

Metroselskabet I/S

Annual Report 2022





Contents

Foreword	3
Business strategy: Metro of the future	7
Metro operations	14
More Metro construction	23
About the Copenhagen Metro	30
Financial performance	36
Risk management	44
Compliance	46
Financial statements 2022	54
Statement by the Board of Directors and the Executive Management	89
Independent auditors' report	91
Appendix to the management commentary	95
Long-term budget	98

Metroselskabet I/S

Metrovej 5
 DK-2300 Copenhagen S
 T: (+45) 3311 1700
 CVR no.: +45 30823699

[Read more about the
 Copenhagen Metro at m.dk](#)

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A satisfactory year

More passengers than expected took the Metro in 2022. The financial result for the year is therefore better than expected, and the Copenhagen Metro delivered a sound result in 2022.

For the Copenhagen Metro, 2022 was a year in which we reached some major milestones. We celebrated the Metro's 20th anniversary, we passed a total of one billion passengers, and we set a new record for the number of passengers on a single day.

2022 was also a year in which we laid many new stepping stones for the changes to ensure that the Metro continues to be an attractive mode of transport, that the Copenhagen Metro maintains its position as the most attractive provider of sustainable mobility in Denmark's capital, and that we continue to be an attractive workplace for

'It takes a sustained focus to create an attractive workplace.'

talented employees in a constrained labour market.

New stepping stones

At the beginning of the year, all COVID-19-related restrictions were lifted, and the work to get customers back to the Metro again after the pandemic intensified. This work laid the foundation for new initiatives to accelerate passenger growth.

During 2022, we said goodbye to the Copenhagen Metro's longstanding CEO, Henrik Plougmann Olsen, and welcomed Carsten Riis, who will now support the company in achieving its full growth potential.

In September, we undertook an idea phase consultation on the new M5 Metro line, whereby the project was presented and discussed with the general public for the first time.

In October, the Board of Directors adopted the new business strategy for 2023-2026. The strategy sets out guidelines for the Copenhagen Metro's work in the next important years.

At the turn of the year, the first major contract for the renewal of the existing Metro trains was signed.

At the start of 2023, it was clear that in 2024 the company will open yet another important Metro line – the M4 to Sydhavn.

2022 was thus a year with a lot of activity, and – as will be seen – also a year marked by transitions to the future.

Passengers returning to the Metro

At the beginning of 2022, Denmark was in lockdown due to the COVID-19 pandemic, but as from 1 February, all restrictions were lifted and customers could once again use the Metro as before. The lockdown was only brief, compared to the previous year, and customers soon found their way back to the Metro. In the first half-year, around 11 million more passengers than expected took the Metro.

Passenger numbers for the full year increased, totalling 108 million Metro journeys in 2022. This is below the company's targeted passenger number before COVID-19 struck, but significantly above the objectives for passengers' return to the Metro.





In view of this increase, we have raised our expectations for the coming years.

108 million passengers compared to an expected 91 million also means that the profit for the year before depreciation, impairment and write-downs exceeds the budget. The profit for the year before depreciation, impairment and write-downs is DKK 41 million, which is DKK 220 million higher than expected in the 2022 budget. This is primarily related to higher passenger revenue due to 17 million more passengers than expected. The

company's average revenue per passenger of DKK 11.00 was in line with expectations.

2022 was also the year in which a record number of people took the Metro on a single day. This took place in connection with the stage of the Tour de France held in Copenhagen on 1 July 2022, when 569,000 passengers used the Metro. This was a festive day with happy people on the streets, squares and stations of Copenhagen – even though the weather presented challenges for the cyclists.



Other major milestones include that at the beginning of 2022, the Metro passed one billion passengers since its opening, and in October, we celebrated 20 years since the first Metro train ran between Nørreport and Amager.

Even after 20 years, the Metro is still perceived as a fresh new innovation by some older Copenhageners, while it is taken for granted as a well-functioning, easily accessible means of transport by younger people. To preserve this perception, in 2022 we launched the first projects to renew and improve the existing Metro trains. This is vital to ensuring that the Copenhagen Metro can continue to meet customers' needs and be the most popular sustainable public transport option in the capital.

Again in 2023, one of the Copenhagen Metro's most important tasks will be to ensure that passengers choose the Metro both in their everyday lives and on special occasions. We must achieve this by ensuring that passengers continue to experience a modern, stable and reliable Metro going forward.

For 2023, the company has budgeted for an ambitious target of 130 million passengers, which is an increase of around 22 million compared to 2022.

The company's fare revenue is budgeted at DKK 1,533 million, while the result before depreciation, impairment and write-downs is budgeted at a profit of around DKK 80 million.

M4 and M5 on track



2022 was also the year in which two proposals for the coming M5 Metro line were first presented to the general public. This was part of the idea phase consultation in September and October 2022, when the City of Copenhagen, in collaboration with the Copenhagen Metro, among other things organised both a physical and an online public meeting.

At both meetings, good and relevant questions were asked about everything from alignment, station locations and environmental conditions, to construction methods. Many consultation responses were received, and the City has subsequently worked to collect and qualify the material to form the basis for a political decision in spring 2023. This is also when we expect a political decision to be made on the extension of the M4 Nordhavn line. In other words, an exciting year lies ahead in terms of the construction of new metro lines.

Meanwhile, the construction of the M4 Sydhavn line is well underway and has now come so far that track laying for the entire route has been completed. A completed Metro line for connection to the Cityringen line is emerging, and the Copenhagen Metro looks forward to opening the line to passengers during 2024.

New strategy – stronger focus

Both the operation and construction of the Metro require skilled and dedicated employees to handle the complex and diverse tasks. Organisational structure and competencies are therefore the foundation underpinning the entire new business

strategy for 2023-2026, adopted by the Copenhagen Metro’s Board of Directors in October 2022.

The Copenhagen Metro wants to be the preferred workplace for anyone wishing to contribute to sustainable mobility in the capital, and this requires sustained focus on creating an attractive workplace. Competence development, focus on the different phases of life, and digital and innovative processes are just some of the instruments to support the company’s efforts.

The organisational structure and competences lay the foundation for the strategy’s four focus areas for the Copenhagen Metro’s work in the coming years: Customers, Climate Footprint, Client Role and Safety. For each area, we have formulated a clear ambition, and the combined fulfilment of these ambitions will help shape the Metro of the future and fulfil the business strategy’s promise to deliver the greatest possible value to society with the smallest possible climate footprint. This requires many difficult choices – but at the Copenhagen Metro we are sure that this is the right way forward.

As the capital’s most used means of transport and as a construction client with huge construction projects in its portfolio, the Copenhagen Metro is committed to continuing the ambitious approach with which the Metro was born.

In 2022, the course was laid for the work in coming years.

In this Annual Report, you can read more about the Copenhagen Metro’s activities in 2022.



We hope you enjoy reading the report.

Jørn Neergaard Larsen
Chairman of the Board of Directors

Carsten Riis
CEO



Connecting Copenhagen through sustainable transport options



320,000

Passengers a day (weekdays)



4

Lines

39

Stations

81

Trains

+99%

On-time performance



63

NPS score

2022 in figures



Number of passengers
108 million



Passenger revenue
DKK 1,245 million



Result
DKK 41
....

2023 targets



Number of passengers
130 million



Passenger revenue
DKK 1,533 million



Result
DKK 80 million



Business strategy: Metro of the future





Under the heading ‘Metro of the future’, the Copenhagen Metro has launched a new business strategy for the period from 2023 to 2026. The overall objective of the strategy is to deliver the greatest possible value to society with the smallest possible climate footprint.

The strategy will support the company’s continued fulfilment of its ambition to deliver a world-class Metro and Light Rail to the capital.

Simple task – complex issues

The Copenhagen Metro’s mission is to provide transport solutions for as many people as possible in the best possible way. Passengers must experience transport as attractive due to the short journey time, reliability, accessibility, comfort, safety and service, while minimising the mode of transport’s climate impact.

Delivering a mobility solution that is simple for passengers to use requires an overview of and the ability to reconcile a wide range of complex issues. The major construction tasks are complex in themselves, and after more than 20 years in operation, the Metro now faces its first major maintenance tasks. Meanwhile, Copenhagen’s demographic development will result in even more potential Metro passengers.

Impact of global megatrends

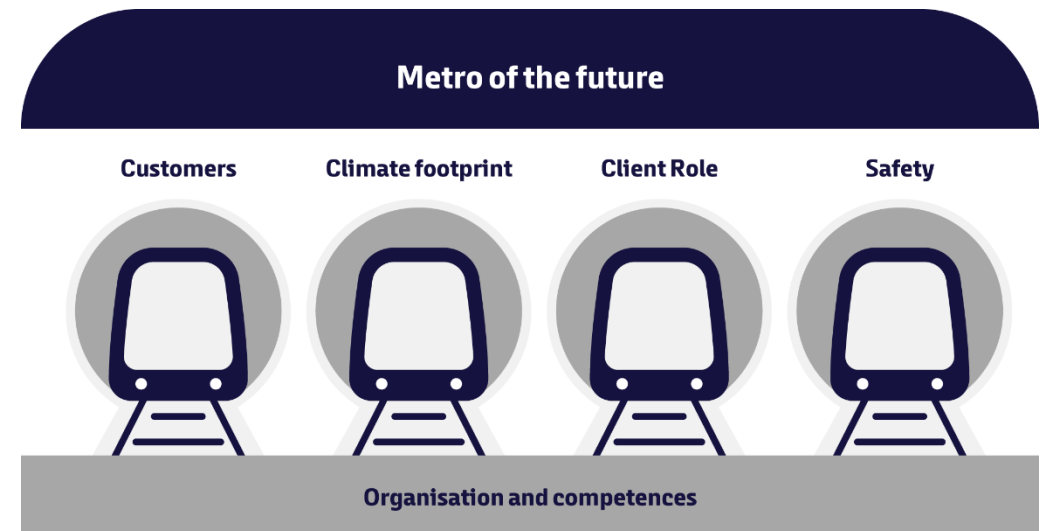
Besides the complexity of the tasks related directly to the Copenhagen Metro’s core activities, the Copenhagen Metro’s development and operation are also affected by a number of global megatrends. The strategy therefore also addresses global megatrends such as urbanisation, changing demographics, sustainability, digital development and increasing complexity.

Metro of the future

For the 2023-2026 strategy period, the Copenhagen Metro has the ambition to deliver a world-class Metro system. This means that the company wants to be measured against and compared with other transport systems, on parameters that include reliability, safety, service and climate footprint. As a consequence, the Metro must be strengthened and expanded to retain its position as the most popular sustainable transport option in the capital. The Copenhagen Metro must also be an attractive workplace that can retain and attract the competent and talented employees needed to achieve the overall ambition and the strategy’s goals.

To meet the many trends and changed expectations of the company, five closely-related focus areas have been chosen that together will enable the Copenhagen Metro to deliver on the promise of a Metro of high technological quality and with high on-time performance, delivering the greatest possible value to society, and with the smallest possible climate footprint.

As presented in Figure 1, the focus areas are: *Customers, Climate footprint, Client role, Safety, and Organisation and competences.* As the figure shows, Organisation and competences are the foundation for the achievement of the strategy.





Customers

Ambition:

‘The Metro must be strengthened and expanded, to retain its position as Copenhagen’s most popular sustainable public transport option.’

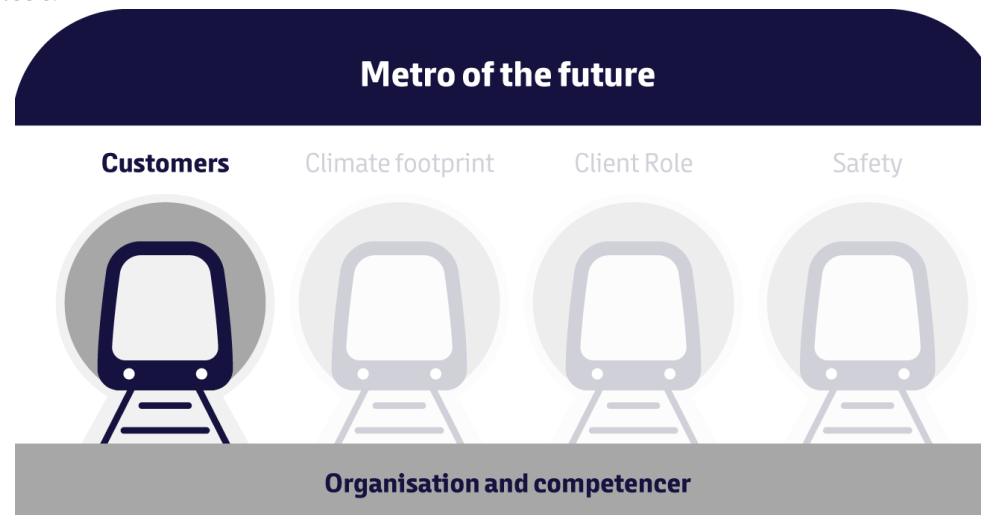
The Metro is used increasingly, and with high satisfaction rates, by customers of every type, in their everyday lives. Together with walking and cycling, the Metro is the most attractive and climate-friendly transport option for a rapidly growing capital city. The Metro has been expanded with additional lines, so that use of the Metro by residents and visitors alike will also increase significantly in the coming years.

This presents opportunities for a broader commercial approach, to increase passenger

numbers and safeguard the Copenhagen Metro’s revenue. In the coming strategy period, the Copenhagen Metro will therefore launch several commercial initiatives within such areas as ticketing solutions and sales channels.

A stronger marketing profile will lodge the Metro and its potential as an attractive and sustainable mode of transport more firmly in the minds of its users.

The Metro has passed its 20th anniversary and is subject to an increasing need for maintenance and development in order to maintain the same high level and meet future passengers’ expectations. More extensive maintenance, reinvestment and development will affect the service provided while the improvements are implemented. New methods of safeguarding the Metro’s high service levels must therefore be developed.





Climate footprint

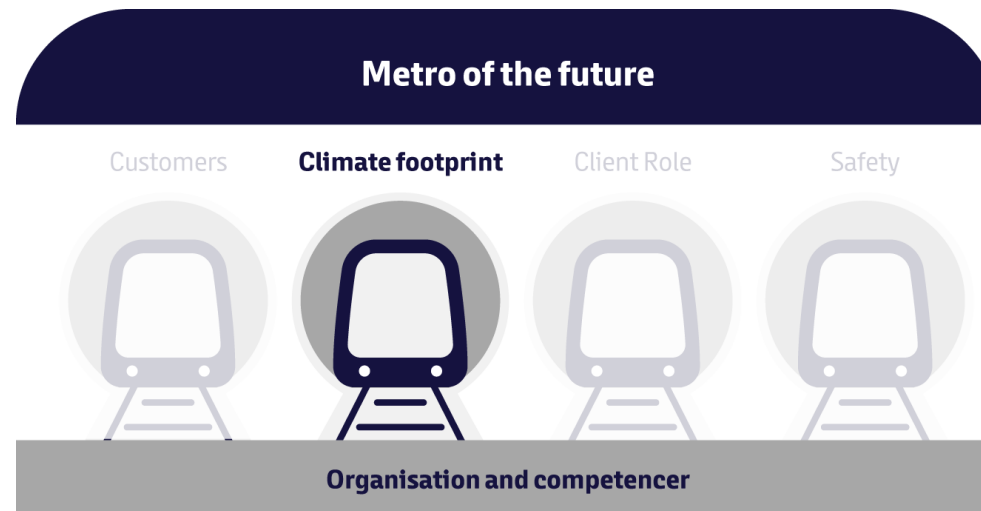
Ambition:

‘The climate footprint from construction of new Metro projects must be halved compared to the current Metro, while also minimising all other climate footprints.’

Compared to other transport options, the Metro is a climate-friendly means of transport. This is mainly because the Metro is powered by electricity, has a high utilisation rate since it is used by many people every day, and is designed for a minimum service life of 100 years.

Yet the Metro also has an adverse climate impact, mainly due to the materials used to construct new metro lines. The construction of new metro lines accounts for 70% of the carbon footprint from the company’s overall activities.

During the strategy period, the Copenhagen Metro will work intensively to find solutions to reduce the adverse climate footprint from the construction work, so that the Metro of the future is even more climate-friendly.





Client role

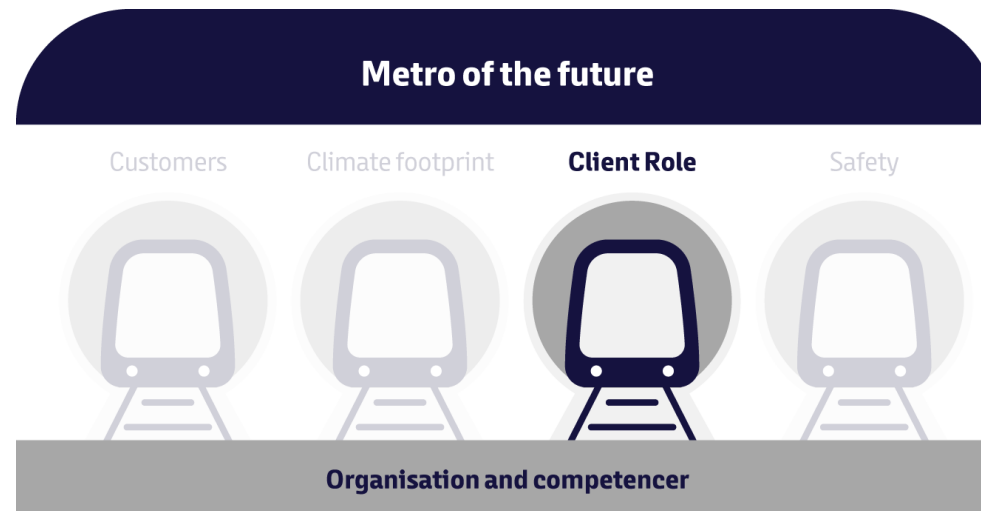
Ambition:

‘The Copenhagen Metro is building ‘state of the art’, so that with the help of innovation and advanced technology, the projects are attractive the day they are put into operation.’

The Copenhagen Metro benefits from being a multiple-project construction client. This experience from previous projects, together with the company’s size, enable it to influence the Danish market. The company therefore can and must play a central role by incorporating sustainability initiatives into future projects, including choice of materials, construction methods and forms of cooperation.

In particular, the company must explore opportunities for alternative types of contract whereby the project can benefit from technological developments during a multi-year construction period, rather than locking in decisions at an early stage of the process, as is the case today.

As the company embarks on a period with concurrent megaprojects, such as new Metro lines, and several smaller projects comprising reinvestment in and maintenance of the oldest Metro lines, the company must also be organisationally capable of handling several different types of projects.





Safety

Ambition:

‘Everyone should be able to work safely every day.’

Over the past five years, the safety standard of the construction projects has been improved significantly. Yet employees are still injured in the course of their work on the Copenhagen Metro’s projects.

An important focus area in the company’s business strategy is therefore to make targeted and dedicated efforts to ensure that everyone can work safely every day. This requires a focus on physical safety and also greater focus on the

psychosocial working environment, both in operations and at the company’s offices.





Organisation and competences

Ambition:

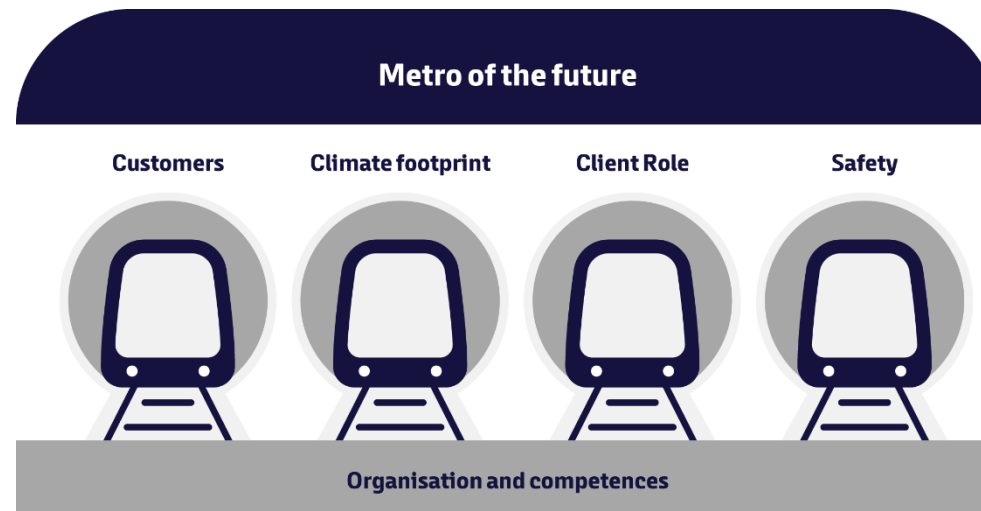
‘The Copenhagen Metro wants to be the preferred workplace for employees keen to contribute to sustainable transport in the capital.’

To achieve the strategy’s ambitions, the Copenhagen Metro must be able to engage, develop, retain and attract professionally skilled employees with the right competences.

The Copenhagen Metro has an excellent starting point, with dedicated employees capable of achieving outstanding results. There is also a need

to raise the level of ambition and become an even better workplace.

This requires the Copenhagen Metro to develop as a workplace by making targeted efforts to develop the company’s strategic approach to organisational and competence development, for example based on increased digitalisation.





Metro operations



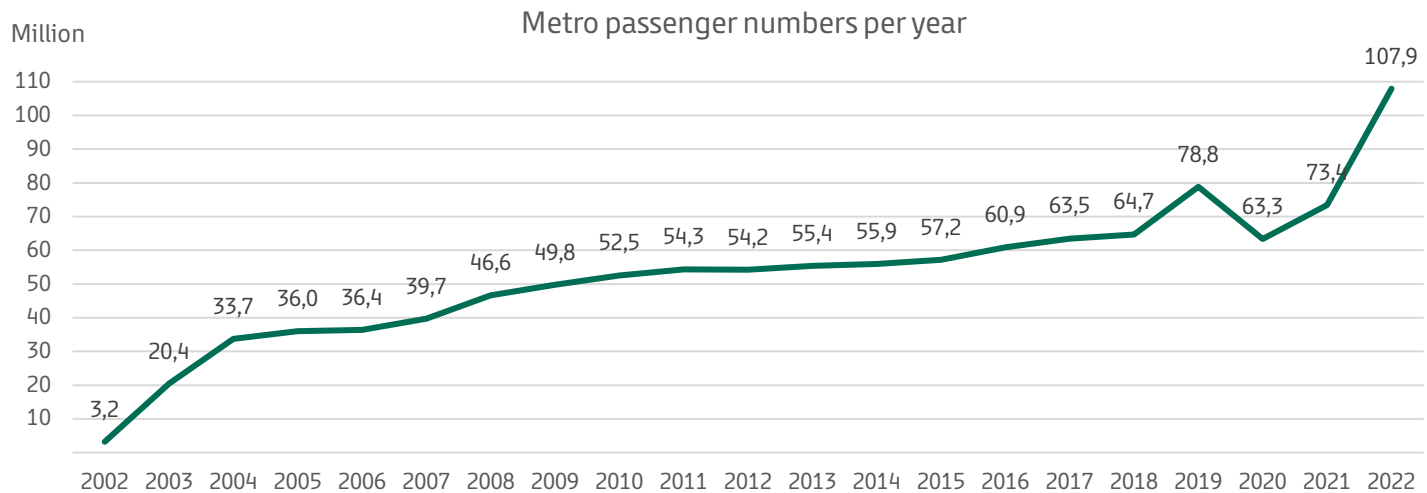
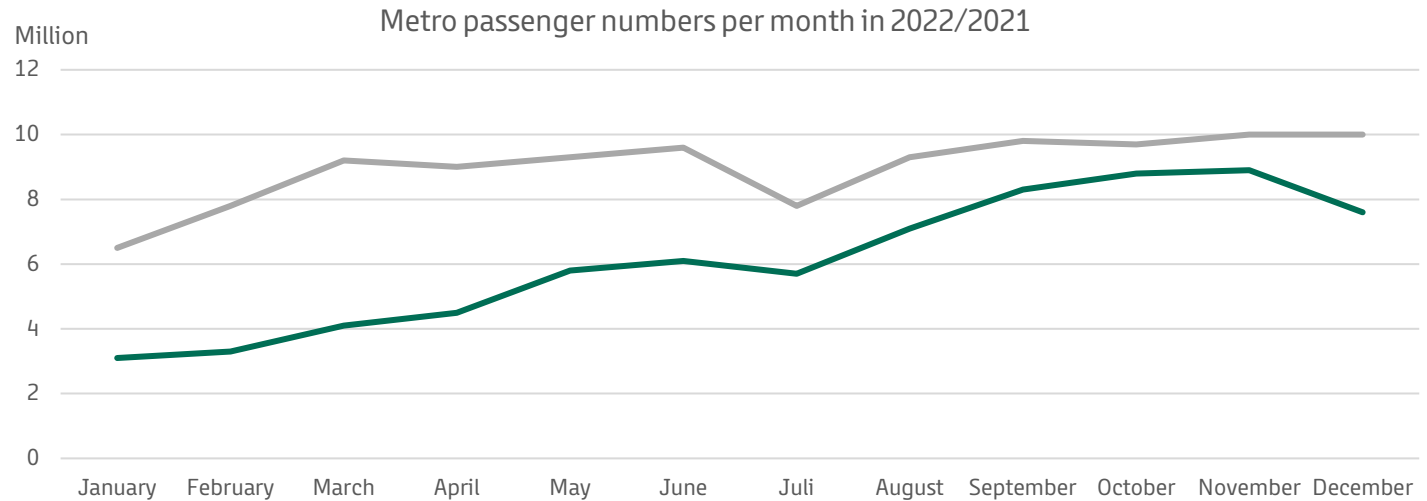


As expected, the number of passengers increased in 2022. The Metro continues to ensure high on-time performance, and the deployment of more trains helps to serve the increasing number of passengers.

108 million passengers took the Metro in 2022. This was 1% above the adjusted passenger budget and around 75% of the number expected in the long-term budget before COVID-19.

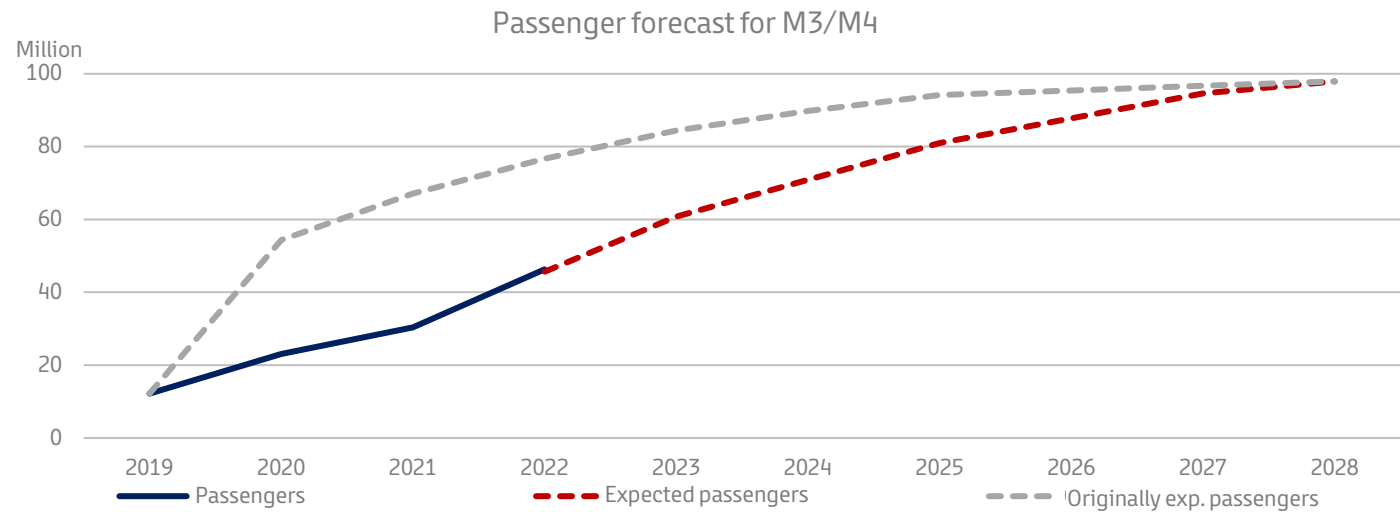
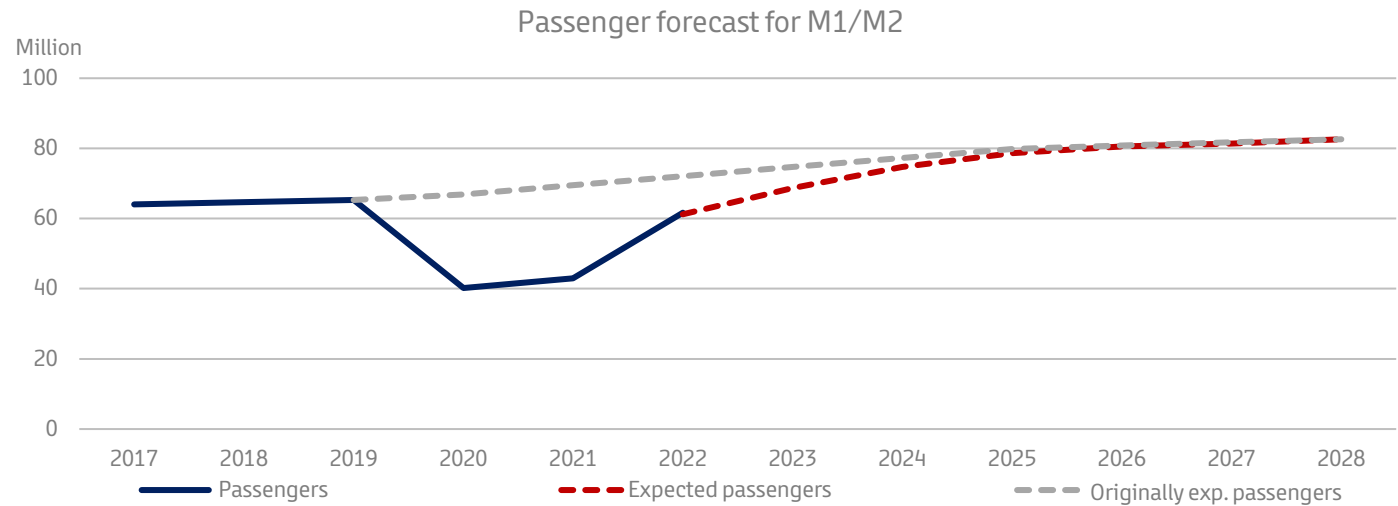
Passenger numbers increased during the year. The lifting of all COVID-19 restrictions is thus clearly apparent from the increase in passenger numbers. In the first half of 2022, there were around 11 million more Metro passengers than expected in the passenger budget, which was based on the assumption of continued major COVID-19-related impacts.

Due to the growth in passenger numbers following the lifting of COVID-19 restrictions, the passenger budget was revised upwards to 106.9 million passengers in 2022. The aim is still for 181 million passengers to use the Metro in 2028. Passenger numbers are expected to continue to increase due to population growth and also because more people choose to take the Metro, supported by a passenger influx when the M4 Syd line opens in 2024.



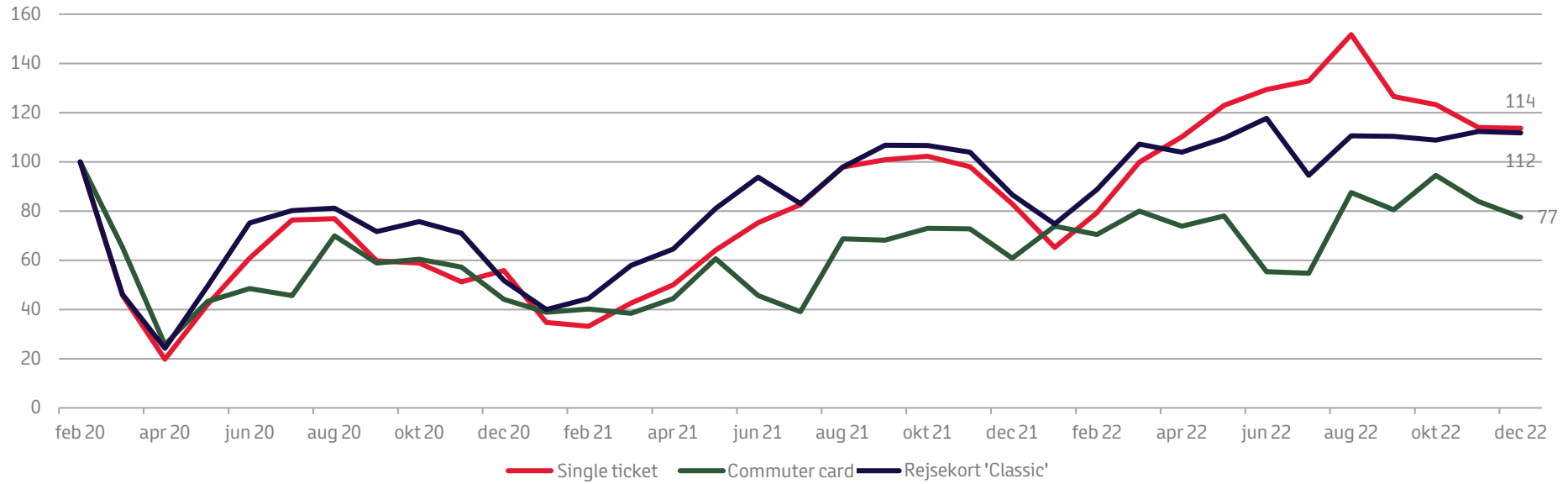


Yet despite growth during the year, commuters who use the Metro, and in the country generally, have not yet returned to pre-COVID-19 levels. Before COVID-19 and the opening of the M3 line, and later the M4 line, the company expected 149 million passengers in 2022. Due to the pandemic, this growth was delayed, and the figure was revised down to 107 million passengers in 2022, increasing to 168 million passengers in 2026. As the Metro's passenger numbers follow the index for society in general, there is no reason to assume that customers have chosen to use other modes of transport rather than the Metro, but solely that the overall level of commuting activity in society is still lower than before COVID-19. It is too early to conclude whether this will be a permanent effect, however. The increase in passenger numbers is expected to gradually catch up over the next five years and be back at the original level by 2028. The growth in passenger numbers is based on an influx that takes account of COVID-19 and the opening of the M3 and M4 lines.





Index (Feb20 = 100)



- The financially most important customer segments are back onboard the Metro and in 2022, the high-frequency and very high-frequency Rejsekort (electronic travel card) classic users were above the pre-COVID-19 level.
- Commuter travel cards are below the pre-COVID-19 level, however, indicating that this customer element has not yet returned to a commuting pattern.
- At the end of 2022, the index level of the current passenger budget was around 101. M3/M4 is expected to carry more passengers than M1/M2 in mid-2024 and 2025, respectively.



The Metro meets customers' expectations

Satisfied customers is one of the cornerstones of the company's brand position and a strong indicator of the future development in the number of Metro passengers. Customer satisfaction concerns customers' satisfaction with the overall journey, the Metro's punctuality, the service provided by the staff, the traffic information provided en route, how well the stations and trains are cleaned, and passenger safety. The Copenhagen Metro continuously monitors customer satisfaction via quantitative interviews.

The Metro's Net Promoter Score measures customers' willingness to recommend the Metro to others on a scale from -100 to +100. The result for 2022 was +63, thereby maintaining the overall level from 2021, when the result was +64. Compared to other public transport services and other industries, the Metro's NPS is very high, which is ensured by delivering on our core task: to provide customers with fast, high-frequency, reliable and sustainable transport around the clock. A focus area in the coming years will be to work more strategically with NPS and customer satisfaction, e.g. by using new tools to interconnect the two areas.

- In a given week, more than 2 million journeys are made on the Metro.
- At the start of 2022, the number of journeys made on the Metro since its opening in 2002 reached one billion.
- A record number of passengers on one single day took the Metro in connection with the opening stage of the Tour de France in Copenhagen on 1 July 2022, when 569,000 passengers used the Metro.



High on-time performance

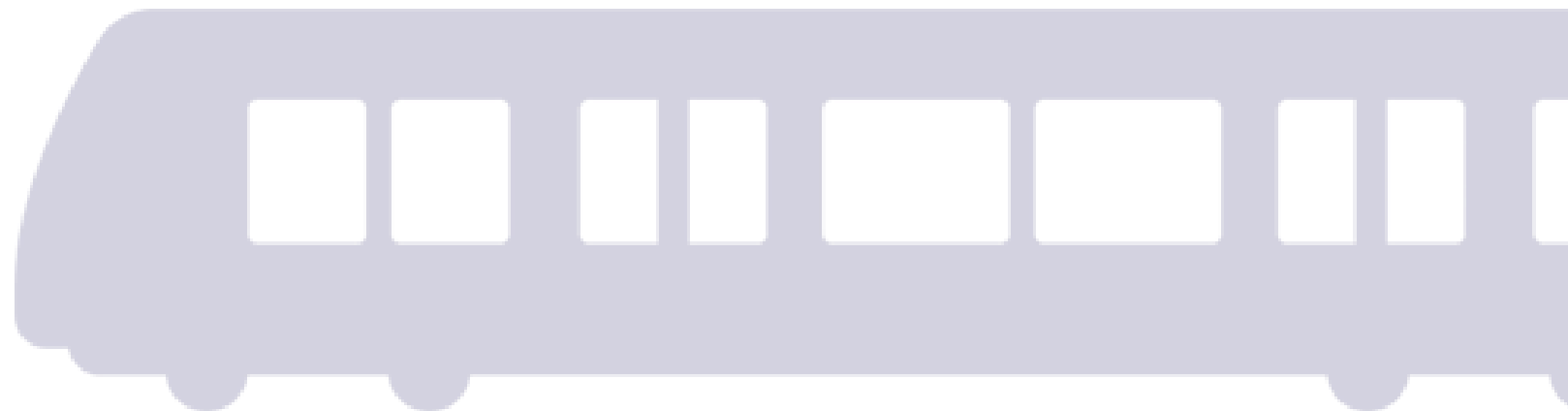
In 2022, the Metro maintained a high level of on-time performance, at 99.4% overall for all lines and 99.1% at peak times. On-time performance is calculated by comparing the number of actual departures with the number of scheduled departures.

The overall on-time performance of M1/M2 for 2022 was 99.3%, which is in line with 2021 (99.5%). For M3/M4, on-time performance for 2022 was 99.5%, up from 99.1% in 2021.

During peak times, the on-time performance of M1/M2 was 99.0% in 2022, corresponding to the level in 2021 (99.2%). The M3/M4 lines' on-time performance during peak times has improved. It increased from 98.4% in 2021 to 99.1% in 2022.

To ensure that the Metro continues to have sufficient capacity, eight new trains were deployed on the M1/M2 line during 2022. The commissioning of the new trains caused some operational disruption that affected how customers experienced on-time performance. In 2023, a number of measures to increase the on-time performance of the eight new trains are planned. The on-time performance of the M3/M4 line increased significantly from 2021 and 2022. This was a result of previous years' efforts, as well as the experience with the M3/M4 lines gained after their opening.

Line	Time	%
M1/M2	Total	99.3
	Peak hours	99.0
M3/M4	Total	99.5
	Peak hours	99.1





A climate-friendly means of transport

The Metro as part of a greener capital

Compared to other transport options, the Metro is a climate-friendly means of transport. This is because the Metro is powered by electricity and has a high utilisation rate since it is used by many people every day, and that it is designed for a minimum lifespan of 100 years. During its long life, the Metro will be used by billions of travellers.

Energy consumption

In 2022, energy consumption totalled 68.5 million kWh, which is a decrease from the previous year. In 2022, an energy audit of the entire Metro system was conducted. The energy audit showed scope to further reduce energy consumption in parts of the Metro system, which is reflected in an energy reduction target in the company's business strategy.

The Metro runs on electricity from the Danish electricity grid. The climate impact per passenger kilometre therefore varies with the number of Metro passengers and the development in the Danish electricity mix from year to year. In 2022, the climate impact per passenger kilometre was 12 g of CO₂, which the company considers satisfactory. The figures solely include the power consumption for the trains' propulsion, and not other power for the operation of stations and control and maintenance centres.

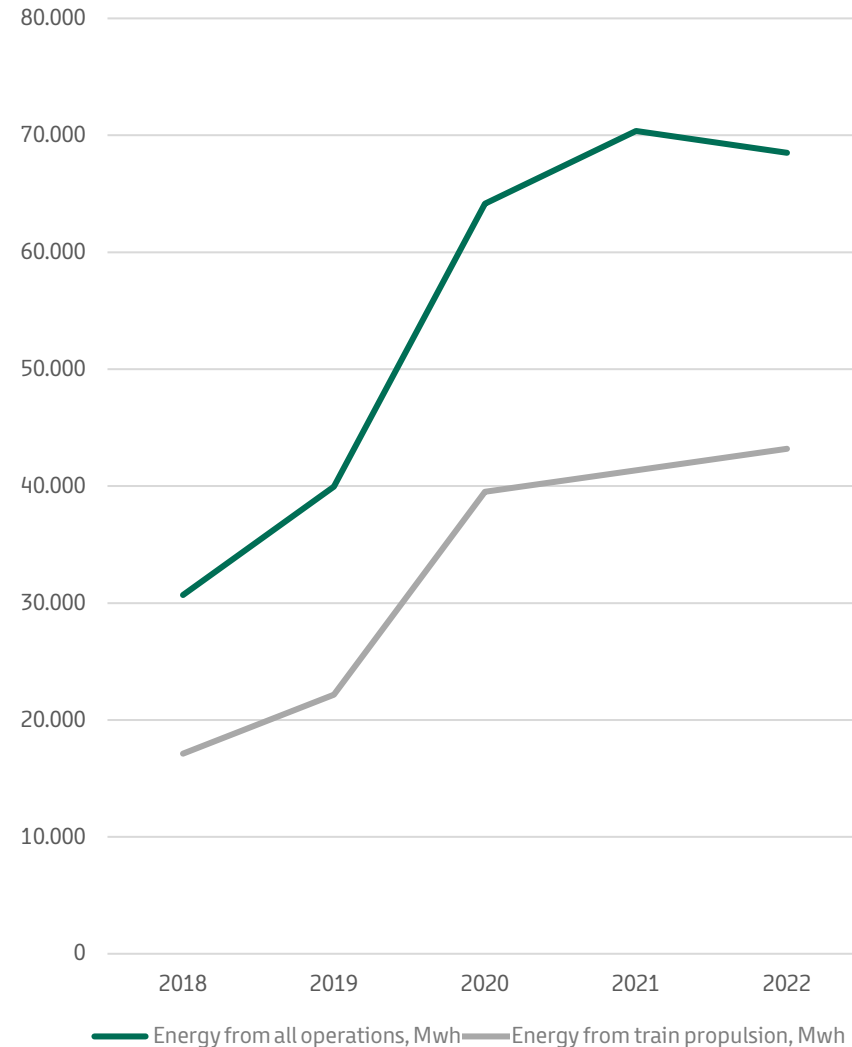
Adapting to climate change

The Metro was originally designed to withstand extreme flood and cloudburst events, but due to

climate change and development in our knowledge of flood events, it is necessary to continuously enhance the Metro's resilience to extreme weather conditions. The Copenhagen Metro monitors the development in the level of resilience as climate forecasts change. The Metro will be vulnerable in the event of severe floods, and currently especially from the sea towards the south, but after a few decades also from the sea towards the north.

In 2022, the company therefore contributed knowledge to and the financing of a joint feasibility study, facilitated by the Danish Ministry of Transport, with the involvement of other infrastructure managers and a number of municipalities in Greater Copenhagen. The feasibility study is expected to be completed in 2024 and will clarify issues regarding relevant resilience levels for infrastructure and technical civil engineering solutions, and a contribution model for financing joint external protection of Copenhagen from extreme weather conditions.

Power consumption related to Metro operations



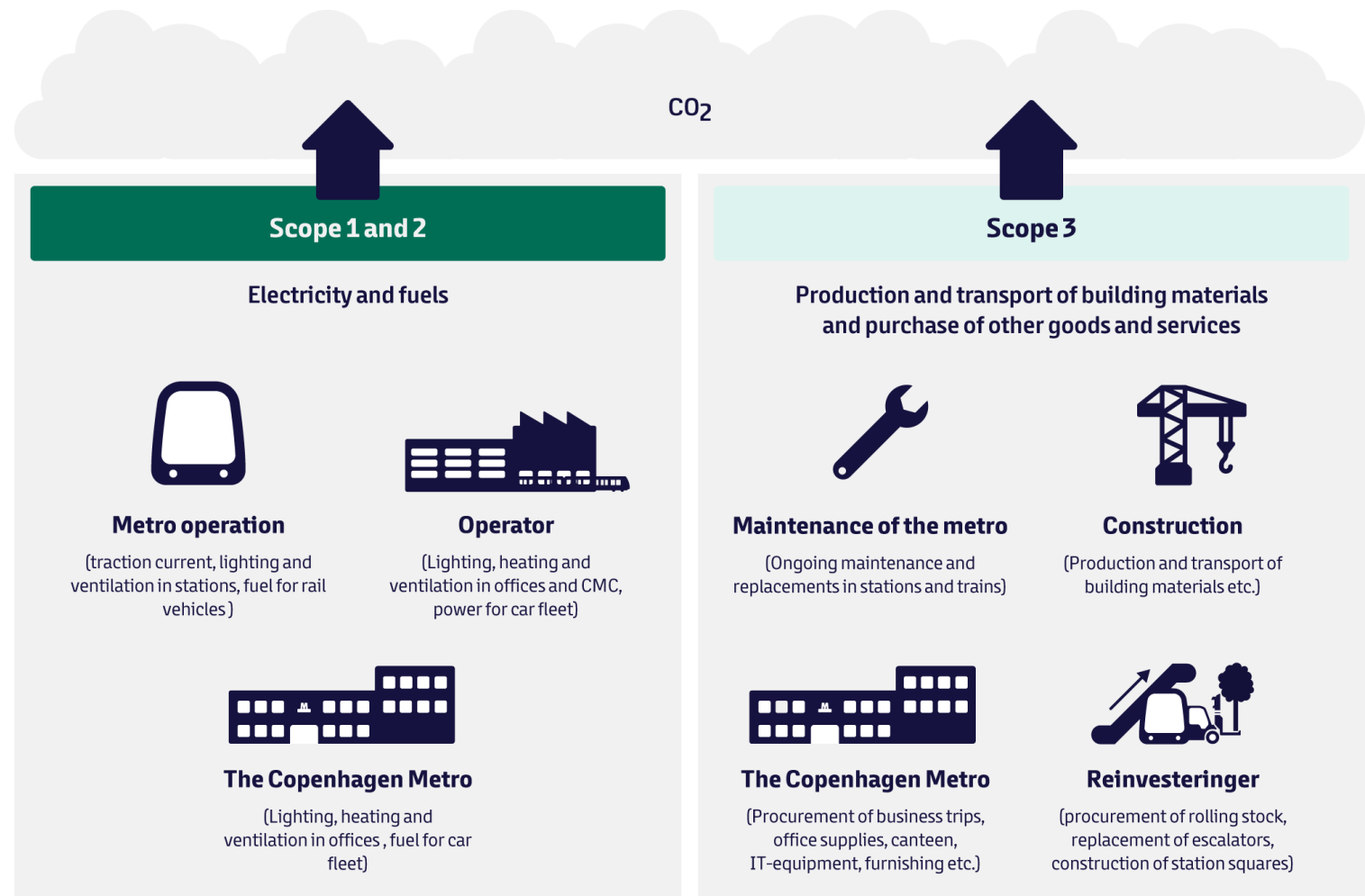


Climate action

The Copenhagen Metro’s efforts to limit the climate impact of its operations are based on a life-cycle approach to reduce both the direct sources of carbon emissions (referred to as scopes 1 and 2) and the indirect carbon emissions (scope 3) associated with producing and transporting the materials used to construct and maintain the Metro.

In 2022, the Copenhagen Metro completed three pilot projects with the potential to reduce the climate impact of its operations. The projects concerned energy optimisation and reducing the climate impact related to the consumption of steel for track maintenance, among other things. Funds have been allocated to implement the energy optimisation projects and to test new track types at selected locations on the M1/M2 lines.

Carbon emissions from the Copenhagen Metro’s activities by scope





Investing in maintenance and future capacity

The Copenhagen Metro has a strong focus on ensuring that the M1/M2 lines, currently the two busiest Metro lines, can accommodate the expected major increase in passenger numbers as a consequence of population growth in the Greater Copenhagen area. Even though COVID-19 caused growth in passenger numbers to fall below previous estimates in the short term, the increased passenger numbers in the longer term make it necessary to increase the Metro's capacity. The initiatives must minimise the number of passengers who are unable to get on the first departing Metro train during peak times. In overall terms, capacity-expansion investments in the M1/M2 lines in 2035 must provide at least 35% additional capacity compared to 2017.

New control system

In 2022, the company decided to purchase a new driverless control system for the M1/M2 lines. The control system is being replaced as part of the Copenhagen Metro's investment programme and will ensure continued safe and stable operation in the future. The number of M1/M2 journeys will continue to increase – both in the short and long term, and the new control system is expected to ensure continued stable operation, for the benefit of the more than 100 million passengers who

travel annually on the Metro. This replacement is expected to be implemented in around 2035.

New IT system to strengthen the Metro's reinvestments

To ensure that future investments in the M1/M2 lines are planned in the best possible way, in 2022 the Copenhagen Metro purchased a new IT system (Digital Asset Management) that, based on the available data, makes it possible to plan how the company can make the most profitable reinvestments in the future. The system provides a new basis for more complex investment decisions, where finances, capacity, customer satisfaction, sustainability and other important focus areas can be brought into play. The new system is being implemented during 2023.

New trains and projects ensure capacity expansion

In January 2022, eight new trains were put into operation on the M1/M2 lines, which corresponds to around 20% more trains. To reduce the risk of operational disruptions, the new trains were put into operation on a continuous basis over a period of around six months. As from summer 2022, all of the new trains were included as an integrated element of day-to-day operations. The new trains are designed to ensure optimal use of space in the train carriages, including a new seating layout.

In 2023, lifetime extension and modernisation of the 34 original trains will be initiated, so they can continue to give our passengers a good travel

experience, but also increase the Metro's capacity. The modernisation includes new foil coating for the trains, a new interior design, replacement of cables and electronics, improvement of passenger information and replacement of doors and floors. The modernisation will take place in the course of the next three years, so that operations are not affected.

The commissioning of the new trains has also required expansion of the control and maintenance centre for the M1/M2 lines, while a new training and customer centre is being established so that the Metro's stewards, control room staff and technicians can receive continuous training to safeguard the operation of the Metro.

At the end of 2022, the new switches at the terminus in Vanløse were handed over for operation. The installation of the new switches is one of the key conditions for the infrastructure to be ready for operation with more trains, as the project will enable the trains to change direction more quickly. During 2023, various tests are being conducted to ensure that the switches can support the most efficient operation possible, with an increased number of trains.



More Metro construction





Copenhagen is growing, and in line with this population growth the Copenhagen Metro is planning and building additional Metro lines in both new and existing urban areas. Sydhavn and Valby will be the first to benefit from more Metro construction in 2024, while Ydre Nordhavn will follow in 2030. In 2022, the City of Copenhagen also conducted an idea phase consultation process on a possible M5 Metro line.

Extension of the M4 line to Sydhavn and Valby

In 2024, the company expects to open the southern extension of the M4 Metro line with five new stations. The new line will be connected to the M3 Cityringen line and will connect several neighbourhoods in Valby and Sydhavn with City, Østerbro and Nordhavn. The M4 Sydhavn line will significantly improve public transport in Copenhagen and connect the city even better, with easier access to the harbour front, extensive residential areas, and the many businesses and educational institutions being established at Sluseholmen, Teglhølm, Havneholmen and elsewhere.

The construction work for the M4 Sydhavn line started up in 2019. In 2022, track was laid along the entire route, and electrical and mechanical systems were installed in the completed tunnels. At the same time, access steps were cast and platforms, escalators and other elements were installed at most of the stations. The station spaces also became more recognisable during the year, as wall panels, lighting, and glass walls to separate platform and track, etc. were installed. This work is continuing in 2023, before test runs are expected to start at the end of the year. The new Metro

section will be 4.5 kilometres long and is expected to be used by around 9 million passengers annually by 2030.

So far, the fixed milestones for the construction work on the M4 Sydhavn line have been achieved as planned. However, the construction of a metro line relies on specialised manpower, as well as cooperation with contractors and suppliers from most of the world, and the industry is currently under pressure due to both the coronavirus situation in Asia and the conflict in Ukraine. Building and construction projects in Denmark and the rest of Europe have therefore been affected by major global supply chain challenges, which also applies to the M4 line. To meet these challenges, the Copenhagen Metro works closely with its contractors to adapt the project plans so as to avoid delays.

Art at Sydhavn

When the five new Metro stations open on the M4 Sydhavn line in 2024, this will be the first time that art is already integrated in the construction phase of a metro line. The stations are designed by four different artists, as well as an artist group, and the idea is to create an 'art line' that is both in harmony with and supplements the Metro's well-known design. The artists were selected by the Danish

Arts Foundation and are supported by the Danish Arts Foundation, Villum Fonden and Det Obelske Familiefond.

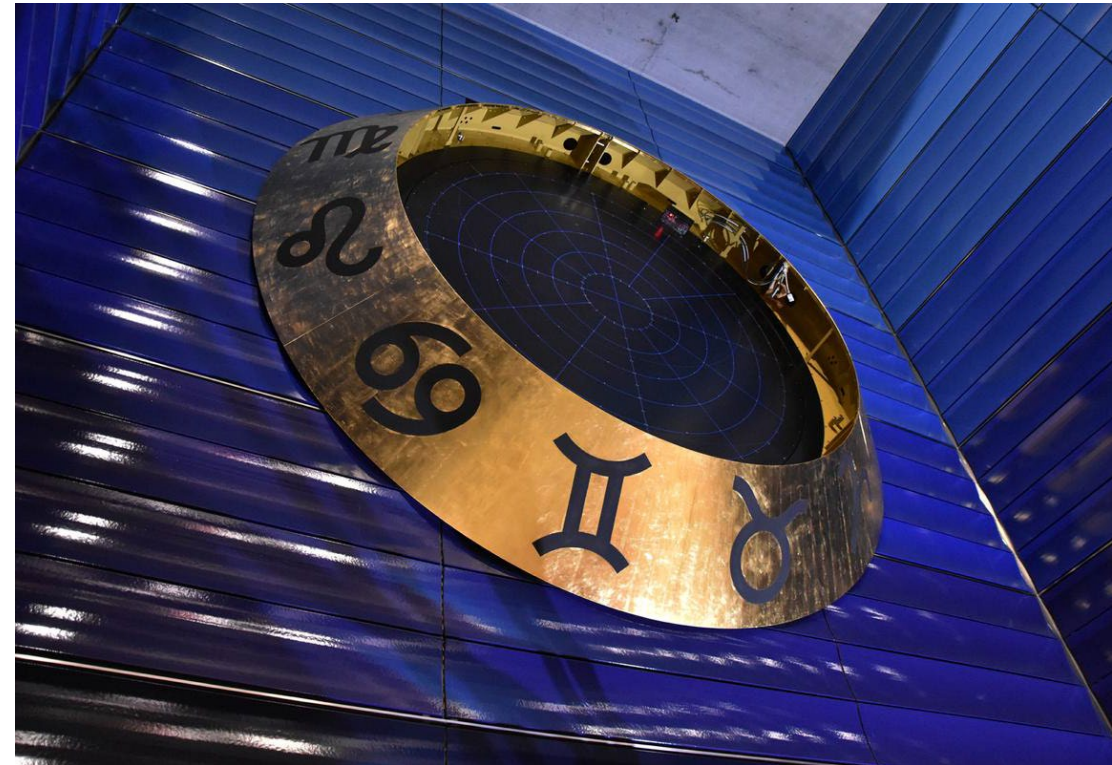
In autumn 2022, the art became visible at Ny Ellebjerg station, for example, when the giant astronomical clock Stella Nova and the wall panels in special shades of blue were installed, to direct passengers' thoughts out into the skies. The artist behind the work is Henrik Plenge Jakobsen.

Extension of the M4 line to Ydre Nordhavn

The Nordhavn quarter continues to be developed, and as this new quarter of the city grows, there is an increasing need for the Metro line to serve the outer part of the area. At the end of 2021, the City Council of Copenhagen decided to initiate an investigation of two possible extensions of the existing M4 line to Ydre Nordhavn. The investigation was conducted by the Copenhagen Metro in collaboration with the City of Copenhagen and CPH City & Port Development. The other owners are involved in the investigation work as observers. According to the results of this investigation, the Metro line will be established as an extension of the elevated Metro line at Orientkaj station, and several possible station locations are considered as part of the investigation. The two potential alignments – the red and blue lines – with stations are shown on the map.

The investigation has special focus on the Metro system's climate footprint in relation to climate-optimised design and use of alternative materials. Another attention point is the interfaces in Nordhavn, where there is intensive construction activity under other major civil engineering projects, including the plans for the Eastern Ring Road. The investigation is expected to be completed in summer 2023, after which a political decision will be made concerning the project. The next step will be an environmental impact assessment (EIA) of the chosen alignment. The EIA will then be submitted for political approval, after

which construction of the Metro line can begin. In the investigation, it is assumed that the extension will open in 2030 and will serve the around 35,000 residents and 28,000 workplaces assumed for Nordhavn on its full expansion in 2062.





Idea phase consultation conducted for the M5 line

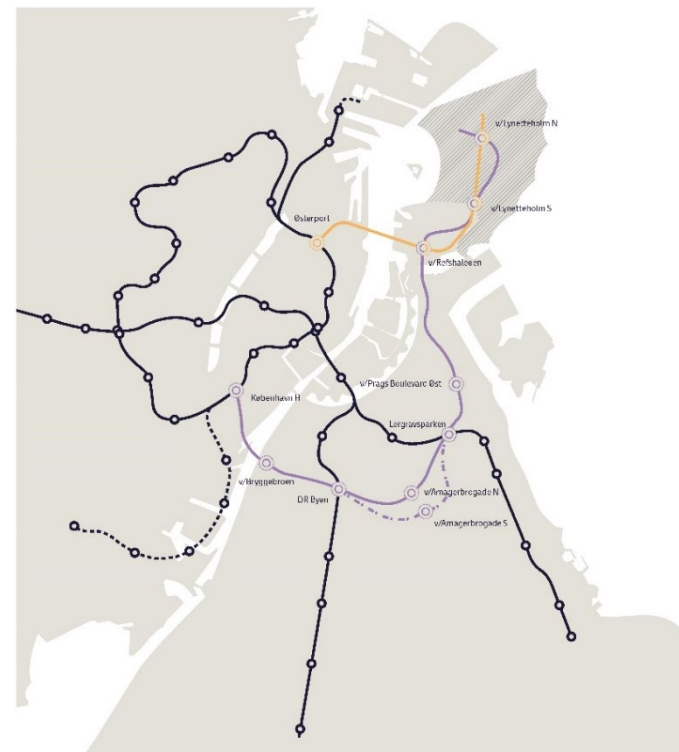
Towards 2050, around 130,000 more Copenhageners are expected, while the City of Copenhagen has set the ambitious goal of reducing carbon emissions and the number of cars in the city.

More public transport plays a major role in achieving the climate goals, and a political majority in the Danish Parliament and in the Copenhagen City Council therefore wants to initiate work on a future M5 Metro line. This should be a metro line that can support urban

development in the new Refshaleøen, Lynetteholm and Kløverparken areas, and also serve a number of existing urban areas that do not yet have a high-quality public transport solution.

It is also hoped that the new Metro line can alleviate the congestion problems already affecting traffic between Amager and the rest of Copenhagen. Concurrently with more cars on the roads, there will also be more Metro passengers, and if a new Metro line is not built under the port of Copenhagen, the existing Metro network will lack capacity. In autumn 2022, the City of Copenhagen and the Copenhagen Metro held a joint idea phase consultation for two alternative proposals for the

future line, called M5 Orange and M5 Purple. In connection with the consultation, two well-attended public meetings were held, where interested parties could learn more about the potential alignments and also contribute suggestions and input. The proposals received are now being compiled in a white paper, after which a political decision will need to be made on whether a new metro line should be built and, if so, for which alignment an environmental impact report should be prepared. Once an environmental impact report has been prepared, it will be submitted for public consultation.





København Syd – a new transport hub in 2024

When the southern extension of the M4 Metro line opens in 2024, Ny Ellebjerg Station will have changed name to København Syd (Copenhagen South). It will be one of Denmark’s largest stations and the capital’s new transport hub, serving the Metro, three S-train lines, regional and inter-city trains, and also potential for international trains from Germany and Sweden.

As the station will be Copenhagen’s new transport hub, the Copenhagen Metro is developing the hub with a Metro station and a new underground transfer area for passengers switching between the different modes of transport. Good access conditions are also being established from all parts of the station’s catchment area, so that the underground station will also connect Valby better, across the train tracks. The transfer area will be opened to passengers in 2024, while the transfer tunnel to the Øresund platforms and tracks (and thereby train services to the airport) is expected to open in 2025.

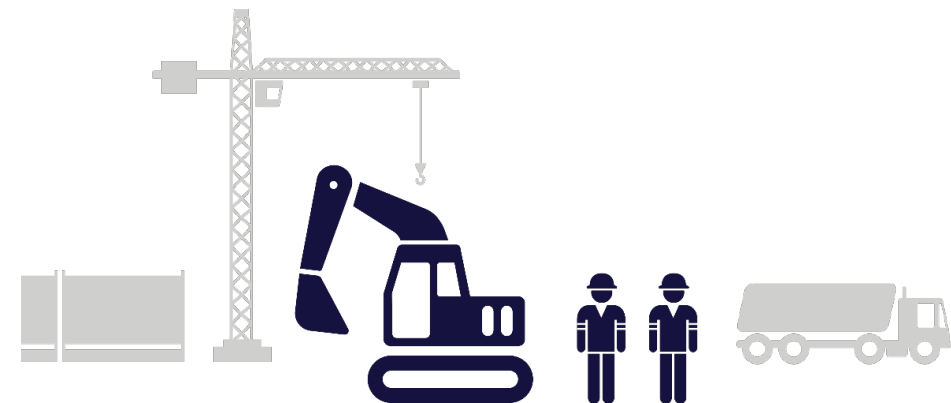
Urban development at the coming København Syd station

In 2016, the City Copenhagen and Frederiksberg Municipality, together with the Danish State, entered into an agreement to construct a Metro station at Ny Ellebjerg (the future København Syd) as an underground Metro station, rather than above ground. This means that, in due course, the Metro can be continued towards Frederiksberg

and/or Hvidovre. As part of the agreement to finance an underground metro line, the Copenhagen Metro was tasked with investigating the possibility of urban development at and above the coming new station and with preparing a comprehensive plan for this development.

In 2022, the Copenhagen Metro completed the technical investigations of the opportunities and challenges of building on the site and above the railway tracks, and at the end of the year, an architectural competition for the comprehensive plan was launched.

Prior to the competition, the company conducted a process whereby interested residents were involved and had the opportunity to give their input at a public dialogue meeting held by the City of Copenhagen. The competition is expected to conclude with an announcement of the winning proposal in late summer 2023.





Climate focus in construction and project development

In 2022, the company noted that the expected targets under the innovation programme’s climate activities had been implemented, with a few exceptions. The innovation programme was initiated in 2021, with the objective of creating the right conditions to reduce the climate footprint of operations and reinvestments, as well as the design and construction of future metro lines, as far as possible. In dialogue with the market and with external inspiration, the Copenhagen Metro collects ideas for design, methods and materials that have not previously been used for the Metro in Copenhagen. By the end of the year, 23 technical feasibility studies had been completed or initiated under the innovation programme, and all of these are included in the further design of new metro lines.

One of the activities emerging from the programme was an idea competition in which four firms of architects each submitted a proposal for a more sustainable architectural expression in the underground metro stations of the future. The task was to rethink a metro station based on climate friendliness in the construction and operational phases, with the passenger experience as the focal point. The proposals were exhibited at Copenhagen City Hall, and will serve as inspiration for the development of future metro lines.

The innovation programme is continuing in 2023, with focus on further prioritising and implementing its initiatives in the extension of the

M
lin





Contract requirements and carbon accounts in new projects

In 2022, the Copenhagen Metro put three projects to tender that, on a trial basis, involve climate impact reduction requirements. In the contracts, we require that:

- The climate footprint of concrete and steel is documented with environmental product declarations and must comply with limit values for embodied carbon.
- Machinery under 2.5 tonnes must be electrically powered. For larger machines, sustainability-certified biodiesel (HVO100) must be used.
- The contractor must document their consumption of water, electricity, propellants and materials, and their production of waste.

Partnerships on fossil-free construction sites and raw materials

Together with a number of other public construction clients, the Copenhagen Metro entered into two partnerships in 2022, which are facilitated by the National Centre for Public-Private Centre Innovation (CO-PI):

- *Joining forces on emission-free construction machinery*, which will result in a number of joint public requirements for a wide range of construction machines, in order to ensure clearer signalling to the market. The project is based on a joint identification of needs and market dialogue.
- *Joining forces on reducing raw materials consumption*, which will explore opportunities to reduce the consumption of scarce natural resources such as gravel.



About the Copenhagen Metro



The Copenhagen Metro's employees are the cornerstone of everything the company does. Skilled employees are essential for the development of new ideas, design, construction and operation of the Metro projects. Employee well-being and development opportunities therefore take high priority for the company.

The Copenhagen Metro is a knowledge-based company which handles complex tasks in the field of planning, establishment and operation of sustainable transport solutions. To handle these tasks, employees with various different qualifications are needed.

In terms of skills, our employees come from many different educational backgrounds, and many of them are highly experienced specialists. Approximately half have a background as an engineer, constructor or similar technical background, while the backgrounds of other specialists or administrative staff vary considerably.

International working environment

At the end of 2022, the Copenhagen Metro had 300 employees covering some 20 nationalities. In addition, there were around 30 part-time student assistants. This diversity creates an international, multicultural working environment, which promotes job execution, internal well-being and cooperation with contractors, operators, authorities and other stakeholders.

The number of employees in 2022 was generally at the 2021 and 2020 levels, with a slight variation in the breakdown. In recent years, we have had relatively more employees working within the operational area, as this becomes an increasing part of our business.





There was also an increase in the number of specialists in areas such as digitalisation, IT, environment and climate, as well as an increase in employees on loan to the Greater Copenhagen Light Rail.

Synergies with the Greater Copenhagen Light Rail

The Copenhagen Metro provides resources for the establishment of the Greater Copenhagen Light Rail, which as from 2025 will run between Lyngby and Ishøj. On the 28-kilometre route, the Light Rail will stop at 29 locations and will among other things connect six S-train stations, two hospitals and a large number of businesses and educational institutions.

The Greater Copenhagen Light Rail is a separate company, but around 30% of the Copenhagen Metro’s employees work either part-time or full-time on the Light Rail project, representing a broad range of the Copenhagen Metro’s skills, from design, project engineering, construction and operations to sustainability, digitalisation, health and safety, communication and residents’ involvement. By pooling their skills and experience, the Copenhagen Metro and the Greater Copenhagen Light Rail can both achieve synergies and build a stronger professional environment.

Staff turnover

In 2022, the Copenhagen Metro had a staff turnover rate of 16%, compared to a rate of 17% in 2021. The rate is thus slightly below last year’s staff turnover rate, and at the 2020 level.

In view of the current record-high employment and generally high mobility in the Danish labour market, and the fact that many employees receive unsolicited enquiries about jobs outside the company, it is very satisfactory that the company has been able to retain so many employees.

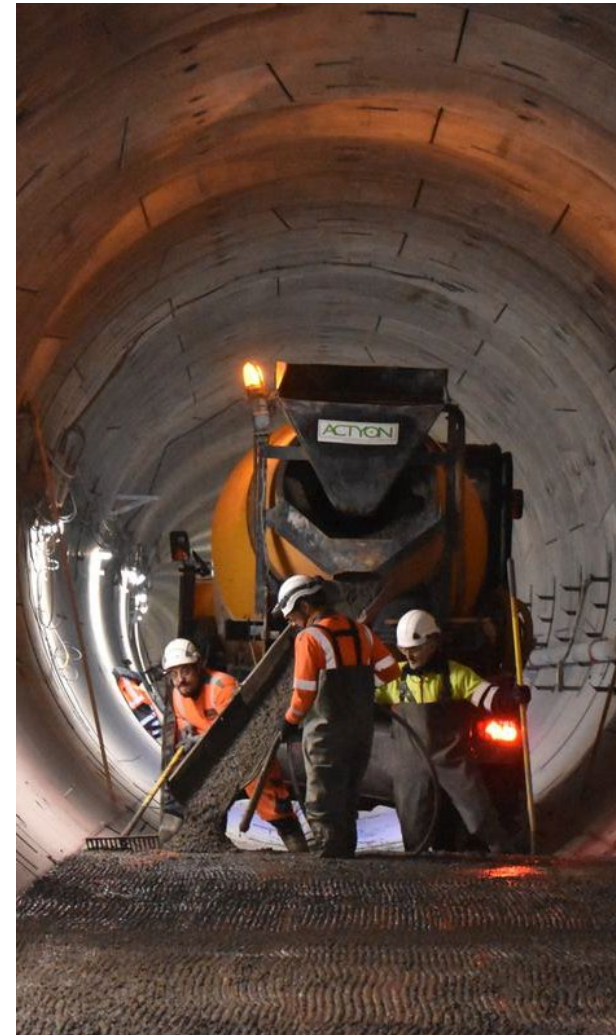
Sickness absence

In 2022, the average recorded sickness absence (excluding long-term illness, i.e. illness lasting more than 21 days) was 4.9 days per employee. This is a good deal higher than the sickness absence in 2021, at 2.8 days, and in 2020, which was at the same low level.

The significantly lower sickness absence in 2020 and 2021 can probably be explained by the COVID-19 lockdown in those two particular years. Many employees worked from home for much of 2020 and 2021, and days that would otherwise have been recorded as sickness absence instead became days working from home.

On the other hand, the increase in sickness absence in 2022 can be explained by the fact that during this period there was no COVID-19 lockdown, but on the other hand, relatively many employees contracted COVID-19, particularly in Q1 2022.

In 2022, six employees were absent due to long-term illness, of whom three suffered from stress-related illness, and three from physical illness. In addition, four employees suffering from stress-related illness were absent due to illness on a part-time basis.



Number of employees
(excluding student staff), end of year



297 (2020)
294 (2021)
300 (2022)

Gender distribution 2020-2022

EXECUTIVE MANAGEMENT GROUP:

40% men, 60% women
(2020)
50% men, 50% women
(2021)
40% men, 60% women
(2022)

ALL MANAGERS (INCLUDING DIRECTORS):

57% men, 43% women
(2020)
60% men, 40% women
(2021)
57% men, 43% women
(2022)

ALL EMPLOYEES:

58% men, 42% women
(2020)
58% men, 42% women
(2021)
57% men, 43% women
(2022)



Sickness absence per employee (days)
(excluding long-term illness)



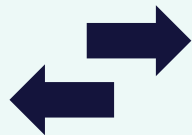
2.8 (2020)
2.8 (2021)
4.9 (2022)

Average age (years)

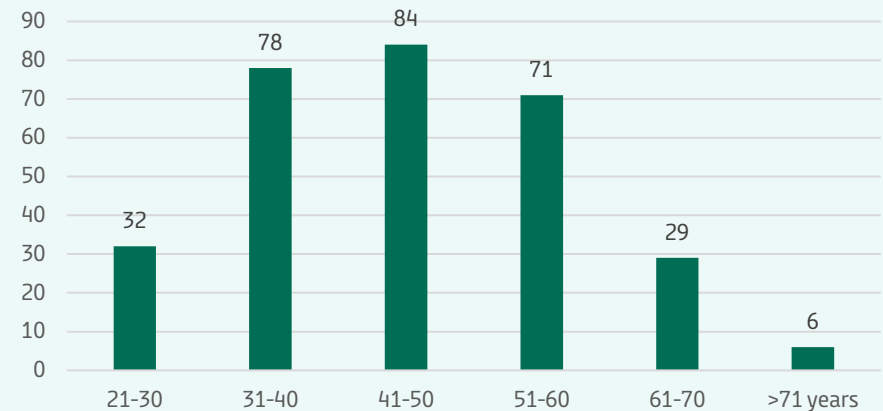
45 (2020)
45 (2021)
45 (2022)

Staff turnover (%)

16 (2020)
17 (2021)
16 (2022)



Age distribution
(excluding student staff), end of 2022





Health and safety

In 2022, the Copenhagen Metro continued its targeted work to build and strengthen the company’s safety culture and working environment based on its vision of ‘Safety on the right track’. The company’s Safety Academy training programme continues to be a cornerstone of this work, with a number of safety courses held for all employees, both internally and for contractors and subcontractors’ employees. In 2022, the company achieved the milestone of 3,000 people attending the Safety Orientation course since it was launched in 2018.

At the start of 2022, the Board of Directors decided that all of the company’s construction site managers would be trained to hold the Safety Orientation basic training course. In May and November, 24 new session leaders were trained, including the company’s construction site managers. In addition, the company has certified an additional 11 employees to lead incident and accident investigations, including five key roles representing contractors.

In 2022, the company engaged new contractors for M4 Sydhavn’s construction sites in connection with the transition to a new phase of the project. As an element of establishing a common safety culture, the company held a joint onboarding workshop on safety and collaboration with the new contractors.

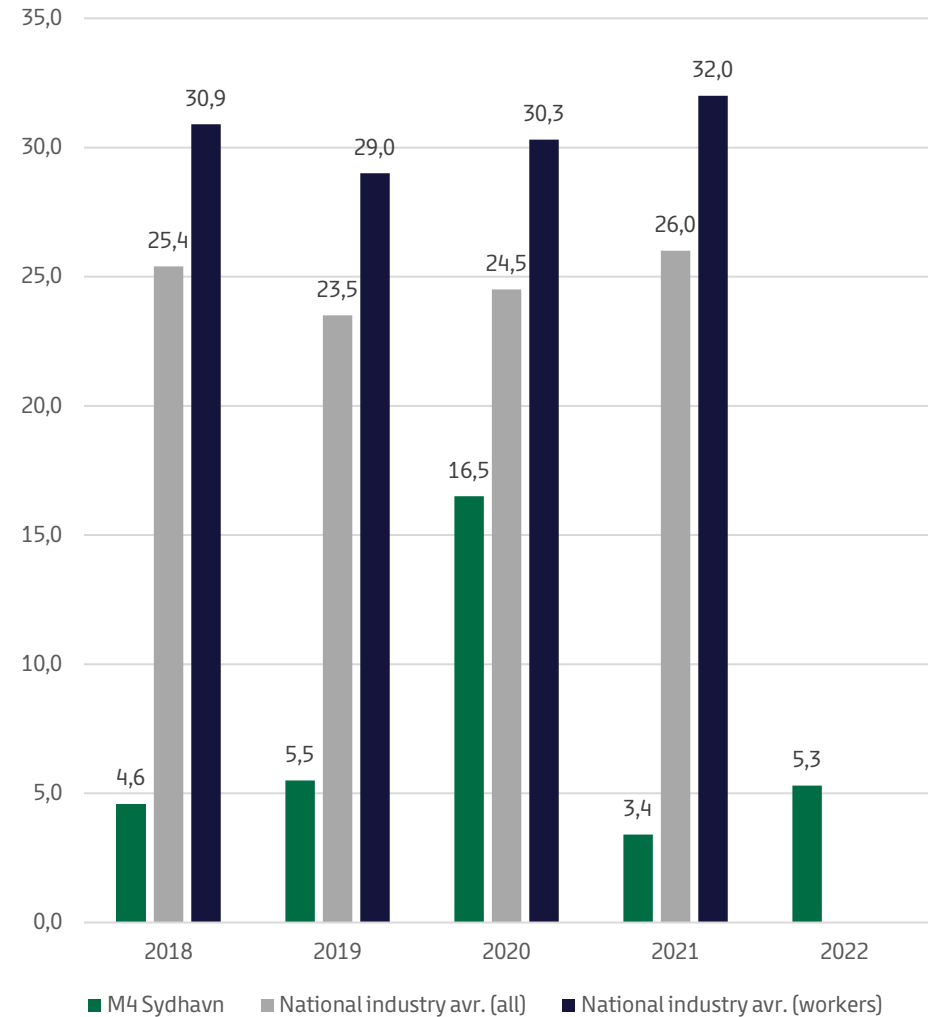
The company also strengthened the management’s visible prioritisation of safety. In September 2022, an individual target was set for

each member of the Executive Management and other management for how many Safety Site Walks they should attend per year/quarter at the company’s construction sites.

In addition, every year we measure how the safety culture is perceived by all employees, both internally and among contractors. In 2022, 89.6% responded that they experienced that the company takes safety seriously to a high or very high degree.

The company generally achieved positive safety results in 2022. The lost-time injury frequency rate for the M4 Sydhavn construction work was thus 5.3. The frequency rate is calculated as the number of accidents resulting in absence from work per one million working hours. For comparison, the average for people working in the Danish building and construction industry in 2021 was calculated at 32.0, and at 26.0 when salaried employees are included. Overall, for the entire M4 Sydhavn construction period, the project has a lost-time injury frequency rate of 7.5.

Lost-time injury frequency rate for the M4 Sydhavn project



Digitalisation

In recent years, the Copenhagen Metro has worked with an ambitious digitalisation programme. The new business strategy for 2023-2026 requires amplification of this work, with the initiation and execution of a number of new digitalisation projects in addition to those already underway.

By the end of 2022, all projects in the digitalisation programme had either implemented software or were in the process of doing so. This was an important milestone for the programme.

The systems acquired by the Copenhagen Metro lay the ground for improvements in a wide range of areas. Among other things, a platform has been purchased for collaboration and the development of new construction projects in a Building Information Modelling (BIM) environment. In the longer term, this will enable the company to work far more efficiently with safety, financial management, plant design and many other plant-related tasks performed in collaboration with advisers and contractors. In 2022, the system was put into operation for several pilot projects.

The company has also prepared for the new requirements in the Danish Act on a Register of Underground Cable Owners that will apply as from 2023, and is thus ready to power up the company's first software robot that will be able to manage the new requirements under the Act. A major investment has also been made in a new and significantly expanded GIS (Geo Information System) environment, to be used broadly by the

Copenhagen Metro, i.e. in the development phase for new facilities and in the construction phase, and also, in the longer term, in the operational phase.

The company also focuses on streamlining maintenance and reinvestments in Metro operations, and has therefore entered into an agreement on the purchase of an investment tool that can help to streamline future procurement and make this far more database-based. In addition, as a natural aspect of being a knowledge-intensive organisation, there is focus on effectively supporting the company's many document flows and workflows. These can be supported with digital solutions that increase opportunities for knowledge sharing and quality assurance of the work.

The plan is to implement the company's new electronic case and document management system in the first half of 2023.

Last, but not least, in 2022, the Copenhagen Metro established an information security committee with the task of monitoring the threat picture and ensuring that the company continues to improve its cybersecurity. A number of security initiatives have been implemented. The initiatives concern the purchase of new hardware, changes to internal workflows and awareness training etc. The company has also decided to adhere to the requirements for state authorities to observe the ISO 27001 standard developed by the Danish Agency for Digital Government.

Data ethics



The Copenhagen Metro's digitalisation improvement efforts and resulting increased use of data-driven decisions give rise to data usage considerations in line with the data ethics policy requirement in the Danish Financial Statements Act. The Copenhagen Metro has not prepared a data ethics policy and the company does not assess this to be relevant at the present time. The Copenhagen Metro continuously assesses any possible need for a data ethics policy.

Much of the company's data usage relates to data about physical entities, processes and deliveries needed to operate the Metro or facilities. It does not address relationships between technologies and people. In other parts of the company, passenger data is handled and used for analytical



purposes, to improve our customer service. Among other things, the company has established a data lake to increase data usage in analytics. The

company currently does not use algorithms or software robots in its passenger analyses. It is

therefore assessed that there is a limited need for ethical assessments.



Financial performance





The Copenhagen Metro must be operated on a commercial basis. The Copenhagen Metro’s most important financial obligation is to achieve an adequate revenue basis to ensure repayment of the company’s debt, with due observance of the long-term budget. The Copenhagen Metro is also focused on continuous efficiency improvements, including cost reductions.

Result

The profit for the year before depreciation, impairment and write-downs was DKK 41 million in 2022, which is DKK 220 million higher than expected in the 2022 budget. This is primarily due to higher passenger revenue as a consequence of more passengers than expected, as the Metro had 108 million passengers in 2022, compared to an expected 91 million passengers. The company’s average revenue per passenger of DKK 11.00 was in line with expectations.

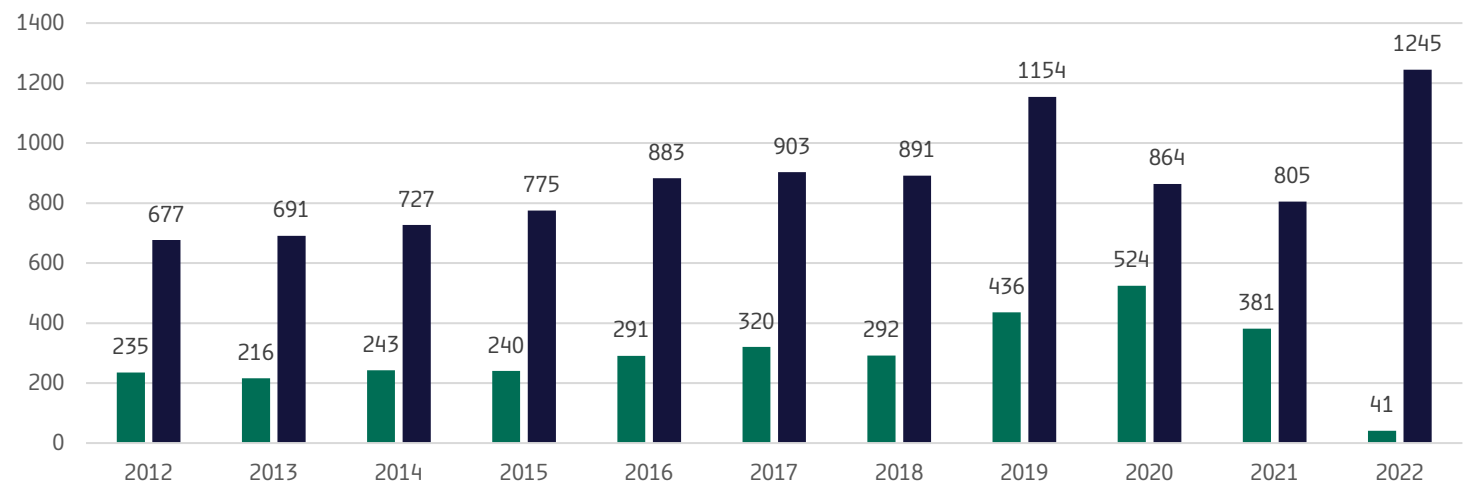
The profit in 2022 was affected by the fact that this was the first year after COVID-19 in which the company was not compensated for the pandemic’s impact on passenger revenue. Despite the decrease in the company’s profit compared with previous years, the profit of DKK 41 million and a profit margin of 2% exceeded the budget by DKK 220 million. The company’s performance exceeded expectations, and the profit for 2022 is therefore assessed to be satisfactory.

In 2022, the company’s revenue totalled DKK 1,670 million, of which DKK 1.245 million came from ticket sales (the joint fare system) and DKK 230 million from leasing out the Metro to the service operators. In addition, the value of own

work was DKK 127 million, while other operating income came to DKK 67 million. The company’s costs amounted to DKK 1,628 million in 2022, of which DKK 1,336 million was related to costs for the payment of operators for the operation and

maintenance of the Metro and contract management etc. In addition, the company’s costs consist of staff costs of DKK 247 million and other external costs of DKK 46 million.

Development in profit/loss before depreciation, impairment and write-downs and in fare revenue (adjusted for one-off revenue), 2012-2022



Note: The figures for 2014 have been adjusted for one-off income of DKK 45 million regarding completed arbitration proceedings

■ Development in profit before depreciation and write-downs ■ The Metro's fare income



Depreciation, impairment and write-downs totalled DKK 3,197 million in 2022, of which depreciation related to the Metro operations amounted to DKK 400 million and impairment related to the construction of the Metro amounted to DKK 2,797 million. The impairment of DKK 2,797 million is primarily due to the development in interest rates and inflation in 2022. Depreciation, impairment and write-downs are solely an accounting registration that has no impact on liquidity.

The loss for the year before financial items was DKK 3,156 million. Financial items comprise interest income of DKK 510 million and interest expenses of DKK 1,178 million. The loss before market value adjustment amounted to DKK 3,824 million. The market value adjustment, which can be attributed primarily to the company's financial interest rate hedging agreements, amounted to income of DKK 7,682 million and is primarily due to higher interest rates in 2022 than in 2021. The hedging took place in order to increase the budget certainty of the company's finances in the long term. The adjustment is solely an accounting registration that has no impact on liquidity, since the intention is to retain the agreements until maturity. Net profit for the year amounted to DKK 3,858 million.

The net profit for the year was taken to equity, which became positive and amounted to DKK 1,413 million. The company's adjusted equity, i.e. excluding market value adjustments, amounted to DKK 1,366 million at the end of 2022.

Value of the Metro

The carrying amount of the Metro as a whole is reviewed annually in order to determine whether there are indications of impairment. The recoverable amount is calculated on a combined basis for the commissioned Metro and the M4 Sydhavn line, as they will constitute a single cash-generating unit. The future cash flows, which are included in the capital asset value, are based on the company's current long-term budget and the expectations incorporated therein, see the appendix to the management commentary, as well as the expected level of interest rates. On calculating the recoverable amount, the estimated future cash flows are discounted to present value. At the end of 2022, the recoverable amount was lower than the book value, and as a result the value of the asset has been impaired, primarily as a consequence of the change in the levels of interest rates and inflation in 2022.

Market value of debt

The present level of interest rates is also reflected in the calculation of the market value of the company's debt and the derivative financial instruments used to hedge the interest rate risk associated with the company's present and future debt. In this respect, the company has entered into interest rate hedging agreements for much of the company's debt via agreements on either a fixed interest rate or an inflation-pegged interest rate. The maturity is determined on the basis of the company's debt repayment expectations. Similar to the valuation of the Metro, the market value of the debt decreases when the debt's interest rate level increases.

Stabilising fluctuations in equity

The fluctuations in the valuation of the Metro and the company's debt, respectively, cannot be expected to balance each other out, among other things because different interest rates are applied (e.g. a long/short-term interest rate and a fixed/inflation-pegged/variable interest rate) to the items. Nevertheless, applying current interest rate levels in connection with the valuation of both the Metro and the debt would stabilise fluctuations in the company's equity.

The Copenhagen Metro is a partnership in which the owners are 100% liable for the company. Any negative equity in the company does not entail any need for further contributions from the owners, as the Copenhagen Metro can still repay its debt as planned.



Investment in the Metro

In 2022, investments in the Metro and new construction totalled DKK 1,430 million, of which DKK 1,288 million concerned the construction of the M4 Sydhavn line, DKK 71 million concerned capacity expansions and maintenance of the M1/M2 lines, and DKK 72 million concerned investments in the M3/M4 lines and other investments in the Metro.

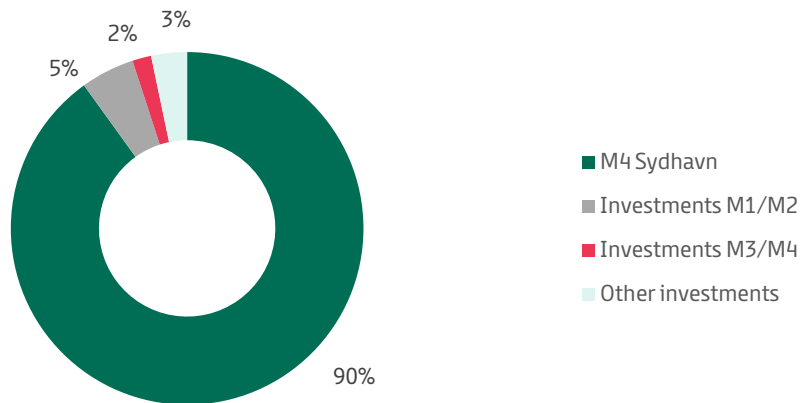
The total construction budget for the M4 Sydhavn line of DKK 10.2 billion, including an adjustment reserve (2023 prices), is based on the construction contracts concluded for the transport system, as well as the construction work. It is assumed that the M4 Sydhavn line will open in 2024. At 31 December 2022, costs and investments of DKK 6.5 billion had been incurred for the project.

Investment budget for ongoing construction

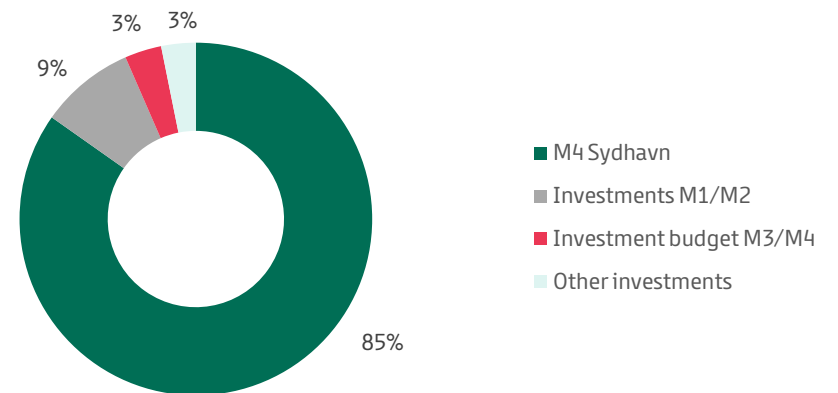
All figures in DKK million	Investments in 2022	Investments at 31 December 2022	Total investment budget
Sydhavn ¹	1,288	6,484	10,161
Investment programme, M1/M2	71	665	2,412
Investment budget, M3/M4	25	258	377
Other investments in the Metro	47	242	865
Total	1,430	7,648	13,815

¹Including adjustment reserve.

Investments for the year in 2022 by ongoing construction projects



Total investments at 31 December 2022 by ongoing construction projects





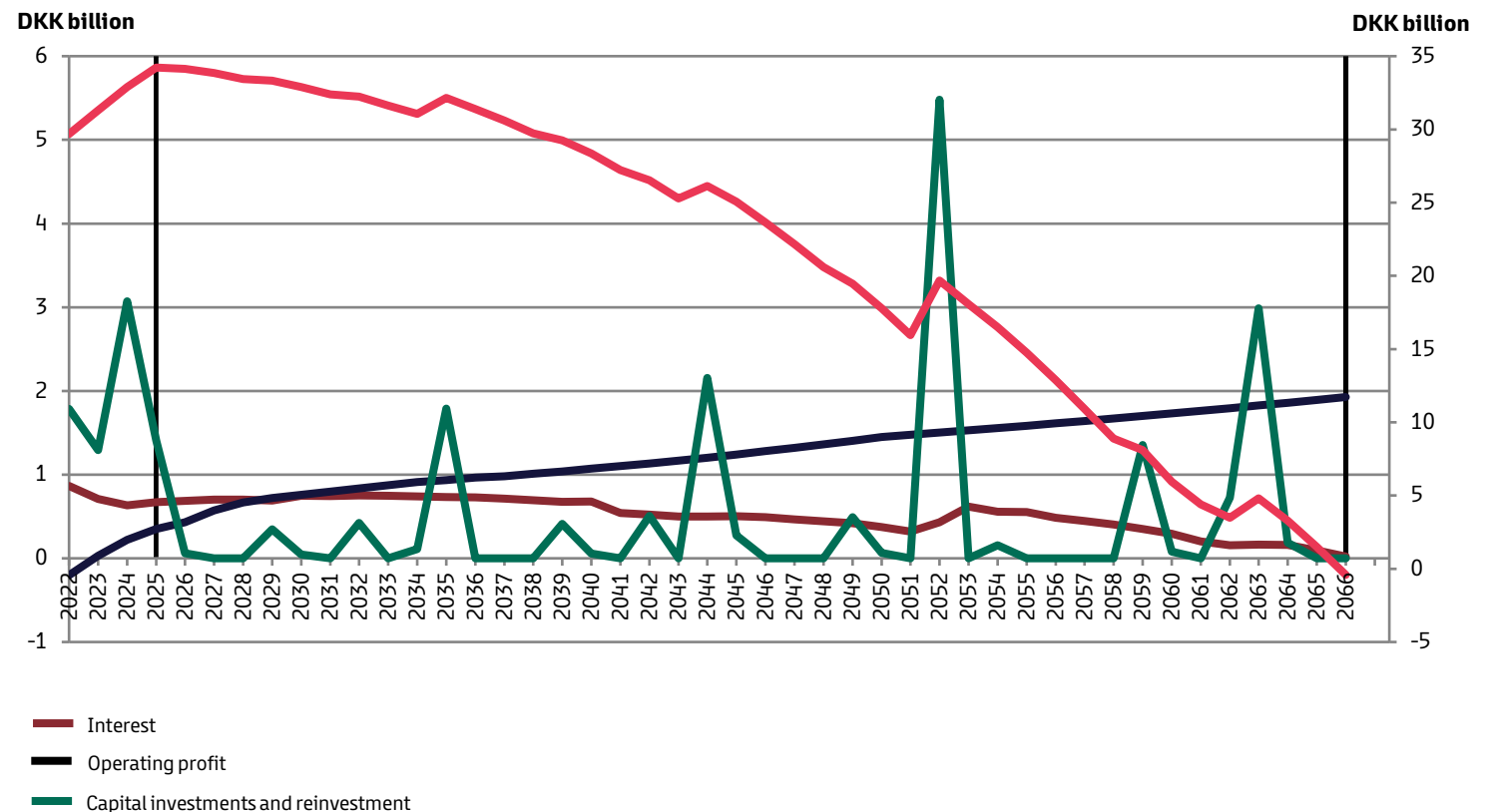
Capital and long-term finances

In connection with the company's budgeting for 2023, an updated long-term budget has been prepared, which shows the company's expected financial performance. The updated long-term budget shows that the company's net debt is expected to peak in 2025 at approximately DKK 34.2 billion (in current prices and including interest). The profit from the operation of the Metro will then be used to repay the debt. The debt is expected to be repaid in 2066. The repayment period is thereby extended by four years compared to the previous long-term budget, as a consequence of interest rate and inflation expectations. In the long-term budget, the expectations of the Danish Ministry of Finance are applied. In this budget, the interest rate expectations for the period up to 2048 have increased from before, while the inflation expectations have decreased compared to previous expectations, which overall has the aforementioned negative impact on the company's long-term budget and repayment period. Ongoing fluctuations in the budget and repayment period must be expected as a consequence of changes in the Ministry of Finance's interest rate and inflation expectations, and the current extension of the repayment period does not give rise to any further considerations regarding the company's overall finances at this time.

The long-term budget is based on a number of assumptions concerning interest rate development, passenger numbers, revenue per passenger etc. and is therefore subject to the uncertainty that always applies to forecasts of

future conditions. Each year, a finance strategy is determined to ensure appropriate financial management that minimises the long-term financial expenses, with due consideration being given to financial risks. Financial management within the stipulated strategy is undertaken by Sund og Bælt Partner. This is laid down and described in the Memorandum of Association for the Copenhagen Metro.

As partners in the company, the Danish State, the City of Copenhagen and Frederiksberg Municipality are directly, unconditionally, and jointly and severally liable for all of the Copenhagen Metro's obligations, including the loans taken out by the Copenhagen Metro. Due to the joint and several liability of the Danish State, the Copenhagen Metro is indirectly subject to the same credit rating as the State, which is AAA/Aaa.





This means that the Copenhagen Metro can generally achieve terms in the capital market which are equivalent to those available to the Danish State. In addition, the Copenhagen Metro has access to relending from Danmarks Nationalbank. Relending is a loan taken out directly by the Copenhagen Metro from Danmarks Nationalbank on behalf of the Danish State, based on a specific government bond, and on the same terms as those that apply when the bond is sold in the market.

Key figures and ratios

The Ministry of Transport has drawn up a strategic ownership document that includes several requested key figures and ratios. The abolition of the double-factor model as of 1 January 2021 entails a decrease in the Copenhagen Metro's fare revenue and thereby its profit or loss, all other things being equal. In May 2022, the Ministry of Transport updated the ownership document to among other things include a new target figure, 'Operating expenses per passenger'.

The change in the key figures profit margin, operating profit per passenger and operating expenses per passenger is primarily due to how the result for 2022 is affected by how this was the first year after COVID-19 in which the company did not receive compensation for the consequences of the pandemic.

The profit margin was 2% for 2022, compared with 22% in 2021. In the longer term (10 years), the

Key figures and ratios	2018	2019	2020	2021	2022
Profit margin	9%	13%	15%	22%	2%
Operating profit per passenger	1.9	3.0	2.0	2.8	0.4
Operating expenses per passenger	8.9	8.8	8.4	7.8	10.3
Interest coverage ratio	0.4	0.7	0.7	1.0	0.1

Note:

Due to the abolition of the double-factor model, the key ratios are adjusted for the 2018-2020 period.

In addition, the key ratios for 2020 and 2021 take account of the compensation received as a consequence of COVID-19.

The key ratios are thus comparable over the period.

Profit margin: EBITDA divided by total revenues

Operating profit per passenger: EBITDA (adjusted for extraordinary conditions) divided by the number of passengers

Operating expenses per passenger: (Metro operating expenses – Metro operating income) divided by number of passengers

Interest coverage ratio: EBITDA divided by financial items

profit margin is expected to lie between 20% and 25%.

Operating profit per passenger amounted to DKK 0.40 for 2022, compared to DKK 2.80 in 2021. In the longer term (10 years), the operating profit per passenger is expected to be DKK 4.

Operating expenses per passenger amounted to DKK 10.3 for 2022, compared to DKK 7.8 in 2021. In the longer term (10 years), operating expenses per passenger are expected to be DKK 8.

In 2022, the interest coverage ratio was 0.1, compared to 1.0 in 2021, which means that the company's financial expenses currently significantly exceed the company's operating profit. The interest coverage ratio is expected to eventually reach 1.5. In the construction phase and in the first years of service, the interest coverage ratio will be lower, however, as the financial expenses resulting from borrowing will exceed the operating profit generated by the Metro operations.

**Arbitration cases, etc.**

In January 2020, the Copenhagen Metro's contractor for the construction of the M3 Cityringen line, CMT, submitted their final invoice. The final invoice included claims totalling approximately DKK 6 billion. Of this amount, approximately DKK 3.1 billion concerned claims with a payment cap of approximately DKK 1.8 billion. The remaining claims for approximately DKK 2.9 billion concerned claims with a payment cap of approximately DKK 56 million. The claims have been brought before the arbitration tribunal.

In accordance with the provisions of the contract, CMT and the Copenhagen Metro then entered into negotiations concerning CMT's claims.

The Copenhagen Metro submitted its first statement of defence in the pending arbitration case in October 2020, claiming that the arbitration tribunal reject CMT's claims. In April 2021, CMT filed a new statement of claim with the arbitration tribunal regarding the claims that CMT has continuously raised following the conclusion of an agreement in March 2017 and in connection with their final submitted invoice. The Copenhagen Metro's statement of defence was sent to the arbitration tribunal in June 2022. The Copenhagen Metro and its lawyers are still of the opinion that CMT's claims in the arbitration case should essentially be dismissed and as such – subject to the customary procedural risk – do not give rise to any additional payment to CMT.

Procedures for the presentation of financial statements and use of IT

The Copenhagen Metro's Board of Directors has determined the overall procedures and controls for the most important areas relating to the presentation of the financial statements. The current accounting instructions describe the organisation of accounting activities and the planning of accounting routines, including the division of responsibility and authority. This also includes the regulations that are to be observed by the employees engaged in accounting activities.

The reporting process concerns quarterly financial reporting to the Board of Directors and the owners, with updates of the outlook for the year. In addition to the income statement, balance sheet, cash flow statement, statement of changes in equity and notes, the reporting includes a description of the current status on the company's construction and project budgets, and the financial circumstances.

Financing instructions define the framework for the handling of financial transactions, among other things to ensure the required risk profile.

The IT security policy describes the overall use of IT, including security, backup procedures, etc.

Outlook for 2023

For 2023, the company has budgeted for an ambitious target of 130 million passengers, which is an increase of around 22 million compared to 2022, when the number of passengers was approximately 108 million.

The company's fare revenue is budgeted at DKK 1,533 million, while the result before depreciation,

impairment and write-downs is budgeted as a profit of around DKK 80 million.



Key figures and ratios

All figures in DKK million	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	1,125	1,301	1,294	1,473	1,519	1,492	1,945	1,936	1,754	1,670
Profit/loss before depreciation, impairment and write-downs	216	288	240	291	320	292	436	524	381	41
Depreciation, impairment and write-downs	-484	-2,392	-3,531	-708	-567	215	-516	-1,430	-12,657	-3,197
Profit/loss before financial items	-267	-2,104	-3,291	-417	-247	507	-81	-906	-12,275	-3,156
Financial items	-64	-149	-229	-337	-363	-322	-325	-330	-380	-668
Profit/loss before market value adjustment	-331	-2,254	-3,520	-754	-610	184	-406	-1,236	-12,656	-3,824
Market value adjustment	2,138	-3,712	825	-1,562	695	-143	-2,175	-1,538	931	7,682
Net profit/loss for the year	1,807	-5,966	-2,695	-2,316	85	42	-2,581	-2,775	-11,725	3,858
Balance sheet total	12,633	15,953	17,308	23,270	24,851	30,380	38,771	41,210	41,532	36,608
Investment in the Metro for the year	3,170	3,420	3,842	4,654	2,875	3,392	3,616	2,207	1,812	1,450
Non-current liabilities	7,345	12,900	13,287	22,895	22,078	27,696	37,555	41,755	37,806	30,326
Equity	3,744	-87	737	-1,579	-1,495	-1,007	-3,347	-5,639	-2,446	1,413
Adjusted equity*	4,700	4,581	4,580	3,825	3,215	3,846	3,680	2,927	5,190	1,366
Solvency ratio	30%	-1%	4%	-7%	-6%	-3%	-9%	-14%	-6%	4%
Adjusted solvency ratio	37%	29%	26%	16%	13%	13%	9%	7%	12%	4%
Profit margin	19%	22%	19%	20%	21%	20%	22%	27%	22%	2%
Profit margin on Metro operations	22%	25%	22%	23%	25%	23%	26%	31%	24%	3%
Rate of return	2%	2%	1%	1%	1%	1%	1%	1%	1%	0%
Number of passengers (million)	55	56	57	61	63	64.7	79	63.7	73.4	107.9
Number of employees (year-end)	242	274	289	325	330	338	332	333	324	339

Note: Adjusted solvency ratio = capital excluding market value adjustment x 100/total assets Due to the abolition of the double-factor model on 1 January 2021, the key figures and ratios for 2021-2022 are not directly comparable with the 2021-2020 period.



Risk management





In 2022, the company had special focus on the consequences of the war in Ukraine, which affected an already challenged market situation due to, among other things, the effects of COVID-19, a lack of qualified manpower and challenged global supply chains.

Organisation and process

Systematic risk identification and management are given high priority by the Copenhagen Metro, where the current risk picture is monitored within finance, administration and operations, and for specific topics such as construction projects and investments. Risks are reported to the company's management, which assesses proposed changes to the current risk exposure from all of the company's activities. On this basis, the management prepares a prioritised risk picture/overview detailing the company's overall risk exposure and activities. This risk picture/overview is presented to the Board of Directors' Risk Committee and then to the entire Board. At quarterly meetings with the company's owners, the management reports on the company's risk exposure based on the Board's review. To ensure that risks are prevented, managed and reported within the individual technical areas, the organisation has appointed a risk owner for each identified risk. For the company's major projects, including the M4 Sydhavn line, a risk management process adapted specifically to the individual project has been developed. The process involves the contractors for the projects, ensuring that risks are managed in the most appropriate manner.

Significant risks in 2022 and related initiatives

Russia's invasion of Ukraine in February 2022 had a number of derived effects on the company's activities, including for the M4 Sydhavn line, as the war affected an already challenged world market for manpower, materials and equipment. Besides securing supply chains to avoid breaches of international sanctions, contractors' work schedules were aligned with actual deliveries and resources available, so as to stay on schedule during 2022.

The derived effects of the war in Ukraine also affected the risk profile for the company's operations in connection with warnings from the authorities of the potential need for controlled power disruptions (brownouts) and unplanned longer power disruptions (blackouts). As a risk reduction measure, the company has been in close dialogue with the operator on inspection of the emergency equipment and the applicable procedures for handling power outages in the event of power disruptions.

As a consequence of the global increase in cyber threats and the resulting need for tighter IT security, the company continued its efforts to strengthen IT security in relation to the company's IT systems and operational OT systems.

The company continuously monitors extreme climate events which could threaten the

infrastructure. In 2022, the company initiated several risk-reduction measures necessary to safeguard the company's facilities in the long term. The company is also part of a working group with other infrastructure owners to investigate the possibility of joint flood protection of Copenhagen.

The company continuously undertakes reinvestments to ensure that the Metro's most important assets maintain their financial and functional value. The main risks that the company seeks to mitigate in connection with reinvestments are that the work may affect on-time performance and hence the customer experience.



Compliance





Ownership

The Copenhagen Metro was established on 1 January 2007 pursuant to Act no. 551 of 6 June 2007 on Metroselskabet I/S and Arealudviklingsselskabet I/S.

The Copenhagen Metro is operated on a commercial basis and is among other things responsible for operation and maintenance and for ensuring reinvestments in the overall Metro. In addition, the company is responsible for the design, development and construction the Metro in Copenhagen and Frederiksberg. Metroselskabet I/S also makes available the employees and other resources needed to carry out the activities of Hovedstadens Letbane I/S.

The Copenhagen Metro may carry on other activities which have an obvious commercial connection to the metro activities. In terms of the development area around Ny Ellebjerg station, this means that the company, as laid down in Part 3 c of the Danish Act on a Cityring, may exercise its construction right to the railway site and develop the area by undertaking the required property transactions.

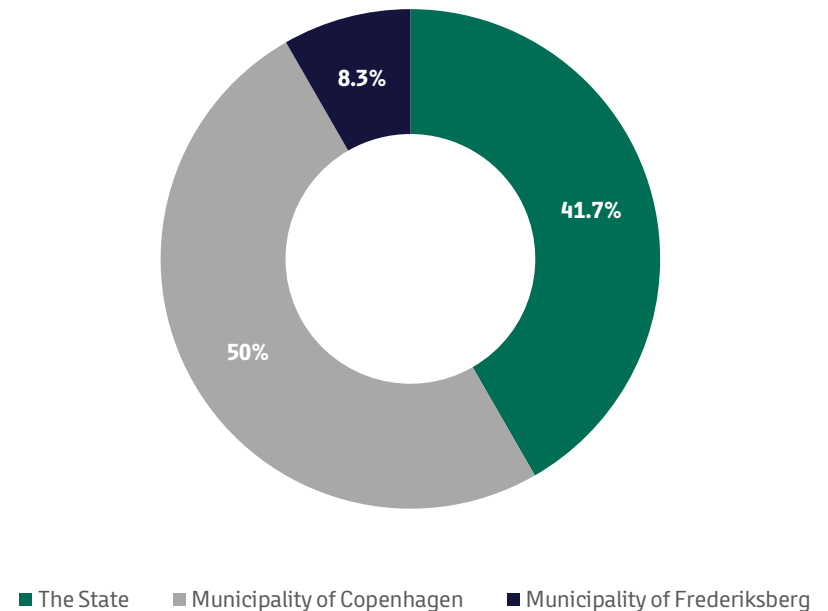
The Copenhagen Metro is a partnership owned by the Danish State, represented by the Minister for

Transport, the City of Copenhagen and Frederiksberg Municipality. The Board of Directors is the company's supreme authority, and is responsible for ensuring that the Copenhagen Metro fulfils the objectives laid down in legislation. The Board of Directors appoints the Executive Management, which is responsible for the company's business and which hires the necessary employees and reports to the Board of Directors.

The Board of Directors has nine members, who are appointed for a period of four years. The Danish State and the City of Copenhagen each appoint three members, while Frederiksberg Municipality appoints one member and one alternate member. Besides the members appointed by the owners, the company's employees elect two members to the Board of Directors.

In 2022, nine meetings of the Board of Directors and three meetings of the Audit Committee, three meetings and a seminar of the Risk Committee, and one meeting of the Remuneration Committee were held.

Ownership





Board of Directors of the Copenhagen Metro, 2022



**Jørn Neergaard
Larsen**
1949

Joined on 12 January 2017
Election term expires on 30 April 2025 at the latest
Chairman of the Board of Directors
Chairman of the Risk Committee
Chairman of the Remuneration Committee

Appointed by the Danish State represented by the Minister for Transport
Remuneration for 2022: DKK 511,000



Jonas Bjørn Jensen
1986

Joined on 6 May 2022
Election term expires on 31 December 2025
Vice Chairman
Member of the Risk Committee
Member of the Remuneration Committee
Member of the City Council of Copenhagen

Appointed by the City of Copenhagen
Remuneration for 2022: DKK 239,500

Other offices held:
- Member of the Finance Committee
- Member of the Culture and Leisure Committee
- Member of the Board of Directors and Board of Representatives of Tryghedsgruppen smba



Michael Vindfeldt
1981

Joined on 1 January 2022
Election term expires on 31 December 2025
Vice Chairman
Member of the Risk Committee
Member of the Audit Committee
Member of the Remuneration Committee
Mayor of Frederiksberg Municipality

Appointed by Frederiksberg Municipality
Remuneration for 2022: DKK 366,000

Other offices held:
- Vice Chairman of Hovedstadens Beredskab
- Local Council of Frederiksberg
- District Council of the Copenhagen Police
- Member of the Board of Representatives of KL
- Member of the Climate and Environment Committee of KL
- Arbejdernes Landsbank, Advisory Board of Representatives
- Member of KLS' Contact Council for the Capital Region
- President of the Historical Topographical Society



**Birgitte Brinch
Madsen**
1963

Joined on 1 April 2014
Election term expires on 30 April 2026 at the latest
Board member
Chairman of the Audit Committee
Member of the Remuneration Committee
Director

Appointed by the Danish State represented by the Minister for Transport
Remuneration for 2022: DKK 242,000

Other offices held:
- Chairman of the Board, Oreco A/S
- Chairman of the Board, RUM A/S
- Chairman of the Board, DELPRO A/S
- Vice Chairman of the Board, DEIF A/S
- Board member, Holte Fjernvarme a.m.b.a.
- Board member of Investeringsforeningen Danske Invest and related funds
- Board member, John Wood plc.
- Board member, Arkil Holding
- Board member, Hovedstadens Letbane I/S
- Board member, Milton Huse A/S



Harald Børsting
1952

Joined on 1 April 2014
Election term expires on 30 April 2026 at the latest
Board member

Appointed by the Danish State represented by the Minister for Transport
Remuneration for 2022: DKK 138,000

Other offices held:
- Board member, Refshaleøens Holding
- Board member, Refshaleøens Ejendomsselskab



Helle Bonnesen
1963

Joined on 1 January 2022
Election term expires on 31 December 2025
Board member
Member of the Audit Committee

Appointed by the City of Copenhagen
Member of the City Council of Copenhagen
Remuneration for 2022: DKK 173,000

Other offices held:
- Member of the Technical and Environmental Committee
- Member of the Employment and Integration Committee
- Member of the Regional Council of the Capital Region until 15 November 2022
- Member of the Danish Parliament from 1 November 2022



Troels Christian Jakobsen
1969

Joined on 6 May 2021
Election term expires on 31 December 2025
Board member

Appointed by the City of Copenhagen
Member of the City Council of Copenhagen
Remuneration for 2022: DKK 138,000

Other offices held:
- Member of the Technical and Environmental Committee
- Member of the Board of ARC



Kirsten Eljena Thomsen
1970

Joined on 12 February 2021
Election term expires on 31 December 2025
Board member

Elected by the employees of the Copenhagen Metro
Senior Procurement & Contracts Manager
Remuneration for 2022: DKK 138,000



Anette Alm
1982

Joined on 1 January 2022
Election term expires on 31 December 2025
Board member

Elected by the employees of the Copenhagen
Metro
Secretary
Remuneration for 2022: DKK 138,000

Lone Loklindt
1960

Appointed by Frederiksberg Municipality
Substitute



Board members who resigned in 2022

Lars Weiss

1971

Joined on 1 January 2022

Vice Chairman

Member of the Risk Committee

Member of the Remuneration Committee

Resigned on 22 April 2022

Appointed by the City of Copenhagen

Member of the City Council of Copenhagen

Remuneration for 2022: DKK 114,000

Other offices held:

- Member of the Finance Committee
- Member of the Employment and Integration Committee



Procedure for evaluation of the Board of Directors

Once a year, the Copenhagen Metro’s Board of Directors evaluates the work of the Board of Directors. The evaluation is made without the participation of the Executive Management or members of the Copenhagen Metro’s Executive Management Group. Prior to the evaluation, an evaluation form is submitted, which forms the basis for the evaluation deliberations.

The Board of Directors is satisfied with the strategic management and the information it receives about the company’s governance.

The Board of Directors finds that its composition is well-balanced and that the Board’s various areas of expertise are an asset for the Board’s work. The Board of Directors also finds that cooperation within the Board and with the Executive Management and the company is good.

Attendance of Board and committee meetings in 2022

	Board meetings	Audit Committee	Risk Committee	Remuneration Committee
	9 meetings	3 meetings	3 meetings	1 meeting
Jørn Neergaard Larsen	9/9		3/3	1/1
Lars Weiss*)	3/3		1/1	
Jonas Bjørn Jensen**)	6/6		1/2	1/1
Michael Vindfeldt	9/9	2/3	2/3	1/1
Birgitte Brinch Madsen	9/9	3/3		1/1
Harald Børsting	9/9			
Helle Bonnesen	9/9	3/3		
Troels Christian Jakobsen	6/9			
Kirsten Eljona Thomsen	9/9			
Anette Alm	9/9			

*) Lars Weiss resigned on 22 April 2022. 3 Board meetings and 1 Risk Committee meeting were held prior to this date.

**) Jonas Bjørn Jensen joined on 6 May 2022. 6 Board meetings and 2 Risk Committee meetings were held.



Executive Management of the Copenhagen Metro

Executive Management:

Carsten Riis
1976
CEO
Joined on 1 August 2022

The company's Executive Management is supported by an additional four directors:

Erik Skotting
1957
Director

Rebekka Nymark
1970
Director
Acting CEO from 1 May 2022 to 31 July 2022

Louise Høst
1977
Director

Hanne Tærsebøl Schmidt
1976
Director

The Executive Management resigned in 2022

Henrik Plougmann Olsen
1968
CEO

Resigned on 30 April 2022

Other offices held:

- Board member, Rejsekort A/S
- Board member, DGI-byen
- Member of the Board of Representatives, University of Copenhagen

Compliance testing of The Copenhagen Metro

Corporate governance

The Copenhagen Metro conducts an annual compliance test of its corporate governance documents in relation to the corporate governance recommendations in the Danish State's ownership policy (last updated in 2015) and the Recommendations on Corporate Governance from the Committee on Corporate Governance (last updated in December 2020).

The compliance test covers the company's Articles of Association, the Board's rules of procedure, the Board committees' terms of reference and the financial governance documents. The compliance test assesses whether the company's governance documents fulfil current corporate

governance requirements. The Board subsequently considers the outcome of the compliance test and discusses whether changes to the governance documents are needed.

The compliance test for 2023 has shown that the company's governance documents fulfil the recommendations and are thereby in compliance.

Corporate social responsibility

The Copenhagen Metro also works systematically with the company's CSR strategies. The Copenhagen Metro is affiliated to the UN Global Compact and thus prepares an independent report on corporate social responsibility, separate from the management report, in a Sustainability Report that is submitted to the UN. The Copenhagen Metro's corporate social responsibility report prepared in accordance with sections 99a, 99b og 107d of the Danish Financial Statements Act is also included in the Copenhagen Metro's Sustainability Report for 2022.

The Copenhagen Metro's Sustainability







Financial statements 2022





Accounting policies

Basis of accounting

The Annual Report of Metroselskabet I/S has been prepared in accordance with the provisions of the Danish Financial Statements Act for class D enterprises. The Financial Statements Act's requirements for the format of the income statement have been adjusted in order to better reflect how the results have been generated.

The financial period runs from 1 January to 31 December 2022. The Annual Report is presented in DKK thousands. The accounting policies are applied consistently with last year, except for minor clarifications.

General information on recognition and measurement

Assets are recognised in the balance sheet when it is probable that future financial benefits will flow to the partnership, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future financial benefits will flow out of the partnership, and the value of the liabilities can be measured reliably.

Assets and liabilities are measured at cost on initial recognition. Assets and liabilities are subsequently measured as described below for each item.

On recognition and measurement, predictable losses and risks arising prior to the presentation of the Annual Report, and which confirm or invalidate conditions existing on the Balance Sheet date, are taken into account.

The Profit and Loss Account includes income as it is earned, while costs are recorded as the amounts relating to the financial year.

Value adjustment of financial assets and liabilities measured at fair value is also recorded in the Profit and Loss Account.

Foreign currency translation

On initial recognition, transactions in foreign currency are translated at the exchange rate applicable at the transaction date. Receivables, payables and other monetary items in foreign currency that have not been settled on the balance sheet date are translated at the exchange rate as of the balance sheet date. Exchange rate differences arising between the exchange rate applicable on the transaction date and the rate on the payment date or balance sheet date, respectively, are recognised as financial items in the income statement. Non-current assets purchased in foreign currency are recognised at historical exchange rates.

Derivative financial instruments

Derivative financial instruments are measured at cost when first recorded in the Balance Sheet, and subsequently at fair value. Derivative financial

instruments are recognised under other receivables and other debt, respectively.

Any changes in the fair value of derivative financial instruments classified as and fulfilling the conditions for hedging of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability.

For derivative financial instruments that do not fulfil the conditions for treatment as hedging instruments, the changes in fair value are recognised as financial items in the income statement on an ongoing basis.

Income statement

Income

The Metro's fare revenue, which includes payments from the joint fare system in the Greater Copenhagen area, is recognised as the service is delivered, i.e. based on the number of passengers.

The Metro's operating income, which includes income from leasing out the Metro as well as advertising revenue, etc. relating to the Metro, is recognised as the services are delivered.

The value of own work includes the staff costs and other costs for the year, which can be attributed to the construction of the Metro on the basis of an estimate. The amount is included in the cost of construction of the Metro.



Other operating income includes income from the administration and handling of the client organisation for the Greater Copenhagen Light Rail, sale of advisory services, work site rental and minor income from leases, among other things, and in 2021 compensation from the Danish State as a consequence of COVID-19.

Metro operating expenses

The Metro's operating expenses include expenses for the operations contractor, the partnership's costs of contract management etc., and other costs for maintaining the operation of the Metro.

Staff costs

Staff costs include fees, wages and salaries and other staff costs for the Board of Directors, management, administrative and technical staff.

Other external costs

Other external costs include administration costs, including office supplies, etc.

Financial items and market value adjustment

Financial items include interest and realised and non-realised foreign currency translation adjustments, as well as value adjustments of the partnership's loans, investments and derivative financial instruments measured at fair value.

Corporate tax

The partnership is not liable to pay corporate tax.





Balance sheet

Property, plant and equipment

Construction of the Metro

Facilities under construction, comprising the construction of the Metro, are measured as costs incurred for preliminary studies, project design and construction, as well as the value of own work, until the date that the asset is ready for use. The Metro is not subject to depreciation during its construction, but write-downs are made in relation to the recoverable value, see the section on the valuation of non-current assets.

Metro in service

The commissioned Metro is measured at cost less actual depreciation, impairment and write-downs. Cost is equivalent to the present value on 1 January 2007 (opening balance sheet), plus subsequent investments. The present value is calculated as the future cash flows (recoverable amount).

The basis of depreciation, which is calculated at cost, is distributed according to the straight-line method over the expected useful lives of the assets. The Metro in service has been divided into component parts with uniform useful lives, which are:

Tunnel and shell of underground stations	100 years
Other fixtures and fittings	50 years

Rolling stock, mechanical and electrical installations	25 years
Other technical installations	10 years
Minor facility components	3 years

However, the tunnel and shell of underground stations are depreciated to the maximum level in the period up until 2102, which is the final year of the expected accounting life in the valuation of the Metro as a whole. A portion of the asset will then have a scrap value for the remainder of its useful life.

The expected useful lives and scrap values are reassessed annually and revised in the event of significant changes in the assessment.

Substantial future investments are regarded as separate component parts and are depreciated over their expected useful lives.

Land, buildings, operating equipment and fixtures and fittings

Land, buildings, operating equipment and fixtures and fittings are measured at cost less actual depreciation and impairment. Land is not depreciated. Cost includes the acquisition sum and costs directly associated with the acquisition. The basis of depreciation, which is calculated at cost less the scrap value, is distributed according to the straight-line method over the expected useful lives of the assets, which are:

IT equipment	3 years
--------------	---------

Other fixtures and fittings and operating equipment	5 years
Temporary office buildings	15 years

Scrap values and useful lives are reassessed annually and revised in the event of any significant changes.

Gains and losses on the sale of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the time of the sale. Any profit or loss is recognised in the income statement.

Valuation of non-current assets

The carrying amount of non-current assets is reviewed annually to determine whether there is any indication of impairment over and above that expressed by depreciation. If so, an impairment test is made to determine whether the recoverable amount is lower than the carrying amount, and impairment is made to this lower recoverable amount.

The recoverable amount is either the net selling price less sales costs or the capital asset value, whichever is higher. On calculating the capital asset value, the estimated future cash flows up to 2102 are discounted to present value.

The recoverable amount is measured on an aggregated basis for related assets comprising both plant under construction and plant in operation, as they constitute a single cash-



generating unit. The write-down is recorded in the Profit and Loss Account.

Investments

Equity investments

Equity investments recognised under investments – which do not include listed shares – are measured at cost on initial recognition. Equity investments are written down to the recoverable amount if this is lower than the carrying amount.

Receivables

Receivables under investments are recognised at amortised cost, which essentially is equivalent to the nominal value. Write-downs are made for expected losses.

Current assets

Properties

Properties are measured at cost.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which essentially is equivalent to the nominal value. Write-downs are made for expected losses.

Securities

Securities recognised under current assets comprise listed bonds, which are measured at fair value on the balance sheet date.

Cash

Cash includes short-term bank deposits and securities with a remaining term to maturity of less than three months at the time of acquisition which can readily be converted into cash and cash equivalents, and for which there is only a slight risk of changes in value.

Non-current liabilities

Non-current liabilities are measured at cost at the time of taking out the loans, corresponding to the proceeds received less transaction costs incurred. Liabilities are subsequently measured at amortised cost, unless the fair value of the liabilities is hedged.

Debts that are hedged for changes in fair value, and for which the effectiveness of this hedging can be documented, are subsequently measured at fair value. Changes in fair value are recorded in the Profit and Loss Account under market value adjustment, together with changes in the fair value of the hedging instruments.

The short-term element of the long-term debt is recorded under repayment of long-term debt commitments.

Other financial liabilities

Other financial liabilities, which include bank loans, creditors and other debt, are measured at amortised cost, which usually corresponds to the nominal value.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, as well as the partnership's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are stated according to the indirect method and are calculated as the operating profit/loss adjusted for non-cash operating items and changes in receivables and debt relating to the operating activity.

Cash flows relating to investment activities comprise payments in connection with the construction of the Metro and investments in securities.

Cash flows relating to financing activities comprise changes in receivables and debt concerning financing activities, as well as net financing expenses.

Cash and cash equivalents comprise cash and short-term securities.

Segment reporting

Information is provided on business segments (primary segment). The partnership solely carries on commercial activities in Denmark. The segment information is consistent with the partnership's internal financial management, see Note 20.



Income statement

for the period 1 January - 31 December 2022 (all figures in DKK '000)

	Note	2022	2021
INCOME			
Metro fare revenue	1	1.245.446	805.357
Metro operating income	1	229.787	29.479
Value of own work		127.226	136.627
Other operating income	2	67.425	783.128
Total income		1.669.884	1.754.591
Costs			
Metro operating expenses	1	-1.335.870	-1.095.341
Staff costs	3	-246.777	-235.308
Other external costs		-45.816	-42.637
Total costs		-1.628.463	-1.373.287
Profit/loss before depreciation, impairment and write-downs		41.421	381.304
Depreciation	4	-400.102	-442.224
Write-downs	4	-2.797.193	-12.214.546
Total depreciation, impairment and write-downs		-3.197.295	-12.656.766
Profit/loss before financial items		-3.155.875	-12.275.470
Financial items			
Financial income	5	509.656	374.468
Financial expenses	5	-1.177.738	-754.540
Financial items in total		-668.082	-380.071
Profit/loss before market value adjustment		-3.823.956	-12.655.537
Market value adjustment	5	7.682.265	930.559
Net profit/loss for the year		3.858.309	-11.724.979



Balance sheet

At 31 December 2022 (all figures in DKK '000)

Assets	<i>Note</i>	2022	2021
FIXED ASSETS			
Tangible fixed assets			
Construction of metro	6	3.645.317	3.607.721
Metro in service	7	8.779.901	10.537.181
Land and buildings	8	60.846	68.328
Tangible fixed assets in total		12.486.065	14.213.231
Financial assets			
Other capital shares	9	5.519	25.258
Receivables	10	2.145.281	2.092.740
Owner's deposit receivable	11	14.142.561	14.337.400
derived financial instruments	12	1.937.822	2.506.116
Total financial fixed assets		18.231.183	18.961.515
Total fixed assets		30.717.248	33.174.746
CURRENT ASSETS			
Properties	13	23.482	16.430
Receivables	14	1.459.053	1.211.432
Owner's deposit receivable	11,15	459.450	437.138
Securities	16	3.529.713	6.251.739
Liquid assets	16	418.704	440.624
Total current assets		5.890.402	8.357.362
TOTAL ASSETS		36.607.649	41.532.108



Balance sheet

At 31 December 2022 (all figures in DKK '000)

Equity and liabilities	<i>Note</i>	2022	2021
EQUITY			
Beginning of year		-2.445.545	-5.639.066
Addition for the year		3.858.309	3.193.521
Total equity		1.412.764	-2.445.545
NON-CURRENT LIABILITIES			
Non-current liabilities	17	26.210.514	29.243.276
Derivative financial instruments	17	4.115.017	8.562.797
Total non-current liabilities		30.325.531	37.806.073
CURRENT LIABILITIES			
Current portion of non-current liabilities	17	4.062.341	5.139.355
Trade payables		280.736	519.336
Prepaid customers	18	83.199	87.105
Other debt	19	443.079	425.784
Total current liabilities		4.869.355	6.171.580
Total liabilities		35.194.886	43.977.653
TOTAL EQUITY AND LIABILITIES		36.607.649	41.532.108
Segment information	20		
Proposed distribution of profit	21		
Events occurring after the balance sheet date	22		
Contractual obligations and contingent liabilities	23		
Auditor's fees and advisory fees	24		
Related parties	25		
Currency, interest rate and credit risk	26		
Loans and derivative financial instruments	27		



Statement of changes in equity

(All figures in DKK '000)

	<i>Contributions concerning the existing Metro</i>	<i>Owner contributions</i>	<i>Reserve for unpaid owner contributions</i>	<i>Retained earnings before MVR</i>	<i>Equity excluding MVR</i>	<i>Market value adjustment (MVR)</i>	<i>Total</i>
Beginning of 2020	660.857	16.713.508	0	-14.447.295	2.927.069	-8.566.131	-5.639.066
Capital contribution	0	278.400	14.640.100	0	14.918.500	0	14.918.500
Retained earnings	0	0	0	-12.655.537	-12.655.537	930.559	-11.724.979
Beginning of 2021	660.857	16.991.908	14.640.100	-27.102.832	5.190.032	-7.635.572	-2.445.545
Capital contribution	0	302.700	-302.700	0	0	0	0
Retained earnings	0	0	0	-3.823.956	-3.823.956	7.682.265	3.858.309
End of year	660.857	17.294.608	14.337.400	-30.926.789	1.366.075	46.692	1.412.764

The last five years' capital contributions can be specified as follows:

	2022	2021	2020	2019	2018
Beginning of year	31.632.008	16.713.508	16.230.508	15.989.508	15.543.580
Capital increase	0	14.918.500	483.000	241.000	445.928
End of year	31.632.008	31.632.008	16.713.508	16.230.508	15.989.508



In 2016, the Danish State, the City of Copenhagen and Frederiksberg Municipality entered into an agreement on the financing of an underground metro station at København Syd. In 2018, the owner contribution of DKK 446 million was transferred to capital contributions in connection with the conclusion of the major construction contracts for the M4 Sydhavn line in March 2018.

In 2019, the Danish State and the City of Copenhagen released some of the 10% adjustment reserve regarding the M4 Sydhavn line. The released share of the adjustment reserve was thus transferred to capital contributions in 2019.

In 2021, the Danish State made a capital contribution to Metroselskabet of DKK 14.9 billion with annual payments in the period from 2021-2060. The agreement on contributions has been concluded in connection with the abolition of the double-factor model in the revenue sharing between the public transport providers in the Greater Copenhagen area at 1 January 2021. The Danish State issued a debenture of DKK 14.9 billion as collateral for the payments.

The owners' total capital contributions amount to DKK 31.6 billion.

Metroselskabet is a partnership in which the owners are 100% liable for the company. Negative equity in the company does not require further contributions from the owners, as Metroselskabet can still repay its debt as planned.



Cash flow statement

(All figures in DKK '000)

	Note	2022	2021
Cash flows from operating activities			
Metro fare revenue		1.245.446	805.357
Metro operating income		229.787	29.479
Other operating income		67.425	783.128
Metro operating expenses		-1.335.870	-1.095.341
Staff costs		-246.777	-235.308
Other external costs		-45.816	-42.637
Change in receivables		-197.595	32.086
Change in trade payables		-238.600	216.664
Total cash flows from operating activities		-522.001	493.427
Cash flows from investing activities			
Investments in the construction of the Metro		-1.323.164	-1.675.370
Investments in land and buildings		-7.052	-47.437
Purchase and sale of securities (excluding value adjustment)		2.677.140	895.054
Total cash flows from investing activities		1.346.924	-827.753
Cash flows from financing activities			
Borrowing, net (excluding market value adjustment)		-705.516	49.420
Contribution from owners		302.700	278.400
Change in receivables from financing activities		-232.740	863.519
Other debt		13.389	5.790
Net financing costs (excluding value adjustment)		-224.675	-416.954
Total cash flows from financing activities		-846.842	780.174
Change in cash and cash equivalents		-21.919	445.849
Cash and cash equivalents, beginning of year		440.624	-5.225
Cash and cash equivalents, end of year		418.704	440.624

The cash flow statement cannot be derived directly from the other elements of the financial statements.



Note 1: Operating profit/loss for the commissioned Metro

(all figures in DKK 1,000)	2022	2021
Metro fare revenue	1.245.446	805.357
Metro operating income		
Leasing out of the Metro	229.769	29.154
Other income	18	326
Total Metro operating income	229.787	29.479
Other operating income	2.796	744.821
Total income	1.478.028	1.579.657
Metro operating expenses		
Payment for operations	-1.291.822	-1.049.546
Contract management, etc.	-27.256	-31.044
Other costs	-16.792	-14.751
Total Metro operating expenses	-1.335.870	-1.095.341
Administrative expenses	-100.737	-103.011
Total costs	-1.436.607	-1.198.352
Profit/loss before depreciation	41.421	381.304
Depreciation	-400.102	-442.224
Impairment and write-downs/reversal of impairment and write-downs (Rejsekort og Rejseplan A/S)	-19.739	101
Profit/loss before financial items	-378.420	-60.819



Jf. segmentoplysninger i note 20.

The company has outsourced the operation of the Metro to a third party. The lease payment depends on the overall operating result/loss for the Metro. In 2022, the Metro had 107,9 mio. passengers (73,4 mio. in 2021). The fare revenue for 2022 is based on average passenger revenue of DKK 11,00 (DKK 10,91 in 2021).

Note 2 Other operating income

Other operating income includes income from the administration and handling of the client organisation for Hovedstadens Letbane I/S of DKK 63 mio. kr. (DKK 56 mio. in 2021), sale of advisory services, work site rental and minor income from leases, among other things.

In addition, other operating income for 2021 consists of COVID-19 compensation from the Danish State of DKK 708.5 million (DKK 747.1 million in 2020) and income of DKK 13.1 million related to the sale of land at Fasanvej Station.



Note 3 Staff costs

(all figures in DKK '000)	2022	2021
Wages, salaries and remuneration	200.734	191.420
Pensions	32.696	31.369
Social security contributions	3.925	4.285
Other staff costs	9.422	8.234
Total staff costs	246.777	235.308
Heraf udgør:		
Salaries for the Executive Management	2.463	2.458
Other payments to the Executive Management	346	350
Pensions for the Executive Management	431	430
Remuneration for the Board of Directors	2.198	2.146
Average number of employees (full-time equivalents – 1,924 hours)	300	295
Employees, end of year (number)	339	324

Other payments include performance-based pay for the Executive Management, which constitutes up to 15% of the members' ordinary salary. Performance-based pay for 2022 concerns the achievement of the company's targets for 2021. The performance-based pay targets are fixed once a year by the company's Remuneration Committee and will cover the following financial year. Performance-based pay is paid out once a year after consideration by the Remuneration Committee.

Metroselskabet's term of notice is six months for members of the Executive Management. In addition, a severance payment amounting to 12 months' salary has been agreed for the Executive Management, if the severance is not due to breach of contract by the executive director. Severance payments are made at the end of the notice period.

In addition, members of the Executive Management are entitled to company-paid newspapers, a company-paid landline connection, mobile phone, home internet connection and tablet.

The remuneration for the Board of Directors includes remuneration for the Audit Committee and the Risk Committee.



Note 4 Depreciation, impairment and write-downs

(all figures in DKK '000)	2022	2021
Depreciation, Metro in service	392.620	434.742
Depreciation of buildings, operating equipment and fixtures and fittings	7.482	7.482
Impairment and write-downs/reversal of impairment and write-downs of Metro construction	2.777.455	12.214.647
Impairment and write-downs/reversal of impairment and write-downs of equity investments	19.739	-101
Total depreciation, impairment and write-downs	3.197.295	12.656.770

Note 5 Financial items and market value adjustment

(all figures in DKK '000)	2022	2021
Financial income		
Interest income from investments		
Interest income from receivables	190.374	50.864
Interest income from cash, securities and financial instruments, etc.	318.088	323.604
Foreign currency translation adjustment	1.194	0
Financial expenses	509.656	374.468
Interest expenses		
Foreign currency translation adjustment	-1.177.738	-751.751
Financial expenses	0	-2.788
Total financial expenses	-1.177.738	-754.540
Total financial items	-668.082	-380.071
Total market value adjustment	7.682.265	930.559



The market value adjustment can primarily be attributed to the company's financial interest rate hedging agreements which were concluded in order to increase the budget certainty of the company's finances in the long term. The market value adjustment depends on the development in interest rates and is solely an accounting registration that has no impact on liquidity, since the agreements are held until maturity.

The accounting exposure concerning the market value adjustment can be expressed as a basis point value (BPV). With the company's current financial portfolio (swap), BPV is DKK 40 million, which means that a decrease in the interest level of 1% would increase the market value adjustment and reduce the profit or loss by DKK 4.0 billion. Similarly, an increase in the interest level of 1% would improve the profit or loss by DKK 4.0 billion.

The change in the market value adjustment from 2021 to 2022 is due to the increased interest level during that period.

Note 6 Construction of the Metro

(alle tal i 1.000 kr.)	Com- missioned Metro	Ongoing constructio n projects	Total
ACQUISITION PRICE			
Beginning of year	1.544.733	5.465.517	7.010.249
Addition for the year	162.150	1.288.241	1.450.391
Transferred to the Metro in service	-597.944	0	-597.944
End of year	1.108.939	6.753.758	7.862.696
NED- OG OPSKRIVNINGER			
Beginning of year	-563.982	-2.838.546	-3.402.528
Impairment and write-downs for the year/reversal of impairment and write-downs	-99.561	-715.290	-814.851
Transferred impairment and write-down to the Metro in service	0	0	0
End of year	-663.543	-3.553.836	-4.217.379
Carrying amount, beginning of year	980.752	2.626.971	3.607.721
Carrying amount, end of year	445.395	3.199.922	3.645.317
Carrying amount of the Metro in service 31 December 2021, see Note 7			8.779.901
Carrying amount of the construction of the Metro 31 December 2022			3.645.317
Recoverable amount 31 December 2022			12.425.218
Impairment and write-down for the year			2.777.455

The calculation of the recoverable amount is measured on an aggregate basis for the Metro in service and the construction of the Metro, as they will constitute a single cash-generating unit once all lines are operational.



The recoverable amount of the Metro as a whole is lower than the book value, and as a result an impairment has been made. Impairment and write-downs for the year are recognised in the income statement.

The recoverable amount is calculated on the basis of the future expectations described in the company's long-term budget. An average interest rate of 4,1% has been applied in the first 20 years, rising to 4.7% in the longer term. The interest rate used in the calculation exceeds the current interest level in the market, as it includes a risk surcharge. The use of a lower current market interest rate would increase the calculated recoverable amount and improve the net profit or loss for the year. To illustrate this, the use of a 1% lower interest rate in the first 20 years would increase the recoverable amount and hence the net profit or loss for the year by DKK 2,9 billion. Conversely, the use of a 1% higher interest rate during this period would have reduced the net profit or loss for the year by DKK 2.4 billion.

Note 7 Metro in service

	Tunnel and shell of underground stations	Other fixed facilities	Rolling stock, etc.	Other technical installations	Minor facility components	Total
(all figures in DKK '000)						

ACQUISITION PRICE

Beginning of year	15.359.782	8.442.459	8.589.358	1.674.908	845.205	34.911.710
Addition for the year	24.749	102.850	455.657	14.392	298	597.944
Disposal for the year	0	0	0	-11.021	0	-11.021
End of year	15.384.531	8.545.309	9.045.015	1.678.279	845.503	35.498.634

DEPRECIATION, IMPAIRMENT AND WRITE-DOWNS

Beginning of year	-10.207.000	-5.791.352	-6.289.723	-1.314.663	-771.792	-24.374.530
Depreciation for the year	-55.572	-63.671	-146.239	-53.428	-73.710	-392.620
Disposal, depreciation for the year	0	0	0	11.021	0	11.021
Impairment and write-downs for the year/reversal of impairment and write-downs	-935.757	-491.502	-476.661	-58.683	0	-1.962.604
End of year	-11.198.329	-6.346.525	-6.912.623	-1.415.754	-845.503	-26.718.733

Carrying amount, beginning of year	5.152.782	2.651.107	2.299.635	360.245	73.413	10.537.181
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Carrying amount, end of year **4.186.202** **2.198.784** **2.132.391** **262.525** **0** **8.779.901**

Note 8 Land, buildings, operating equipment and fixtures and fittings

(all figures in DKK '000)	Land	Office buildings	Operating equipment and fixtures and fittings	Total
ACQUISITION PRICE				
Beginning of year	39.104	112.742	1.844	153.690
Addition for the year	0	0	0	0
Disposal for the year	0	0	-170	-170
End of year	39.104	112.742	1.674	153.520
DEPRECIATION				
Beginning of year	0	-83.517	-1.844	-85.361
Depreciation for the year	0	-7.482	0	-7.482
Disposal, depreciation	0	0	170	170
End of year	0	-90.999	-1.674	-92.673
Carrying amount, beginning of year	39.104	29.225	0	68.328
Carrying amount, end of year	39.104	21.743	0	60.846



Note 9 Other equity investments

(all figures in DKK '000)	Rejsekort and Rejseplan A/S	DOT I/S	Total
ACQUISITION PRICE			
Beginning of year	68.123	300	68.423
Addition for the year	0	0	0
Disposal for the year	0	0	0
End of year	68.123	300	68.423
DEPRECIATION, IMPAIRMENT AND WRITE-DOWNS			
Beginning of year	-43.164	0	-43.164
Impairment and write-down/reversal of impairment and write-down	-19.739	0	-19.739
End of year	-62.903	0	-62.903
Carrying amount, beginning of year	24.958	300	25.259
Carrying amount, end of year	5.219	300	5.519

Name	Domicile	Ownership interest	<u>Capital</u>
Rejsekort and Rejseplan A/S	Gladsaxe	7,16 %	121.960.400
DOT I/S	Valby	33,3%	900.000



Note 10 Receivables, investments

(all figures in DKK '000)	Total
ACQUISITION PRICE	
Beginning of year	2.092.740
Addition for the year	0
Addition for the year (interest, etc.)	57.375
Disposal for the year (repayment)	-4.834
End of year	2.145.281
DEPRECIATION, IMPAIRMENT AND WRITE-DOWNS	
Beginning of year	0
Depreciation for the year	0
Impairment and write-downs for the year	0
End of year	0
Carrying amount, beginning of year	2.092.740
Carrying amount, end of year	2.145.281

To ensure that the construction contractor CMT has an adequate level of liquidity during the construction period, Metroselskabet has established a liquidity scheme of DKK 1.5 billion (liquidity bridge) and secured intermediate financing of the final works of DKK 591 million. CMT has provided a bank guarantee/parent company guarantee for the amounts.

Receivables also relate to the company's subordinate loan capital in Rejsekort A/S and Rejseplan A/S.


Note 11 Receivables, owner contributions

(all figures in DKK '000)	Total
ACQUISITION PRICE	
Beginning of year	14.774.538
Addition for the year	0
Addition for the year (interest, etc.)	132.873
Disposal for the year (repayment)	-305.400
Of which short-term debt	-459.450
End of year	14.142.561
DEPRECIATION, IMPAIRMENT AND WRITE-DOWNS	
Beginning of year	0
Depreciation for the year	0
Impairment and write-downs for the year	0
End of year	0
Carrying amount, beginning of year	14.774.538
Carrying amount, end of year	14.142.561

In 2021, the state has made a capital investment in Metroselskabet of DKK 14.9 billion. DKK with annual payments in the period from 2021-2060. The state's payment in 2023 of DKK 324 million. DKK is included under current assets. The state has issued a promissory note of DKK 14.9 billion as security for the payments.


Note 12 Derivative financial instruments

(all figures in DKK '000)	Total
ACQUISITION PRICE	
Beginning of year	0
Addition for the year	0
Disposal for the year	0
End of year	0
VALUE ADJUSTMENTS	
Beginning of year	2.506.116
Value adjustment for the year	-568.295
End of year	1.937.822
Carrying amount, beginning of year	2.506.116
Carrying amount, end of year	1.937.822



Note 14 Properties

In connection with the construction of the M3 Cityring line, the company has expropriated a number of flats. The flats have been valued at acquisition cost. At 31 December 2021, the company had expropriated three flats.

At the time of the establishment of Metroselskabet, the company took over sites at Forum and Fasanvej Stations. If a profit is achieved on the sale of the sites, Frederiksberg Municipality is entitled to a share of the profit as per a separate agreement. The sites are valued at DKK 0. Metroselskabet has finalised the sale of the sites at Fasanvej Station. Frederiksberg Municipality's profit has been paid as per agreement and settled with the municipality.

On 14 October 2016, the Danish State (represented by the Minister of Transport), the City of Copenhagen and Frederiksberg Municipality entered into an agreement on the financing of additional costs of an underground metro station at København Syd. As a result of the agreement, the Danish State would transfer the construction rights to the railway site at the København Syd Station to Metroselskabet as a government contribution. Metroselskabet is looking into the possibilities of covering the København Syd Station and promoting urban development around it. The resulting costs are included in the accounting item.

Note 14 Receivables, current assets

Receivables include VAT receivable of DKK 64 million and accrued interest of DKK 1,084 million.

Note 15 Owner contributions receivable, current assets

Ownership contributions receivable at 31 December 2022 include receivables from the Danish State and relate to the financing of an underground metro station at Ny Ellebjerg/København Syd. The ownership contribution from the Danish State takes the form of construction rights and is valued at DKK 135.6 million (DKK 120 million in 2013 prices). The receivable is revalued annually using the Danish national budget's assumption index.

135,6 mio. kr. (120 mio. kr. i 2013-priser). Tilgodehavendet opskrives årligt med finanslovens forudsætningsindeks.

The receivable also includes the Danish State's 2023 payment of DKK 324 million. See note 11.

**Note 16 Securities and cash**

(all figures in DKK '000)	2022	2021
Securities over 3 months	3.529.713	6.251.739
Total securities	3.529.713	6.251.739
Cash	418.704	440.624
Total cash	418.704	440.624

Securities comprise the purchase of bonds as collateral for the market values of the company's financial instruments.

At 31 December 2022, DKK 2.1 billion had been pledged as collateral.

Note 17 Non-current liabilities and current portion of non-current liabilities

(all figures in DKK '000)	Loans over 1 year	Loans under 1 year	Derivative financial instruments (negative value)	
ACQUISITION PRICE				
Beginning of year	-26.890.000	-5.100.000	0	-31.990.000
Addition for the year	-4.920.000	-4.100.000	0	-9.020.000
Disposal for the year	4.100.000	5.100.000	0	9.200.000
End of year	-27.710.000	-4.100.000	0	-31.810.000
VALUE ADJUSTMENTS				
Beginning of year	-2.353.276	-39.355	-8.562.797	-10.955.428
Value adjustment for the year	3.852.762	77.014	4.447.780	8.377.556
End of year	1.499.486	37.659	-4.115.017	-2.577.872
Carrying amount, beginning of year	-29.243.276	-5.139.355	-8.562.797	-42.945.429



Carrying amount, end of year	-26.210.514	-4.062.341	-4.115.017	-34.387.873
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In 2022, the company has net repaid loans for DKK 180 million nominally. The value of the company's financial instruments is recognised in the total value of liabilities at 31 December 2022. The market value adjustment of financial instruments is recognised in the income statement.

The company's loans, financial instruments, etc. are consistent with the 'list of acceptable loan types' in the agreement entered into between Danmarks Nationalbank, the Danish Ministry of Finance, the Danish Ministry of Transport and Metroselskabet.

Of the company's non-current liabilities, DKK 16.5 billion falls due after five years.

Note 18 Prepaid customers

Metroselskabet has joined the joint fare system in the Greater Copenhagen area. At the balance sheet date, tickets have been sold as part of the joint fare system that have not yet been used.

Note 19 Other debt

(all figures in DKK '000)	2022	2021
A-tax and labour market contributions payable	6	6.488
ATP payments, etc. payable	260	255
Holiday pay payable	27	0
Accrued interest	18.490	17.908
A-tax and labour market contributions payable	424.294	401.133
Total other debt	443.079	425.784



Note 20 Segment information

(all figures in DKK '000)	Advisory services 2021	Administrative tasks 2021	Commissioned Metro 2021	Ongoing construction projects	Total 2021
Income	0	62.738	1.479.920	127.226	1.669.884
Costs	-24	-62.738	-1.438.475	-127.226	-1.628.463
Profit/loss before depreciation, impairment and write-downs	-24	0	41.445	0	41.421
Depreciation, impairment and write-downs	0	0	-2.482.005	-715.290	-3.197.295
Profit/loss before financial items	-24	0	-2.440.561	-715.290	-3.155.875
Non-current assets					
Construction of the Metro	0	0	445.395	3.199.922	3.645.317
Metro in service	0	0	8.779.901	0	8.779.901

(all figures in DKK '000)	Rådgivning 2021	Administrations-opgaver 2021	Idriftsatte Metro 2021	Igangværende anlæg	I alt 2021
Income	0	56.015	1.561.949	136.627	1.754.591
Costs	-21	-56.015	-1.180.624	-136.627	-1.373.287
Profit/loss before depreciation, impairment and write-downs	-21	0	381.325	0	381.304
Depreciation, impairment and write-downs	0	0	-11.218.328	-1.438.442	-12.656.770
Profit/loss before financial items	-21	0	-10.837.002	-1.438.442	-12.275.466
Non-current assets					
Construction of the Metro	0	0	980.751	2.626.971	3.607.721
Metro in service	0	0	10.537.181	0	10.537.181

Advisory services comprise income and expenses related to activities that are exposed to competition. The loss on advisory services after financial items and calculated tax amounts to DKK 24k (a loss of DKK 21k in 2021). The accumulated profit on Metroselskabet's advisory services amounted to DKK 256k at the end of 2022.



Administrative tasks comprise income and expenses for the administration and handling of the client organisation for Hovedstadens Letbane I/S.

Note 21 Proposed distribution of profit

(all figures in DKK '000)	2022	2021
Carried forward to next year	3.858.309	-11.724.982

Note 22 Events occurring after the balance sheet date

After the end of the financial year, no events of significance to the Annual Report 2021 have occurred.

Note 24 Contractual obligations and contingent liabilities

Contractual obligations

The current ongoing contracts with the contractors concerning the construction of the Metro have a total residual value of DKK 758 million.

Furthermore, a contract relating to the operation of the Metro until July 2027 has been signed. The contract has a total value of DKK 4,503 million. In addition to contractual payments, incentive payments will also be possible.

Contingent liabilities

On 10 January 2020, Metroselskabet's contractor for the construction of the M3 Cityringen line, CMT, submitted their final invoice specifying the total amount claimed. The final invoice included claims totalling approximately EUR 805 million (approximately DKK 6.0 billion). Of this amount, approximately EUR 420 million (approximately DKK 3.1 billion) concerned claims with a payment cap of EUR 234.5 million (DKK 1.8 billion). The remaining claims of EUR 385 million (approximately DKK 2.9 billion) concerned claims with a payment cap of EUR 7.5 million (DKK 56 million). The claims have been brought before the arbitration tribunal.

In accordance with the provisions of the contract, CMT and Metroselskabet entered into negotiations on CMT's additional claims.

In the pending arbitration case, Metroselskabet submitted its first response in October 2020 with a request for acquittal. In this, the company recommended that the arbitration reject CMT's claim. It is thus still the opinion of Metroselskabet and its lawyers that CMT's claim in the arbitration case must be rejected in all its essentials and therefore – subject to usual procedural risk – does not provide a basis for extra payment to CMT. In April 2021, CMT submitted a new complaint to the Court of Arbitration, regarding the claims CMT has continually raised after entering into CSA7 and in connection



with their submitted final bill for Cityringen. The company's response to this has been completed and submitted to the Arbitration Court on 15 June 2022.

In the contractual relationship between Metroselskabet and its contractors and as a natural element of the company's major construction projects, several claims for additional payment, etc. are put forward in addition to what has already been agreed in the contracts concluded. In addition to the aforementioned claims from CMT, there are several smaller outstanding claims from the company's contractors. The claims are discussed and clarified with the contractors on an ongoing basis. The size of these claims is subject to uncertainty.

The construction of the Metro involves expropriations and compensation payments, among other things, which will be paid to the affected owners/residents by the partnership. The amount of the future compensation has not yet been determined.

Note 24 Auditor's fees and advisory fees

(all figures in DKK '000)	2022	2021
Office of the Auditor General	0	0
Deloitte	675	613
EY	601	581
Total statutory audit	1.276	1.194
Deloitte	64	50
Total other engagements	64	50
Deloitte, VAT and tax advisory services	962	995
Deloitte, other advisory services	65	262
EY, other advisory services	32	80
Total advisory fees	1.059	1.337



Note 25 Related parties

Metroselskabet's related parties include the company's owners, the Board of Directors, the Executive Management and Hovedstadens Letbane.

Transactions with related parties take place on market terms.

In 2022 Metroselskabet received revenue concerning the administration and management of the client organisation in conjunction with the establishment of a Light Rail in Ring 3, see the Order concerning remuneration between Hovedstadens Letbane I/S and Metroselskabet I/S. Metroselskabet makes the necessary staff and other resources available to carry out the activities of Hovedstadens Letbane.

Note 26 Currency, interest and counterparty risk

Financial risks

Metroselskabet manages a number of financial risks. Metroselskabet's borrowing and use of financial instruments (interest rate hedging, swaps, etc.) are governed by an agreement between Danmarks Nationalbank, the Danish Ministry of Finance, the Danish Ministry of Transport and Metroselskabet.

Currency risks

The agreement sets out guidelines for the types of financial instruments and loan agreements that may be included in the loan portfolio. According to these guidelines, loans will only be exposed in DKK and EUR.

Interest rate risks

Interest rate risks are managed by borrowing and investing money at variable and fixed interest rates. The net profit or loss for the year is affected by fluctuations in the market value adjustment, which is generally determined by the development in the general interest level. If the interest rate falls, for example, the market value of a fixed-interest bond rises, and vice versa. BPV (Basis Point Value) indicates the price exposure. At the end of 2022, BPV was DKK 40 million, which means that a decrease in the interest level of 1% would increase the market value by DKK 4.0 billion, and vice versa.

Counterparty risks

The company only places liquidity with the most creditworthy Danish and foreign institutions in order to minimise the counterparty risk. This risk is managed and monitored continuously via a special line and limit system, which establishes the principles for quantifying these risks and the maximum level of risk that can be accepted for a single counterparty. The latter is measured in relation to the counterparty's ratings from the international rating agencies. The company also seeks to reduce risk by using appropriate agreement documentation. In this connection, special agreements concerning the provision of collateral – CSA agreements – are concluded with counterparties.

Rating

The corporate rating assigned by international credit-rating agencies reflects a company's creditworthiness. The ratings range from AAA, which is the top rating, followed by AA and so forth. Due to the joint and several liability of the Danish State, Metroselskabet is indirectly subject to the same credit rating as the State, which is AAA.



Net financial liabilities:

(all figures in DKK '000)	Nominal value 2021	Carrying amount 2021	Carrying amount 2020
Securities and fixed-term deposits	3.532.337	3.529.713	6.251.739
Accrued interest, securities and fixed-term deposits	0	0	0
Total securities and fixed-term deposits	3.532.337	3.529.713	6.251.739
Loans	-31.810.000	-30.272.855	-34.382.631
Accrued interest, loans	0	-39.361	-40.327
Total loans	-31.810.000	-30.312.216	-34.422.958
Derivative financial instruments, assets	-	1.937.822	2.506.116
Derivative financial instruments, liabilities	-	-4.115.017	-8.562.797
Accrued interest, derivative financial instruments	-	698.810	655.906
Total financial instruments	-	-1.478.396	-5.400.774
Total net liabilities	-28.277.663	-28.260.889	-33.571.993

Accrued interest is recognised in the balance sheet under assets, receivables, at DKK 1,084 million, and equity and liabilities, other debt, at DKK 424 million, respectively.

Currency risk

Currency distribution at 31 December 2022 (DKK million), carrying amount

	Securities and fixed-term deposits	Loans	Financial instruments	Net position
DKK <1 year	0	-4.070	-48	-4.118
DKK > 1 year	0	-26.242	-1.218	-27.460
EUR < 1 year	2.783	0	0	2.783
EUR > 1 year	746	0	-212	534



Total	3.529	-30.312	-1.478	-28.261
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Interest rate risk

Interest rate fixing at 31 December 2022 (DKK million), carrying amount

	DKK	EUR	Total
0-1 years	-4.118	2.783	-1.335
1-5 years	-11.249	746	-10.503
5-10 years	-10.859	-212	-11.071
10-20 years	-2.932	0	-2.932
> 20 years	-2.420	0	-2.420
Total	-31.578	3.317	-28.261

Counterparty risk

Liquidity investments and the use of financial instruments involve a counterparty risk in the form of either credit risk or liquidity risk. This risk is managed and monitored continuously via a special line and limit system which establishes the principles for quantifying these risks and the maximum level of risk that can be accepted for a single counterparty. The latter is determined by the international rating agencies (Moody's, Standard & Poor's and Fitch/IBCA). The company also seeks to reduce the level of risk by using appropriate agreement documentation.

Counterparty risk by rating category, at 31 December 2021

	Securities and fixed-term deposits	Loans	Derivative financial instruments	Total
Total counterparty exposure (carrying amount, DKK million)				
AAA	3.529	-30.312	0	-26.783
AA	0	0	-280	-280
AA	0	0	0	0
A	0	0	398	398
A	0	0	-1.596	-1.596
Total	3.529	-30.312	-1.478	-28.261

The counterparties to the agreements are subject to collateral agreements. At 31 December 2022, Metroselskabet's net collateral amounted to DKK 1.8 billion.

Note 27 Specification of loans and derivative financial instruments



The construction of the Metroselskabet's facilities is primarily financed by fixed-rate loans taken out at Danmarks Nationalbank. The accounting treatment of hedging is based on two principles.

1) When the company takes out a loan, most of it is converted into a variable-rate loan immediately after borrowing by means of interest rate swaps. Because the conversion to a variable-rate loan is considered to be an effective means of hedging, changes in the fair value of both the hedged loan and the interest rate swap are recognised in the income statement (fair value hedging) in accordance with the accounting policies. These adjustments essentially balance each other out. Loans that are not converted to variable-rate loans are recognised at amortised cost.

2) As part of Metroselskabet's financial strategy, the company interest-hedges (converting from a variable interest rate to a fixed nominal interest rate or a fixed real interest rate) approximately 80% of the expected maximum net debt. The aim of the interest rate hedging is to hedge some of the interest rate risk and thus increase the budgetary certainty of the company's long-term finances. Interest rate hedging hedges future cash flows in the form of the interest payments that are expected to be made in the future. Because there is no direct correlation between the individual loans and the individual hedging instruments, the hedging is not considered to be effective from an accounting point of view and therefore the adjustment of fair value of interest hedging made on a portfolio basis is recognised in the income statement in accordance with the accounting policies. This adjustment primarily constitutes the market value adjustment for the year.

The table below shows Metroselskabet's total borrowing by term, and the proportion of the loans that have been swapped to variable-rate loans, see item 1 above.

(All figures in DKK million)	Fixed (Principal)	CIBOR 3M	CIBOR 6M	Carrying amount 31 December 2022
Term < 1 year				
Loans	-4.100	0	0	-4.070
Interest rate swap (fixed to variable)	1.800	-1.800	0	-23
Interest rate swap (fixed to variable)	2.300	0	-2.300	-25
Net exposure	0	-1.800	-2.300	-4.118
Term of 2-5 years				
Loans	-11.200	0	0	-10.628
Interest rate swap (fixed to variable)	1.550	-1.550	0	-106
Interest rate swap (fixed to variable)	8.950	0	-8.950	-565
Net exposure	-700	-1.550	-8.950	-11.299
Term of 6-10 years				
Loans	-10.870	0	0	-9.780
Interest rate swap (fixed to variable)	0	0	0	0



Interest rate swap (fixed to variable)	6.650	0	-6.650	-1.108
Net exposure	-4.220	0	-6.650	-10.888
Term of 11-20 years				
Loans	-2.040	0	0	-2.643
Interest rate swap (fixed to variable)	1.200	-1.200	0	290
Net exposure	-840	-1.200	0	-2.353
Term of 31-40 years				
Loans	-3.600	0	0	-3.191
Interest rate swap (fixed to variable)	0	0	0	0
Interest rate and currency swap (fixed to variable)	0	0	0	0
Net exposure	-3.600	0	0	-3.191
Total loans	-31.810	0	0	-30.312
Interest rate swap (fixed to variable)	22.450	-4.550	-17.900	-1.537
Total	-9.360	-4.550	-17.900	-31.850

For loans with a principal of DKK 6,340 million, no fixed to variable conversion agreement has been concluded. These loans are recognised at amortised cost in accordance with the accounting policies.

The table below shows all interest hedging agreements concluded by Metroselskabet, see item 2 above.

	CPI* + fixed	Fixed	CIBOR 6M	EURIBOR 6M	Carrying amount 31 December 2022
Term of 1-10 years					
Interest rate swap (variable to fixed)	0	-1.005	1.005	0	-16
Interest rate swap (real to fixed)	-1.006	1.006	0	0	-212
Interest rate swap (fixed to variable)	896	-896	0	0	95
Net exposure	-110	-895	1.005	0	-133
Term of 11-20 years					
Interest rate swap (variable to fixed)	0	-9.267	9.267	0	-648
Interest rate swap (real to fixed)	0	0	0	0	0



Interest rate swap (fixed to real)	-1.491	1.491	0	0	69
Interest rate swap (variable to real)	0	0	0	0	0
Net exposure	-1.491	-7.775	9.267	0	-579

Løbetid 21-30 år

Renteswap (variabel til fast)	0	-9.066	9.066	0	531
Renteswap (fast til real)	-2.434	2.434	0	0	-174
Netto eksponering	-2.434	-6.632	9.066	0	357

Term of 31-40 years

Interest rate swap (variable to fixed)	0	-5.026	5.026	0	530
Interest rate and currency swap (variable to fixed)	0	0	0	0	0
Interest rate swap (fixed to real)	-380	380	0	0	-117
Net exposure	-380	-4.646	5.026	0	413

Interest rate swap (real to fixed)	896	-896	0	0	95
Interest rate and currency swap (variable to fixed)	0	-24.363	24.363	0	398
Interest rate swap (fixed to variable)	0	0	0	0	0
Interest rate swap (variable to real)	0	0	0	0	0
Interest rate swap (fixed to real)	-5.311	5.311	0	0	-433
Total	-4.415	-19.948	24.363	0	59

* CPI= Consumer price index

Financial agreements (fair value hedging)	-1.537
Financial agreements (future cash flows)	59
Total financial agreements	-1.478

The market value of loans with associated financial instruments, and the financial instruments, is determined as the market value when discounting future known and expected payment flows at the relevant discount rates. The discount rates are determined on the basis of the current market interest rates.



Statement by the Board of Directors and the Executive Management





The Board of Directors and the Executive Management have today considered and adopted the Annual Report for 2022 for Metroselskabet I/S.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act (reporting class D) and the provisions of the partnership agreement concerning the presentation of financial statements. It is our

opinion that the accounting policies applied are appropriate, and that the annual financial statements give a true and fair view of the company's assets, liabilities, financial position, profit and cash flows. It is also our opinion that the management commentary provides a true and fair view of the circumstances covered by the commentary.

We recommend that the Annual Report be adopted by the partners.

Copenhagen, 24 February 2023

Executive Management

Carsten Riis

Board of Directors

Jørn Neergaard Larsen
(Chairman)

Jonas Bjørn Jensen
(Vice Chairman)

Michael Vindfeldt
(Vice Chairman)

Birgitte Brinch Madsen

Harald Børsting

Troels Christian Jakobsen

Helle Bonnesen

Kirsten Eljena Thomsen

Anette Alm



Independent auditors' report





To the partners of Metroselskabet I/S Auditors' report on the financial statements

Auditors' report on the financial statements

Opinion

We have audited the financial statements of Metroselskabet I/S for the financial year 1 January to 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of Metroselskabet's financial position at 31 December 2022 and of the results of its operations and its cash flows for the financial year 1 January to 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark as well as generally accepted public auditing standards as the audit is based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General Act. Our responsibilities under those standards and requirements are further described in the "Auditors' responsibilities for the

audit of the financial statements" section of this auditors' report.

The auditor general is independent of Metroselskabet in accordance with Section 1(6) of the Danish Auditor General Act, and the approved auditor is independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have both 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.

Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing Metroselskabet'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 Metroselskabet or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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 and generally accepted public accounting standards, as the audit is performed based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General Act, 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 and generally accepted public accounting standards, as the audit is performed based on the provisions of the Danish Act on Metroselskabet I/S and Arealudviklingsselskabet I/S and the Danish Auditor General Act, we exercise professional judgement and maintain an



attitude of professional scepticism throughout the audit. We also:

- Identify and assess the risk 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 Metroselskabet'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 Metroselskabet's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause Metroselskabet to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.



Report on other legal and regulatory requirements

Statement on compliance audit and performance audit

Management is responsible for ensuring that the transactions covered by the financial statements are in accordance with the appropriations granted, laws and other regulations, and with agreements entered into and usual practice, and that financial consideration has been made when managing the funds and operations covered by the financial statements. Management is also responsible for setting up systems and processes

supporting financial prudence, productivity and efficiency.

As part of our audit of the financial statements, it is our responsibility to perform compliance audit as well as performance audit of selected subject matters in accordance with the public auditing standards. In our compliance audit, we test the selected subject matters to obtain reasonable assurance about whether the examined transactions covered by the financial statements comply with the appropriations granted, laws and other regulations, and with agreements entered into and usual practice. In our performance audit, we make an assessment to obtain reasonable

assurance about whether the systems, processes or transactions examined support the exercise of sound financial management in the administration of the funds and operations covered by the financial statements.

If, based on the procedures performed, we conclude that material critical comments should be made, we are required to report this in this statement.

We have no material critical comments to report in this connection.

Copenhagen, 24 February 2023

Danish Auditor General

Business Registration no 77806113

Birgitte Hansen
Auditor General

Søren Vadskjær Skyum
Head of Department

Deloitte

Statsautoriseret

Revisionspartnerselskab
Business Registration no 33963556

Lars Kronow
State-Authorised Public Accountant
Identification no: mne19708

Bryndís Símonardóttir
State-Authorised Public Accountant
Identification no: mne40064

Ernst & Young

Godkendt

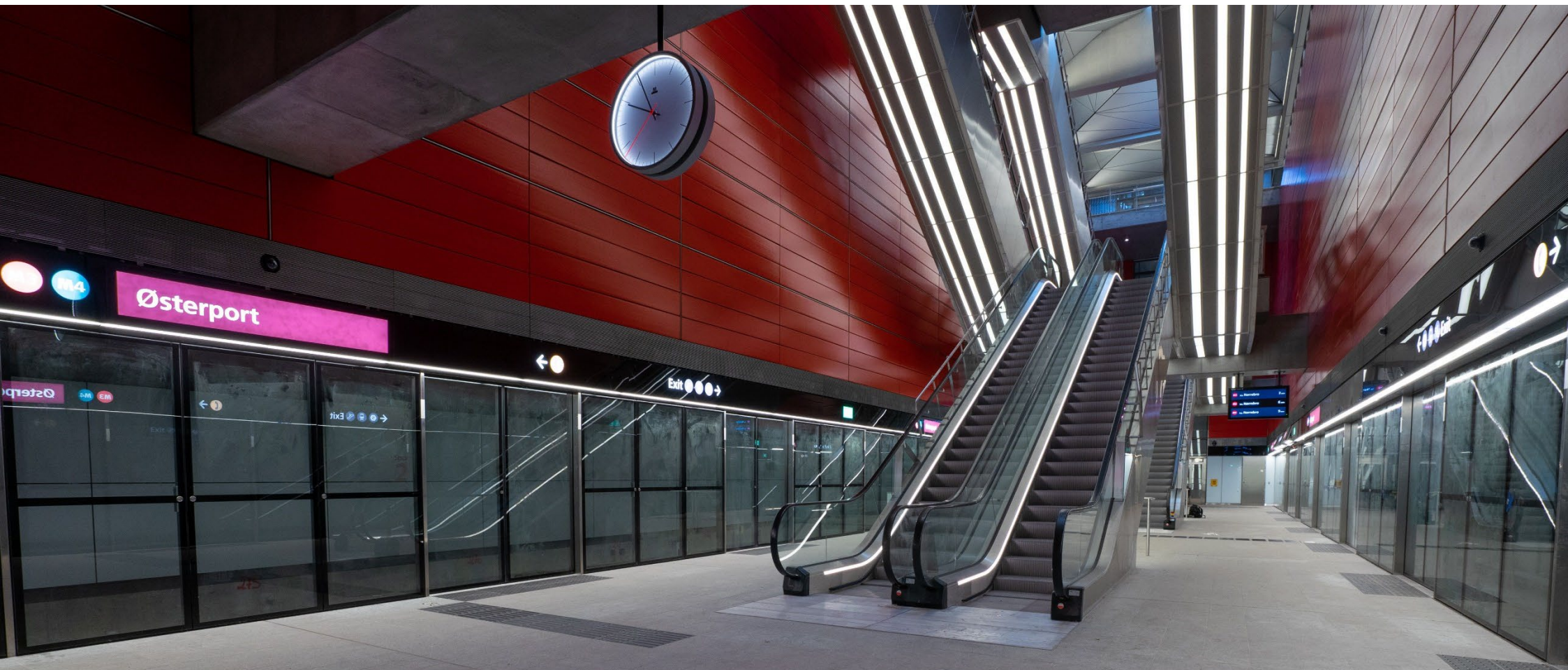
revisionspartnerselskab
Business Registration no 30700228

Michael N. C. Nielsen
State-Authorised Public Accountant
Identification no: mne26738

Finn Thomassen
State-Authorised Public Accountant
Identification no: mne33691



Appendix to the management commentary





The Copenhagen Metro's long-term budget represents the expected long-term financial development of the company. The following long-term budget for 2023 was adopted by the Board of Directors in December 2022. Compared to the long-term budget 2022 from December 2021, the long-term interest rate and inflation expectations have been updated with the expectations of the Ministry of Finance.

Long-term budget assumptions

The long-term budget is stated in current prices:

Income – passenger numbers and fares

1. Passenger numbers are determined according to the passenger forecast based on the most recently updated traffic model. For the 2022-2027 period, account has been taken of the expected passenger recovery as a result of COVID-19. The budget for 2023 forecasts 130 million passengers, rising to 146 million passengers in 2024 and 181 million in 2028. In 2035, the number of passengers is expected to reach 189 million. After 2035, the passenger numbers will correspond to the current expectations for 2035.
2. The average revenue per passenger is budgeted on the basis of the settlement amount in 2022, adjusted in accordance with the Executive Order on fare changes in public service traffic in public transport companies and railway companies. The average revenue per passenger is adjusted to 2023 prices by the announced fare increase cap of

4.9%. The observed changes in product selection and travel patterns during COVID-19 have thus been taken into account. The average revenue per passenger in 2023 is budgeted at DKK 11.57. The actual future development is furthermore based on the Ministry of Finance's expectations of the development in prices.

Operating expenses

3. The operating expenses for Metro operations are estimated on the basis of the company's costs, as set out in the operation and maintenance contracts. For the M4 Sydhavn line, the starting point is the transport system contracts.
4. To provide for expected additional costs related to Metro operations, an annual reserve has been set up, estimated on the basis of a risk level of P50.

Investments

5. The construction budgets for the M3 Cityringen and M4 Nordhavn lines were completed in 2020. The final construction budget for the M3 Cityringen line amounts to DKK 25.3

billion (DKK 23.6 billion at 2010 prices). The final construction budget for the M4 Nordhavn line amounts to DKK 2.7 billion (DKK 2.9 billion at 2012 prices including reserves).

6. The capital expenditure for the M4 Sydhavn line is based on the most recently approved construction budget. The total capital expenditure is estimated at DKK 8.6 billion, including adjustment reserves, at 2014 prices (DKK 10.2 billion in 2023 prices).
7. The capital investments for the company's investment programme (capacity increases) amount to DKK 2.4 billion at 2023 prices, including reserves.
8. For the 2022-2024 period, operational mobilisation and mobilisation (M4 Sydhavn) are budgeted at a total of DKK 179 million at 2023 prices.
9. Reinvestments in connection with the M3 Cityringen line are based on the assumptions in the agreement in principle and for every 10th year amount to DKK 311 million, for every 25th year to DKK 1,399 million, and after an



- additional 50 years to DKK 621 million, at 2023 prices.
10. The reinvestments in connection with the M4 Nordhavn line are based on the assumptions in the report and for every 10th year amount to DKK 41 million, for every 25th year to DKK 185 million, and after an additional 50 years to DKK 83 million, at 2023 prices.
 11. The reinvestments in connection with the M4 Sydhavn line are based on the assumptions in the agreement in principle and for every 10th year amount to DKK 90 million, for every 25th year to DKK 406 million, and after an additional 50 years to DKK 181 million, at 2023 prices.
 12. For reinvestments in connection with the M1/M2 line, DKK 362 million is allocated for every 10th year, approximately DKK 1,471 million for every 25th year, and DKK 2,942 million after 50 years, at 2023 prices.
 13. To pay for expected additional costs related to the commissioned facility, a reserve estimated on the basis of a risk level of P80 is incorporated.
- Other conditions**
14. The Metro is registered for VAT, so that VAT is deducted from the company's income from the operation of the Metro, while the VAT costs of the construction of the Metro are offset.
 15. The rate of return on the debt is based on the Ministry of Finance's interest rate expectations in August 2022. The rate of return takes account of the company's financial interest rate hedging agreements.
 16. The payment agreement with the Danish State includes annual payments of between DKK 278 and DKK 383 million (at 2019 prices) in the years 2021-2060. The payments are index-linked to the Ministry of Finance's construction index (assumption index under the Danish Finance Act).
 17. The conversion to current prices is based on the Ministry of Finance's inflation expectations in August 2022.

Note: P50 and P80 describe how the value of the company's total identified risks is calculated with a probability of 50% and 80%, respectively.



Long-term budget





Long-term budget 2023 for Metroselskabet I/S (current prices)

(DKK million)

Repayment year 2066
 Expected maximum net debt -34,223
 Year of expected maximum debt 2025

Year	Capital investments	Reinvestments	Operating profit/loss (EBITDA)	Change in working capital	Payment agreement	Financial items	Liquidity effect	Net debt, beginning of year	Net debt, end of year
2022	-1,739	-46	-202	0	305	-865	-2,547	-27,144	-29,690
2023	-1,241	-51	31	0	352	-710	-1,618	-29,690	-31,309
2024	-3,025	-46	221	1,528	373	-633	-1,582	-31,309	-32,891
2025	-1,363	-46	352	0	395	-669	-1,332	-32,891	-34,223
2026	0	-62	432	0	406	-688	89	-34,223	-34,135
2027	0	0	574	0	420	-702	292	-34,135	-33,843
2028	0	0	667	0	433	-703	396	-33,843	-33,446
2029	0	-345	722	0	443	-692	128	-33,446	-33,318
2030	0	-46	759	0	453	-746	420	-33,318	-32,898
2031	0	0	796	0	465	-744	517	-32,898	-32,382
2032	0	-424	834	0	477	-750	137	-32,382	-32,245
2033	0	0	873	0	490	-748	614	-32,245	-31,630
2034	0	-109	911	0	502	-740	564	-31,630	-31,066
2035	0	-1,789	936	0	510	-731	-1,075	-31,066	-32,141
2036	0	0	964	0	519	-730	754	-32,141	-31,387
2037	0	0	979	0	528	-715	793	-31,387	-30,595
2038	0	0	1,009	0	538	-694	853	-30,595	-29,742
2039	0	-412	1,038	0	547	-673	501	-29,742	-29,241
2040	0	-56	1,071	0	557	-679	894	-29,241	-28,347



2041	0	0	1,103	0	567	-543	1,127	-28,347	-27,219
2042	0	-506	1,134	0	577	-523	683	-27,219	-26,536
2043	0	0	1,168	0	588	-499	1,257	-26,536	-25,280
2044	0	-2,156	1,202	0	598	-500	-855	-25,280	-26,134
2045	0	-273	1,241	0	609	-504	1,073	-26,134	-25,062
2046	0	0	1,280	0	620	-492	1,408	-25,062	-23,653
2047	0	0	1,319	0	631	-464	1,486	-23,653	-22,167
2048	0	0	1,361	0	643	-443	1,561	-22,167	-20,606
2049	0	-492	1,402	0	654	-421	1,144	-20,606	-19,462
2050	0	-66	1,449	0	666	-372	1,676	-19,462	-17,785
2051	0	0	1,475	0	678	-322	1,831	-17,785	-15,954
2052	0	-5,480	1,501	0	690	-432	-3,721	-15,954	-19,675
2053	0	0	1,528	0	703	-619	1,612	-19,675	-18,063
2054	0	-156	1,556	0	715	-557	1,558	-18,063	-16,505
2055	0	0	1,584	0	728	-554	1,758	-16,505	-14,747
2056	0	0	1,612	0	741	-483	1,871	-14,747	-12,876
2057	0	0	1,641	0	755	-445	1,951	-12,876	-10,925
2058	0	0	1,671	0	768	-404	2,035	-10,925	-8,890
2059	0	-1,356	1,701	0	782	-349	778	-8,890	-8,112
2060	0	-79	1,732	0	796	-292	2,157	-8,112	-5,955
2061	0	0	1,763	0	0	-203	1,559	-5,955	-4,396
2062	0	-723	1,794	0	0	-155	917	-4,396	-3,479
2063	0	-2,988	1,827	0	0	-162	-1,323	-3,479	-4,802
2064	0	-187	1,860	0	0	-159	1,514	-4,802	-3,288
2065	0	0	1,893	0	0	-94	1,799	-3,288	-1,489
2066	0	0	1,927	0	0	-21	1,906	-1,489	417
2067	0	0	1,962	0	0	39	2,001	417	2,418





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