including Q3 2024.</p> <p>Liquidity risk</p> <p>The Group aims to have sufficient available liquidity to meet all its obligations. This is ensured via a solid liquidity buffer consisting of committed credit facilities.</p> <p>During the COVID-19 pandemic, CPH has had a DKK 6 billion credit facility agreement in place, maturing in August 2023, to ensure adequate liquidity during the pandemic. Committed facilities for the refinancing of this credit facility as well as a DKK 1 billion USPP bond maturing in August 2023 has been put in place during Q2 2023.</p> <p>At 31 December 2022, The Group's liquid assets consist of cash totalling DKK 905 million (2021: DKK 831 million) and undrawn committed long-term credit facilities totalling DKK 4.359 million (2021: DKK 3,504 million). CPH also has overdraft facilities available of DKK 62 million (2021: DKK 184 million).</p> <p>CPH and CAD complied with the liquidity covenant throughout 2022.</p> <p>A complete overview of payment commitments is disclosed on the following pages.</p> <p>All cash flows are undiscounted and include all liabilities under the contracts. Interest payments on floating-rate debt not yet hedged are recognised at the fixed forward rate from the day the loans are expected to be swapped, based on the yield curve applicable at the balance sheet date. The DKK value of future interest and principal payments on loans in foreign currency is calculated based on the exchange rate at the balance sheet date.</p>

Notes to the financial statements

Note	DKK million					
4.3	Financial risks, continued					
Maturity at 31 December 2022, DKK million						
	0-1 year	1-5 years	After 5 years	Total*	Fair value level 2*	Carrying amount
Recognised at amortised cost						
Financial institutions and other loans	7.050	8.571	1.653	17.274	15.704	16.142
Payable to related party	-	-	5.796	5.796	5.796	5.796
Trade payables	496	-	-	496	496	496
Other payables	275	169	-	444	444	444
Total	7.821	8.740	7.449	24.011	22.441	22.879
Total financial liabilities	7.821	8.740	7.449	24.011	22.441	22.879
Recognised at amortised cost						
Cash	905	-	-	905	905	905
Trade receivables	295	-	-	295	295	295
Other receivables	39	-	-	39	39	39
Total	1.239	-	-	1.239	1.239	1.239
Recognised at fair value						
Derivative financial instruments	199	135	-	334	334	334
Total	199	135	-	334	334	334
Total financial assets	1.438	135	-	1.572	1.572	1.572

* The fair value of financial liabilities is the present value of the expected future instalments and interest payments, except for trade payables, other payables and receivables, which are stated at the net carrying amount at year-end. A zero-coupon interest rate for similar maturities plus estimated credit cost based upon the present rating of the Company is used as the discount rate. The fair value of derivative financial instruments is determined based on published exchange rates, swap and forward rates, etc. An evaluation of own and counterparty credit risk is also included. The fair value measurement of financial instruments is divided into the following measurement hierarchy:

Level 1: Observable market prices of identical instruments

Level 2: Valuation models primarily based on observable prices or traded prices of comparable instruments

Level 3: Valuation models primarily based on non-observable prices

The fair value of CPH's forward exchange contracts and other derivative financial instruments (interest rate and currency swaps) is considered a Level 2 fair value measurement, as the fair value is primarily determined directly based on published exchange rates and quoted swap and forward rates at the balance sheet date.

Maturity as at 31 December 2021						
	0-1 year	1-5 years	After 5 years	Total*	Fair value level 2*	Carrying amount
Recognised at amortised cost						
Financial institutions and other loans	1.251	14.507	2.027	17.785	16.630	16.436
Payable to related party	-	-	5.489	5.489	5.489	5.489
Trade payables	343	-	-	343	344	344
Other payables	284	181	84	549	549	549
Total	1.878	14.688	7.600	24.166	23.012	22.818
Total financial liabilities	1.878	14.688	7.600	24.166	23.012	22.818
Recognised at amortised cost						
Cash	831	-	-	831	831	831
Trade receivables	449	-	-	449	449	449
Other receivables	35	-	-	35	35	35
Total	1.315	-	-	1.315	1.315	1.315
Recognised at fair value						
Derivative financial instruments	-	305	-	305	305	305
Total	-	305	-	305	305	305
Total financial assets	1.315	305	-	1.620	1.620	1.620

* See above.

Notes to the financial statements

Note	DKK million		
4.3	Financial risks, continued		
	Market risks		
	Interest rate risks		
	It is the Group's policy to hedge its interest rate risks whenever it is considered that the interest payments can be hedged at a satisfactory level. Hedging is normally done by entering into interest rate swaps under which floating-rate loans are swapped to a fixed interest rate.		
	The duration of the Groups drawn loans on 31 December 2022 was determined to be approximately 4,0 years (2021: approximately 4,7 years).		
	Most of the Group's loan portfolio is at fixed rate or has been swapped to fixed interest rate. Fluctuations in the interest rate level would therefore only have a relatively limited impact on the Group's income statement, given the outlook for future interest rate changes.		
	As the exchange rate and interest rate risk of debt denominated in USD, EUR and DKK is hedged by USD/DKK, EUR/DKK and DKK interest rate swaps, a change in interest rate levels would affect equity.		
	Sensitivity analysis of the current portfolio of swap contracts		
	DKK million		
	EFFECT ON EQUITY OF:	2022	2021
	An increase in the DKK rate of interest of 1 %-point	51	101
	A decrease in the DKK rate of interest of 1 %-point	(53)	(105)
	An increase in the EUR rate of interest of 1 %-point	(21)	(34)
	A decrease in the EUR rate of interest of 1 %-point	21	35
	An increase in the USD rate of interest of 1 %-point	(11)	(30)
	A decrease in the USD rate of interest of 1 %-point	11	31
	Exchange rate risks		
	Exchange rate fluctuations would have only a minor impact on the Group's operating results because most of its revenues and costs are settled in DKK.		
	Currency swaps		
	Currency swaps have been used to hedge fixed-rate bond loans denominated in USD and EUR by swapping the exchange rate exposure on both interest and principal from fixed payments in USD to fixed payments in DKK throughout the terms of the respective loans. The total notional amount of these outstanding cross-currency swaps at 31 December 2022 was USD 230 million (2021: USD 280 million) and EUR 185 million (2021: EUR 185 million). The carrying amount of the currency swap contracts was DKK 320 million (2021: DKK 194 million).		
	Hedging transactions		
	The net fair value stated will be transferred from Reserve for hedging to the income statement as and when the hedged interest payments are made. The terms to maturity of the cross-currency swaps match the terms to maturity of the related loans.		

Notes to the financial statements

Note DKK million

5 Other notes

5.1 Trade receivables

Accounting policies

Receivables are measured at amortised cost. Write-downs to offset losses are made in accordance with the simplified expected credit loss model, whereby the total loss is recognised immediately in the income statement at the same time as the receivable is recognised in the balance sheet, based on the expected loss over the total life of the receivable.

Estimates and judgements

Using the simplified expected credit loss model, the expected loss on receivables from sales and services is recognised immediately in the income statement. Receivables are monitored on an ongoing basis in accordance with the Group's risk management until realisation. The write-down is calculated based on the expected loss ratio. The loss ratio is calculated on the basis of historical data adjusted for estimates of the effect of expected changes in relevant parameters, such as economic development, political risks, etc., on the market. For receivables where there is no objective indication of impairment at individual level, the remaining receivables are assessed for objective indications of impairment. The objective indications are based on historical loss experiences.

If there is an objective indication that an individual receivable is impaired, such as non-payment of amounts due or the debtor having financial difficulties in the form of payment suspension, bankruptcy, expected bankruptcy or the like, a write-down is made on the receivable in question.

In a number of cases, CPH receives collateral security for sales on credit, mainly regarding non-aeronautical activities, and such collateral is included in the assessment of the writedown required for bad and doubtful debts. The collateral may be in the form of financial guarantees. Of the trade receivables of DKK 295 million at 31 December 2022 (2021: DKK 449 million), DKK 93 million (2021: DKK 90 million) was covered by collateral security. The maximum credit risk is reflected in the carrying amount of the financial assets in the balance sheet.

Trade receivables	2022	2021
	314	486
Write-down	19	37
Net trade receivables	295	449
Write-down for bad and doubtful debts		
Accumulated write-down at 1 January	37	49
Change in write-down for the year	(18)	(11)
Realised loss for the year	20	18
Reversal	(20)	(19)
Accumulated write-down at 31 December	19	37

DKK million	2022			2021		
	Gross carrying amount	Impaired amount	Net trade receivables	Gross carrying amount	Impaired amount	Net trade receivables
Not due	280	-	280	280	-	280
Less than 30 days	175	(7)	168	175	(7)	168
30 to 90 days	-	-	-	-	-	-
More than 90 days	30	(30)	0	30	(30)	0
Total	486	(37)	449	486	(37)	449

5.2 Other liabilities

Accounting policies

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.

Other payables primarily comprise holiday pay liabilities, payroll taxes, VAT and interest payable and are measured at nominal value.

	2022	2021
Other payables non-current		
Other payables - non-current, incl. Holiday pay, frozen due to news holiday act	169	266
Balance at 31 December	169	266
Other payables - current		
Holiday pay and other payroll items	156	167
Interest payable	56	51
Other costs payable	63	66
Balance at 31 December	275	284
Total balance at 31 December	444	549

Other payables decreased by DKK 8 million, primarily due to the decrease in holiday pay and other payroll items. This was partly offset by an increase in interest payables due to higher interest levels.

Notes to the financial statements

Note	DKK million		
5.3	Notes to the cash flow statement		
	Received from customers	2022	2021
	Revenue	3.532	1.761
	Change in trade receivables and prepayments from customers	234	(361)
	Total	3.766	1.400
	Paid to staff, suppliers, etc.	2022	2021
	Operating costs	(2.174)	(1.517)
	Change in other receivables, etc.	66	238
	Change in cost-related trade payables, etc.	147	(73)
	Total	(1.961)	(1.351)
	Interest received, etc.	2022	2021
	Interest received, etc.	3	-
	Realised exchange gains	8	5
	Total	11	5
	Interest paid, etc.	2022	2021
	Interest paid, etc.	(387)	(411)
	Realised exchange losses	-	(0)
	Other financial costs	(20)	(18)
	Other interest expenses	-	(0)
	Total	(407)	(429)

5.4 Financial commitments

At 31 December 2022, CPH had entered into contracts to build facilities totalling DKK 1,857 million (2021: DKK 2,067 million), primarily relating to the expansion of airside facilities, expansion of Terminal 3, and IT. Other commitments total DKK 82 million (2021: DKK 61 million).

Furthermore, the Group is committed to providing redundancy pay to civil servants pursuant to the provisions of the Danish Civil Servants Act, cf. note 2.5.

Under the agreement with Naviair for the provision of air traffic services, CPH has accepted liability for any terminal navigation charges (TNC) that Naviair users may fail to pay. This liability takes effect when the claim has been ascertained and documented as irrecoverable, and when other specifically agreed terms and conditions have been met.

Debt to financial institutions is secured by mortgages on CPH's properties as described in note 3.3.

The Group is subject to certain change of control restrictions in relation to the DKK 6 billion credit facility and the waiver agreements obtained in December 2022. For further information about the waiver, see Capital management in note 4.3.

Notes to the financial statements

Note	DKK million
5.5	<p>Related parties</p> <p>The Group's related parties are the Danish Labour Market Supplementary Pension (ATP) and the Ontario Teachers' Pension Plan (OTPP), given their controlling ownership interests in CPH, the Board of Directors and Executive Management, and associated companies (see note 3.4). See also note 2.5 regarding remuneration to the Board of Directors and Executive Management.</p> <p>Copenhagen Airports Denmark ApS (CAD), company reg. (CVR) no. 29144249 is directly controlled by 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) and the Ontario Teachers' Pension Plan Board (OTPP) via OTPP's underlying holding company and ATP directly.</p> <p>CAD holds 59.35 % of both the shares and voting rights in the CPH.</p> <p>ATP and OTPP (through an underlying holding company) have signed a shareholders' agreement providing for agreement between the two parties on all material resolutions. The agreement also stipulates rules for the nomination of members to the Board of Directors of CPH.</p> <p>For additional information on ATP and OTPP, see www.atp.dk and www.otpp.com.</p>
5.6	<p>Concession for airport operation and charges regulation</p> <p>Pursuant to section 55 of the Danish Air Navigation Act, special permission from the Minister of Transport is required for aerodrome operations. The permits for the aerodromes in Kastrup and Roskilde, which are issued by the Danish Transport Authority (DTA), are valid until 1 March 2025, at which time they must be renewed.</p> <p>Commission Regulation (EU) No 139/2014 also establishes requirements and administrative procedures related to aerodromes and aerodrome operators. On 22 December 2016, CPH received aerodrome certificates for Copenhagen Airport and Roskilde Airport and common operator certificates from the DTA according to EU regulations. The certificates are valid indefinitely.</p> <p>The Minister for Transport, Building and Housing may lay down regulations concerning the charges that may be levied on the use of aerodrome ("charges regulation").</p> <p>The charges regulation for CPH set out by the former DTCA in BL 9-15, 4th edition, of 16 November 2017: "Regulation on payment for use of airports (airport charges)".</p> <p>According to BL 9-15, the airlines and the airport are first requested to seek consensus on future airport charges in the coming regulatory period. If this is not possible, the Danish Civil Aviation and Railway Authority (which has replaced the DTCA) will set annual revenue caps, which comprise the maximum total amount the airport can apply for each of the years as a basis for setting the charges for the use of the aeronautical facilities and services (fall-back). If the charges are negotiated by the parties, the parties must also agree on the length of the coming regulatory period. The regulatory period is two years if the charges are not agreed between the parties. The parties can agree amongst themselves on the charges for a period of up to six years.</p> <p>BL 9-15 includes various rules on determining charges by negotiation and in the event of a fall-back situation. In a fall-back situation, the revenue caps will be determined to cover operating costs, depreciation and cost of capital for efficient operation of the airport.</p> <p>Based on the revenue caps, CPH is then required to prepare a proposal for charges during the regulatory period, for approval by the Danish Civil Aviation and Railway Authority. BL 9-15 includes various rules on how to calculate these revenue caps.</p> <p>In 2018, CPH and the airlines entered into a charges agreement that was approved by the former DTCA in January 2019 and which sets out the charges applicable for the period 1 April 2019 – 31 December 2023. In 2021, the airport and airlines agreed to change the charges agreement due to the impact of the COVID-19 pandemic. Charges were fixed for the years 2022 and 2023.</p>

Notes to the financial statements

Note	DKK million		
5.7	Fees to auditors appointed at the Annual General Meeting	2022	2021
	Audit fee to PwC	2	2
	Fees for assurance engagements other than audit	1	1
	Tax advice	0	0
	Non-audit services	0	0
	Total audit fee	3	3

Fees for services other than statutory audit of the financial statements of the Group by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab amount to DKK 1 million (2021: DKK 1 million) and mainly relate to review of non-financial statements, accounting advice and tax assistance.

5.8 Post Balance sheet events

The Danish Tax Authority (DTA) has made various claims against Copenhagen Airports Denmark Holding (CADH) regarding collection and payment of withholding tax on dividend and interest payments relating to the period 2006-2010. CADH has disputed all claims.

On the 27 February 2023 the Eastern High Court handed down its decision in favor of the DTA. According to the Eastern High Court's judgement Danish withholding tax should have been applied to payment of interest and dividends to foreign lenders and shareholders. The alleged claim concerning withholding tax on interest payments was paid in full in 2017. CADH has, as in previous years, made provisions in respect of dividend withholding tax amounts, including for penalty interest calculated in accordance with the principles applied by the DTA.

5.9 Guarantees and pledges

CAD has pledged its shares in Copenhagen Airports A/S and its bank deposit as security in favour of its lenders.

Kastrup Airports Parent ApS

c/o Apex Fund Service (Denmark) ApS

Hørmarken 2

3520 Farum

CVR no. 33781903

Annual Report 2022

12. Financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 30 May 2023

DocuSigned by:

Torben Christensen

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Torben Christensen

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Management's Review

Management's review for Kastrup Airports Parent ApS is included in management's review for the group in the consolidated annual report.

Key Figures and Financial Ratios

There are no specific key figures for the parent. Please refer to the key figures in the consolidated annual report.

Income Statement

	Note	2022 DKKm	2021 DKKm
Other external expenses		(1)	(1)
Profit/(Loss) from ordinary operating activities		(1)	(1)
Other finance income from group enterprises		1	0
Finance expenses arising from group enterprises		(325)	(643)
Other Finance Income		0	-
Other finance expenses		(1)	(1)
Profit/(Loss) from ordinary activities before tax		(326)	(644)
Tax expense on ordinary activities	2	(55)	118
Profit/(Loss)	3	(381)	(526)

Balance Sheet as of 31 December

	Note	2022 DKKm	2021 DKKm
Assets			
Long-term investments in group enterprises	4	7.616	6.884
Investments		7.616	6.884
Fixed assets			
Short-term receivables from group enterprises		580	459
Deferred Tax		54	45
Tax receivables from group enterprises		119	95
Receivables		752	599
Cash and cash equivalents		308	49
Current assets		1.061	648
Assets		8.677	7.532

Balance Sheet as of 31 December

	Note	<u>2022</u> DKKm	<u>2021</u> DKKm
Liabilities and equity			
Contributed capital		0	0
Retained earnings		1.202	1.583
Equity		<u>1.202</u>	<u>1.583</u>
Payables to group enterprises loans	5	5.758	5.422
Long-Term credit facilities	5	1.473	-
Long-term liabilities other than provisions		<u>7.231</u>	<u>5.422</u>
Trade payables		2	0
Payables to group enterprises		167	511
Tax paybles to group enterprises		75	15
Current liabilities other than provisions		<u>244</u>	<u>526</u>
Liabilities other than provisions within the business		<u>7.475</u>	<u>5.949</u>
Liabilities and equity		<u>8.677</u>	<u>7.532</u>
Contingent liabilities	6		
Collaterals and securities	7		

Statement of Changes in Equity

	Contributed Capital DKK '000 Kr.	Retained Earnings DKK '000 Kr.	Total DKK '000 Kr.
Equity 1 January 2022	433	1.582.610	1.583.043
Profit / (Loss)	-	(381.069)	(381.069)
Equity 31 December 2022	433	1.201.541	1.201.974

Movement in share capital:

	2022 DKK '000 Kr.	2021 DKK '000 Kr.
Balance at the beginning of the year	433	333
Additions during the year	-	100
Balance at the end of the year	433	433

Share classes:

	Number of shares	Nominal value of shares
A-shares	3.000	3.000
B-shares	77.000	154.000
C-shares	138.123	276.246
Total	218.123	433.246

Notes

1. Accounting policies

Basis of Preparation

Reporting class

The Annual Report of Kastrup Airports Parent ApS for 2022 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C. Please refer to the basis of preparation for the group in the consolidated report.

Reporting Currency

The Annual Report is presented in Danish kroner.

Income Statement

Investments in group companies

The proportionate share of dividends declared by subsidiaries is recognised in the income statement of the parent company.

Balance Sheet

Investments in group companies

Investments in group enterprises are measured at cost. If the cost price exceeds the recoverable amount the amount is written down to the lower value.

Equity

Proposed dividend for the year is recognised as a separate item in equity.

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

A separate cash flow statement for the parent has not been prepared pursuant to the Financial Statements Act § 86. Please refer to the cash flow statement for the group in the consolidated annual report.

2. Tax Expense

Tax expense for the year
Tax from previous years

	2022 DKKm	2021 DKKm
	44	118
	(99)	-
	<u>(55)</u>	<u>118</u>

3. Proposed distribution of results

Distributions
Retained earnings
Profit/(Loss) for the year

	-	-
	(381)	(526)
	<u>(381)</u>	<u>(526)</u>

4. Disclosure of long-term investments in Group enterprises and associates

Group enterprises

Name	Registered office	Share Held in %	Equity, DKKm	Profit, DKKm
Copenhagen Airports Denmark Holding ApS	Farum	100	6.423	119
			<u>6.423</u>	<u>119</u>

5. Long-term liabilities

	Due within 1 year DKKm	Due within 1 to 5 years DKKm	Due after 5 years DKKm
Payables to group enterprises	-	-	5.758
Long-Term credit facilities	-	1.473	-
	-	1.473	5.758

CAD, CADH and KAP have received a letter of financial support from their respective parent companies, confirming that current loans and possible future loans to their parent companies will not be called unless liquidity of the company is adequate in order to repay its obligations. These letters of support are effective until at least 12 months after the date of signing of this Annual Report.

6. Contingent Liabilities

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

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

7. Collaterals and securities

No securities or mortgages exist at the balance sheet date.