

COPENHAGEN MALMÖ PORT ANNUAL REPORT 2019



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ANNUAL REPORT 2019

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NET SALES, MSEK 955 (908)	PROFIT AFTER FINANCIAL ITEMS, MSEK 89 (86)	NET PROFIT, MSEK 50 (47)
EQUITY (ADJUSTED), MSEK 248 (198)	BALANCE SHEET TOTAL, MSEK 1,230 (1,185)	OPERATING MARGIN, % 12 (12)
PROFIT MARGIN, % 9 (9)	EQUITY RATIO, % 20 (17)	RETURN ON EQUITY (AVERAGE), % 22 (27)
NET SALES PER EMPLOYEE, MSEK 2.6 (2.6)	NUMBER OF EMPLOYEES 370 (356)	RETURN ON OPERATING CAPITAL (AVERAGE) ROOC, % 16 (15)



2019 IN BRIEF

New report from the City of Copenhagen on possible scenarios for shore power supply for cruise ships in Copenhagen. The report indicated that significant environmental benefits could be obtained with shore power supply for cruise ships and a need for more insight to the optimal solution balancing economy and environmental benefits.

The annual education week arranged by CMP took place at World Maritime University's headquarters in Malmö for students who specialise in port management and maritime energy management.

Based on the report from February, The City of Copenhagen, CMP and By & Havn presents a new joint collaboration that will ensure better air quality and limit emissions from cruise ships in the areas close to the port. Designing the right solution for shore power supply for cruise ships in Copenhagen is one of the main tasks from this joint collaboration.

A new, innovative way to conduct the inspection of the quays in North Harbour in Malmö is tested. With the assistance of a drone pilot, the quays are inspected from above. It is cost-effective and gives CMP the chance to see the operations from an entirely new angle.

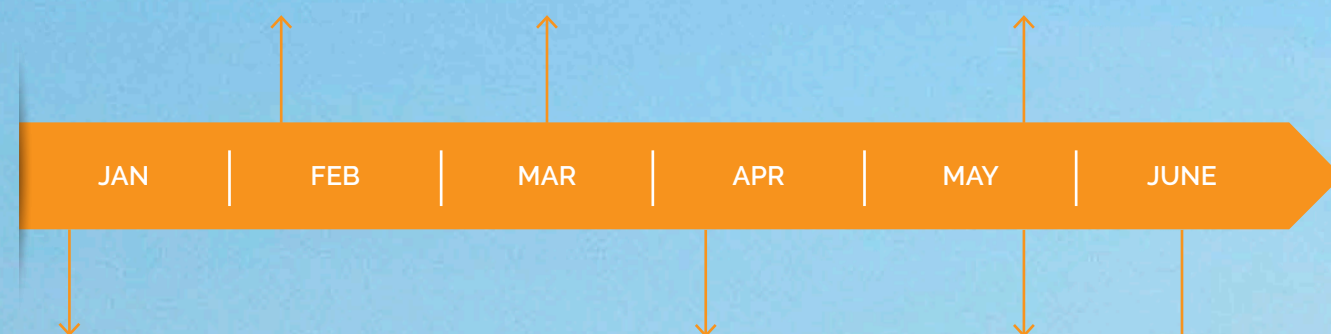
New record year for cruises – with 465 arrivals and almost a million cruise passengers in Copenhagen, Visby and Malmö. In Visby, the number of arrivals increased by 40 percent.

A tragic workplace accident occurs at the container terminal in Copenhagen. An employee is seriously injured. Despite extensive treatment at the hospital, the employee passes away due to severe injuries.

CMP and other ports discuss the Danish Ports Act and green transition with the Danish Minister for Transport. "By means of strong partnerships, we can achieve green maritime development," comments CEO Barbara Scheel Agersnap.

The Port of Los Angeles and CMP enters a five-year Memorandum of Understanding to collaborate on sustainability and environmental issues.

CMP and nine other ports in the Nordic region agree upon a declaration focusing on sustainable port management and to collaborate on environmental challenges related to UN's Sustainable Development Goals (SDGs).



Over the course of 2018, CMP's revenues amounted to MSEK 908, compared with MSEK 839 in 2017.

To an increasing extent, CMP is investing in fossil-free solutions for both the liquid and dry bulk operations. The objective is to offer the customers completely fossil-free handling, from CMP loading the freight to the ship leaving the port.

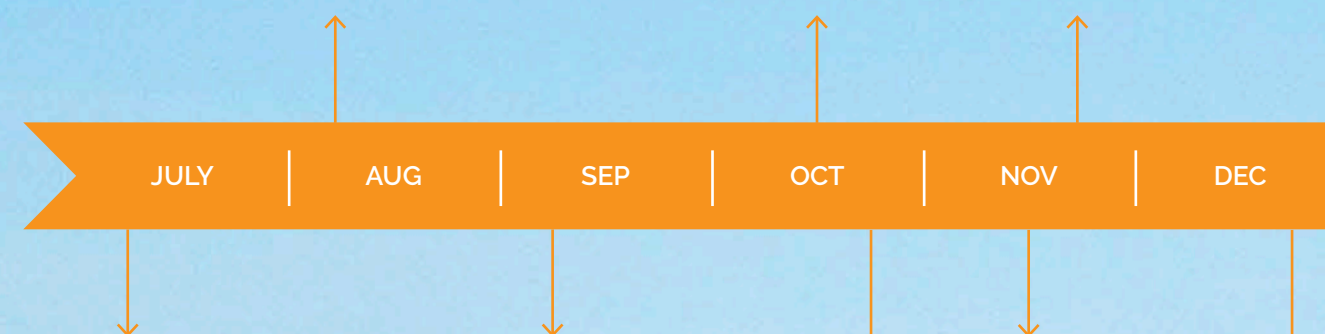
Approximately 3,000 tonnes of salt were re-directed to North Harbour in Malmö. A flexible solution when our quays at the dry bulk terminal were busy.

Containerships chooses CMP in Malmö for a new route. This co-operation means that the opportunities to import and export freight to and from Sweden will increase significantly via the seaway. The loop comprises five ships, which will operate a weekly route.

The management group from the Swedish Maritime Administration visits CMP in Malmö to discuss the depth of Flintrännan, the fairway for ships in Øresund.

Public meeting by CMP and By & Havn about effects on the environment in connection with the relocation of the container terminal and the establishment of a new cruise terminal in Ydre Nordhavn.

Our CEO Barbara Scheel Agersnap was named Port pro of the month by ESPO, the European Port House.



An OCR system is being implemented in Copenhagen to create an even more efficient port with faster service and better documentation. Containers are from now on registered photographically using an OCR portal at the gate.

The cruise season represents a major boost for Gotland. Therefore, new guides for the tourism industry on the island have been trained. The Gotland Museum, Region Gotland and the Swedish Agency for Economic and Regional Growth are behind the initiative that has attracted some 40 new tourist guides.

CMP participates in Business Sweden's high level delegation in Copenhagen where we discussed how the private sector can, and must, contribute to ensure that we reach UN's Sustainable Development Goals (SDG's).

CMP and DFDS reach an agreement to establish a shore power facility in Copenhagen. This means that the Crown Seaways and Pearl Seaways vessels will be able to receive electricity from land in the future.

CMP is participating in the sustainability event C40 Mayor Summit in Copenhagen with a multimedia exhibition on the port's importance in a growing city.

The requisite environmental permits for CMP's new container terminal in Copenhagen are granted.

The formal decision to construct a new cruise terminal takes place. The terminal will take the form of two storeys of approximately 10,000 sq.m., with capacity for over 12,000 passengers a day when it opens within a few years.

An agreement is signed between CMP and the Malmberg Group regarding the construction of the Malmö Logistic Centre – a new logistics facility for reloading, cross-docking and intermediate storage of goods.



THE NEW FUTURE

2019 was a good year at Copenhagen Malmö Port, CMP. The work we have undertaken since we implemented the strategy of Commercial Excellence two years ago, has again proven to have a positive effect on our numbers. Over the course of the past year, CMP achieved solid earnings from our sales, adding to the improvements achieved previous year. The strategic focus has sparked new insights, which in turn have translated into better performance.

CMP's turnover increased by over five per cent compared to 2018, from MSEK 908.4 to MSEK 955.1. Excluding the impact of the foreign exchange translation of MSEK 17.0, the increase in turnover amounted to MSEK 29.7, which represents an increase of 3.3 per cent compared to the previous year. The operating profit improved by MSEK 2.4, to a total of MSEK 112.8, which provides an operating margin of 11.8 per cent (12.2). The net profit for the year amounted to MSEK 89.4 (86.0). This was an improvement of MSEK 3.4 compared to 2018. Profit after tax for the year was MSEK 49.9 (46.7), an increase of MSEK 3.2.

Under what one might refer to as ordinary circumstances, with the financial results achieved during 2018 and 2019, CMP would have created a stable platform for 2020 and the future going forward, with a new investment programme and a future strategy for sustainable growth. However, at the time of writing this in April 2020, we, like most others, are facing a never before seen economic challenge in our industry, and the worst storm that our company has been faced with to date – the impact of the Corona virus pandemic. The situation with the Corona virus has overturned most of the world at an unprecedented and a sudden pace, slowing down consumption and production, locking down national borders, and presenting the world with a global financial crisis of historic dimensions. Even though it is difficult to predict exactly to what degree and for how long the world trade will be impacted, it is obvious that it will be to a significant extent.

CMP is so strongly affected by this situation; as I write this the cruise line industry has come to a complete halt, and national borders are effectively closed for tourism around the globe. As CMP is the leading Nordic cruise port this

directly negatively impacts us. And as world trade has taken a steep fall, this as well has a direct effect on the cargo volumes handled in our port. The outcome is a noticeable decline in volumes in almost all our segments.

At CMP we are taking all steps possible to reduce the impact of the situation on the company, and we are fully focused on navigating this storm. While adapting to the present circumstances we are also adjusting the company to the trade we expect to see after the crisis, so that we are ready to respond to and serve the market on the other side of these high winds. As a port with a vital location, connecting Scandinavia with the rest of Europe and at the heart of one of the world's busiest straits, the port is critical infrastructure. CMP is a hub facilitating trade and goods; an even more than ever important role to fulfil. And going forward, CMP retains its ambition to fulfil this role in an efficient and sustainable way.

We connect sea with shore. The port has always been a venue for people and goods, connecting our region with the rest of the world. The role of our future port will remain as a catalyst for growth in the Øresund region, supporting and generating commerce. The core in our business and the pride we take in fulfilling our role, remain unchanged. And so do our ambitions. Even post-Corona.



Barbara Scheel Agersnap
CEO Copenhagen Malmö Port AB

(Figures within brackets are figures from 2018)

INCREASE IN TURNOVER

+3,3%

OPERATING MARGIN

11,8%

CARGO, MILLION TONNES

14,8



A SAFE HAVEN A SEA OF OPPORTUNITIES

CMP MANIFESTO:

WE CONNECT SEA WITH SHORE AND CREATE GROWTH & PROSPERITY FOR ALL

As the sun rises on the shores of Malmö, we are here, ready to welcome you on solid ground. As it sets behind the skyline of Copenhagen, we are still here. We're the first to greet you when land is in sight and the last to see you safely off to sea again.

We are CMP. More than 400 Swedish and Danish team players with salt water running through our veins and with proud souls because we make a difference every day. To the community and to the wheels that keep society going. And to the Denmark and Sweden of today, we stand united in developing.

We are CMP. We connect sea with shore and create growth and prosperity for all. It takes will power and strength in every woman and man. And this we have. That is why we work at the docks. From hardhat to laptop. From strong arms and an eye for details, to quick-witted minds who see a bigger picture and who understand what it takes to find a safe haven in modern times. Together we have the courage to find new ways and to do whatever it takes to solve the task, securing the path to the future. We strive to improve – every day. With outmost respect for both society and environment.

We are CMP. The gateway to the Baltics and the Baltic Sea. The doorway to Denmark and Sweden. So, set sail with us. We know where you're coming from and where you are going. And we will make sure that you get there – safe and on time.

We do that better than most. In a healthy work environment, together we ensure the shortest distance between dock and office.

Always greeting you with a smile and a firm handshake, when you dock in Copenhagen or Malmö.

WE ARE CMP

Copenhagen Malmö Port (CMP) is one of Scandinavia's largest port operators, and a full-service port in the Øresund region. We receive a vast variety of goods and have an infrastructure customised for all types of vessels.

CMP handles container, general cargo, railway, import and export of new cars, liquid and dry bulk. We also offer roll-on/roll-off traffic from Malmö with ferries that, via Trave-münde, connect CMP's logistics flows to the European continent. Also, a scheduled ferry service with regular freight and passenger services departs daily from Copenhagen with Oslo as the destination. Terminals in Copenhagen and Malmö act as transport hubs in the Øresund region, but also for freight flows into the Baltic Sea. Last but not least, we offer cruise operations that include three destinations – Copenhagen, which is northern Europe's leading cruise destination, as well as Malmö and Visby.

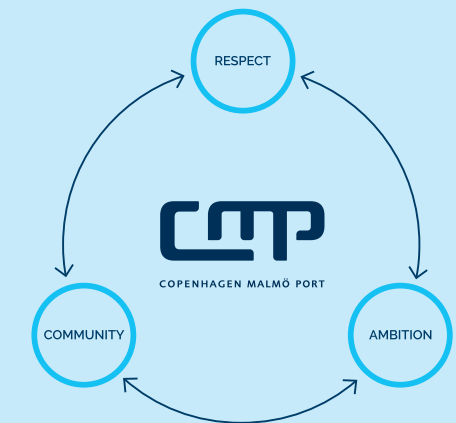
Full service capacity means that we handle everything from consumer goods, oil products, chemicals and cereals to scrap metal, building materials, wood pellets, salt, sugar and industrial inputs. This breadth is a strength that means that we quickly adapt to the varying needs of

our customers, but at the same time it makes CMP less sensitive to business cycles. The service and intermodal logistics solutions we offer, where shipping is linked to other modes of transport and goods are easily moved between ships, trucks and rail, should be added to this. The surrounding infrastructure for road and rail traffic is very well developed. This ensures that transport reaches its final destination in an efficient and sustainable manner.

We are developing the port of the future

Changing patterns of consumption and new challenges in the transport market require innovation and flexibility. Our strength is in our expertise and experience. We are resourceful and take the initiative – we have the ambition to be at the forefront of innovation so that we can shape the port of the future with smart, innovative solutions and offer our customers the best and most efficient logistics solutions.

MISSION - OUR ROLE:
**WE CONNECT
SEA WITH SHORE
AND CREATE
GROWTH
AND PROSPERITY
FOR ALL**



Furthermore, our flexibility and ability to take initiatives means that we ensure that CMP is commercially successful via operating in a commercially appropriate professional manner. Via properly designed offers, we ensure services, land and premises provide us with attractive, competitive sources of revenue in all parts of our operations.

At the same time, CMP is a catalyst for growth in the Øresund region and via innovation and digitalisation, we develop, in partnerships, a sustainable maritime industry in both Denmark and Sweden.

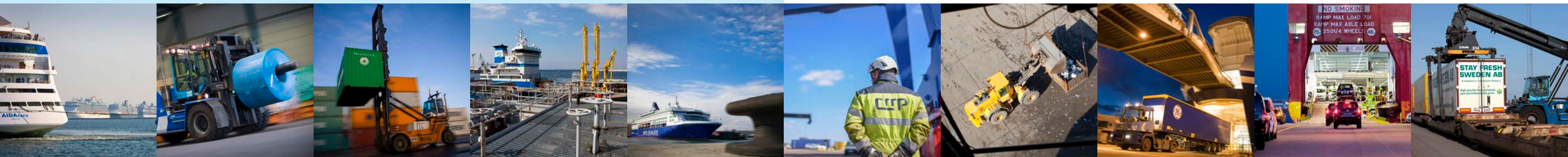
Our port is, and has always been, a venue for both goods and people to interact. A hub for activities and knowledge that generates collaborations, exchanges of knowledge and expertise, synergies, and adds value to the society we are part of.

The mission specifically describes our raison d'être, CMP's purpose for existing and the role in which we realise the commercial and development goals established by the company.

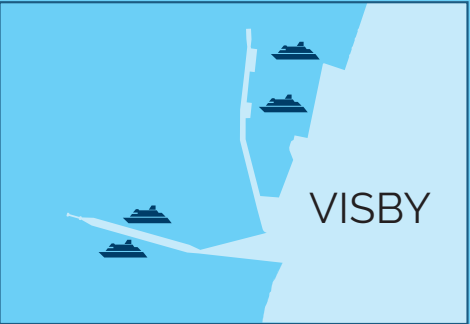
Our values – serving as guiding principles

The values must permeate everything we do; they set the framework for how we interact with each other, our customers and other business partners, how we work, how we make decisions and not the least, how we can contribute to increased efficiency and to achieving our goals. Our values are Respect, Ambition and Community.

- Respect:** We respect each other as individuals, each other's work, thoughts and ideas.
- Ambition:** We are in a constant state of development, and strive to run a little faster, give a little more in our work, and we have extremely high ambitions for the future.
- Community:** When working together, we perform better. We all contribute with our knowledge, expertise and experience. Together, we make the community stronger, with collaborative efforts throughout our organisation. We are CMP.



COPENHAGEN



Gotland

VISBY

ØRE SUND

MALMÖ

- Containers
- RoRo
- Cars/PDI
- Combi
- Liquid bulk
- Dry bulk
- Cruise & Ferries
- General cargo
- Veterinarian
- Customs

Modified distance between port sections.
The actual distance between Copenhagen and
Malmö is approx. 14 nautical miles or 26 km.
The distance between Copenhagen and Visby
is approx. 335 nautical miles or 620 km.
Not for navigational purpose.

CRUISE TOURISM WITH SUSTAINABILITY AT ITS HEART



CRUISE TOURISM WITH SUSTAINABILITY AT ITS HEART



Ea Møller Lunn, Business Development Manager and Henrik Ahlqvist, Head of Cruise & Ferries.

When the Nordic region's leading cruise port looks forward, sustainability issues are at its heart. Together with modern facilities and high-class service, work on sustainability helps to ensure growth at all of CMP's destinations – a task in which new services and partnerships are key elements.

CMP's cruise operation has grown substantially over a long period and today comprises three destinations – Copenhagen, Malmö and Visby. Sustainability issues have been part of their development at all times and have influenced the design of both services and physical facilities.

"Sustainability includes receiving separate dry and wet waste at our terminals, but it also includes managing noise and emissions from the ships," summarises Henrik Ahlqvist, Head of Cruise & Ferries at CMP.

Harmonising the initiatives

In order to get a better grip on the sustainability agenda, in 2019 CMP implemented a study of the areas that are most important for further development for the future. Some seventy interviews were conducted, including with collaborative partners and local residents at the cruise terminals. "We wanted to get an overall picture of what people perceive as problematic. At the same time, we wanted to learn more about how CMP can work in conjunction with other actors in the cruise industry to give the visitors a strong and positive experience when they visit our destinations," reports Ea Møller Lunn, Business Development Manager at CMP.

Two sustainability issues in particular stood out in the study – crowding and pollution. CMP arranged workshops

on these issues together with other actors in order to find new solutions.

"We wanted this initiative to clearly show that the port is a partner that is thinking along new lines and that we want to harmonise our work with the cities around us and other actors in the industry," says Ea Møller Lunn.

"This type of transparency is needed to enable us to successfully manage issues of growth and sustainability in the long-term," Henrik Ahlqvist emphasises. "By being open and by inviting collaboration, we are taking responsibility in a new, more broadly-based way. It gives a more nuanced picture of who we are and how CMP can contribute."

Smarter coordination

In terms of crowding – which is a big challenge for the centrally located terminals in Copenhagen – the workshop resulted in several new ideas.

"One concrete proposal was what we call 'wayfinding', which entails improving signage and information in order to minimise bottlenecks and crowding at the terminals," Ea Møller Lunn reports.

The study showed that crowding can occur when cruise passengers visit sights at the destinations. The issue is not currently that much of a problem in Copenhagen, Malmö

or Visby. However, in large tourist cities such as Venice and Barcelona the term "people pollution" is used, which has also led to protests from the residents of these cities.

"In order to counteract such a development, we want to help to make it easy to distribute the cruise passengers between different sights, so that not everyone goes to the Little Mermaid in Copenhagen at the same time, for example," says Henrik Ahlqvist.

"Once again, it is about co-operation, with CMP, the cruise operators and other partners being able to derive benefit from data we have on visiting patterns and how the visitors want to travel," he continues. "Common digital platforms could then enable us to develop new services which produce more coordination and reduce the pressure from different groups of visitors." "Cruise Copenhagen Network is an example of a network where this type of joint platform could be developed," Ea Møller Lunn emphasises. "The networks facilitate sharing of information and thus help CMP to function as a test bed for creative and new solutions."

Shore power in sight

Management of pollution and emissions was also dealt with at a separate workshop. The primary cause of the emissions is the ships running their auxiliary engines in the port to generate electricity on board. Proposals for battery solutions were discussed at the workshop. However, the conclusion was that CMP's shore power initiative is the most efficient solution. Establishment of shore power will commence in 2020 at DFDS's ferry terminal in Copenhagen, but that's just the beginning.

"CMP is collaborating with five other European ports to develop common solutions. In the next few years we are planning to install five connections for shore power at two cruise terminals in Copenhagen," Henrik Ahlqvist concludes.



BY 2022 75% OF CRUISE SHIPS ARE EXPECTED TO BE ABLE TO RECEIVE SHORE POWER

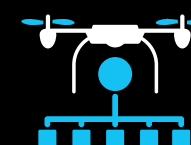


CRUISE SHIPS CONSUMES AS MUCH ELECTRICITY EVERY 24 HOURS AS A TOWN LIKE ROSKILDE OR LIDINGÖ

THE LOGISTICS HUB OF THE FUTURE



44.000 SHIPS PASS THROUGH
ØRESUND EVERY YEAR
A GATEWAY TO NUMEROUS
LOCAL MARKETS



COPENHAGEN & MALMÖ
CONSTITUTE A REGIONAL
LOGISTICS HUB
WITH INTELLIGENT AND
SUSTAINABLE DELIVERY OF
THE LAST MILE ON LAND



INTERMODAL LOGISTICS
SOLUTIONS
IS THE KEY TO HANDLING
FREIGHT VIA CMP'S TERMINALS



THE LOGISTICS HUB OF THE FUTURE IS SMART AND SUSTAINABLE

Fredrik Bladh, Strategy & Business Development Manager and Ann-Charlotte Halldén-Åkeson, Key Account Manager.



Intelligent and sustainable – these are the key words for the emerging transport solutions of the future. Major opportunities are opening up for a logistics hub like CMP, with fundamental success factors such as digitalisation and the capacity to develop in new roles and business networks.

Junction, integrator or hub. All these words capture how central the port operator's role is in making freight handling effective and linking shipping to other modes of transport. This linkage also ensures that the last mile of the delivery on land is intelligent, cost-effective and sustainable. At the same time, conditions in the logistics chain for technology, roles and responsibility are now changing. It is therefore important to widen our perspective, so as to be able to manage new requirements and business opportunities.

Digitalisation – a driving force

As in so many other contexts, digitalisation is also redrawing the map of logistics management. Technology is paving

the way for services which challenge ingrained working methods and traditional roles.

"One concrete example is called 'Track & Trace', which means that freight units can be followed in real time on their way along the logistics chain," reports Fredrik Bladh, Strategy & Business Development Manager at CMP. "This allows for better management and control as different actors along the chain gain access to up-to-date, customised information."

As a consequence, analyses and planning can be improved. This enables the flows of goods to be optimised so that everything from waiting times to transshipments is handled

in a smarter way. At the same time, processes that were previously manual can be automated, which saves time and money. Better control over the freight flows can also improve sustainability, increase security and reduce damage – quite simply higher quality!

Better integration

Another effect of digitalisation is that it is possible to share information with each other. It facilitates integration – including between customer and supplier – which makes collaboration in the logistics chain easier.

"Portal services where customers handle part of their administration already exist, but in the long term everything from ordering to invoicing can be dealt with digitally, with CMP, customers and other business partners sharing and utilising the information in new ways," says Ann-Charlotte Halldén-Åkeson, Key Account Manager at CMP. "In the future, it will be possible to link customs and other authorities to such services and make handling even more comprehensive."

CMP is constantly introducing new digital services. One example is the OCR technology at the container terminal in Copenhagen, which registers all containers digitally when they enter or leave the area. The technology also identifies where containers are en route to and their condition. It increases control and speed of handling and simultaneously phases out manual operations. Customers also receive photographic documentation to facilitate any damage claims.

"In the next stage, similar technology will be introduced on the cranes at the container terminal," Fredrik Bladh reports. "This too is about the benefit of more effective flows, better settlement of accounts and better control of each container, which improves quality."

Digital solutions are also being introduced in CMP's car handling operation. The technology which will soon be introduced is called "Autobooth" and is used for scanning cars when they are unloaded, to identify damage among other things. This inspection has previously been performed manually by personnel at the terminal. Digital scanning is expected to produce more even quality and can also be done in the dark, increasing flexibility.

"Another benefit is that car movements are simplified," Fredrik Bladh emphasises. "It is not unusual that a car needs to be moved several times while at the terminal. Digital technology means that the car can be in the right location

when awaiting delivery to its final destination. This means fewer transports, which reduces emissions and is better for the environment."

New role in new networks

In parallel with digitalisation, the business networks of which CMP is a part are changing. Roles and responsibilities are becoming looser. In this transport-based ecosystem, it is thus important to understand one's position and strengths.

"Our most important strengths are CMP's strategic location and our relationships with customers, suppliers and other business partners. It is through widening our perspective and refining these strengths that we are participating in the development of future logistics services," says Ann-Charlotte Halldén-Åkeson.

The development is happening in a situation where freight and transport customers are being offered more options and are therefore evaluating their logistics flows more extensively than previously. In this situation, CMP can use its business information and offer customers and collaborative partners more added value.

"Understanding where the decisions are taken in the transport chain enables us to derive benefit from the role of logistics hub in new ways – offering existing services to more actors in the chain, but also linking together different actors and their inflows and outflows, helping to create new business," says Ann-Charlotte Halldén-Åkeson.

Optimal transports with the right fuel

As a part of CMP's own development, it is important to follow external changes – to observe how consumption patterns and demographics are changing and understand how requirements are changing, both in logistics management and on the environmental side.

"We must help to make the supply of goods to the cities around us both intelligent and sustainable – not least by working to ensure smarter collaboration between different actors, which can reduce the total number of transports. At the same time, transports must be sustainable and, for example, based on fuels that are as environmentally friendly as possible," Fredrik Bladh sums up.

It is this aware and innovative attitude that is enabling CMP to function as a catalyst in the logistics chain and ensuring that it will remain an important link when port meets city on both sides of the strait.



OCEAN VALLEY

There are places that have become centres for innovation and development, and which have generated fantastic and successful companies. Silicon Valley is the most well-known. Now CMP is creating Ocean Valley – a platform for green maritime solutions, where knowledge is cross-fertilised, and new businesses are being established in one of Europe's most dynamic regions.



SUSTAINABLE
CRUISE
TOURISM



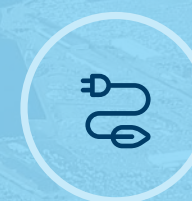
THE PORT AS A VENUE
FOR INTERACTION IN
THE CITY



LAST MILE
– THE GREEN
SEA TRADE



RESEARCH
/LIVING LAB



GREEN ENERGY
/SHORE POWER



CAMPUS
/SCALING-UP
INNOVATION

OCEAN VALLEY – A PLATFORM FOR GREEN INNOVATION AND REGIONAL DEVELOPMENT

Running a port and shipping in general brings a massive responsibility for the environment. Sustainability goes without saying for us and is on top of our agenda. As a port, we must contribute both nationally and internationally to achieve UN's SDG goals. CMP is striving to find the best solutions in the long term, both from a climate and a financial perspective.

Ports have always contributed to the development and growth of the cities around them, primarily by being meeting places for both goods and people – a positive bottleneck that, at the same time, is a vital link in a long transport chain. This has also shaped CMP and the DNA is a natural starting point for its future development; CMP wish to create a physical meeting place where new green maritime technologies, solutions and businesses can arise.

CMP has a unique strategic location on both sides of Øresund. The doorway to Denmark and Sweden, along with being the gateway to the Baltic Sea. In addition, CMP finds itself at the heart of one of Europe's most dynamic and ambitious regions when it comes to fighting climate change. Companies, individuals and universities in the region, CMP believes, have a strong desire to take on an active role in the needed development of more climate friendly solutions. This, combined with the region's historically strong innovative forces and technical capabilities, especially within the green and maritime sectors, could be the foundation for a new innovation hub.

"We want to leverage the strongholds from the region and our port and actively support a collaboration where

knowledge, ideas and challenges are united to improve the maritime industry," says Barbara Scheel Agersnap, CEO of Copenhagen Malmö Port.

Develop trade, industry and the region

The aim is to create a physical platform – we call it Ocean Valley - where both well-established parties and start-up companies can exchange ideas and share experiences with each other to form improved solutions. It will take place at the heart of the Øresund region, with relevant parties coming together to create an ecosystem for green maritime solutions which e.g. supports UN's Sustainable Development Goals (SDGs) and the ambitious climate goals that exist in both Denmark and Sweden.

"We wish to help facilitate the changes needed in our industry. Because we have to. And we believe that it will also offer us insides to new services – who knows, perhaps the port can become the bunkering place for new types of fuel, or other green services needed for the vessels before they enter the Baltic Sea in the future," concludes Barbara Scheel Agersnap.



Barbara Scheel Agersnap, CEO of Copenhagen Malmö Port.

Alongside its strategic location, CMP is contributing with its modern infrastructure for all types of vessels and goods, and can serve as a testbed.

"It will not be CMP's role to participate in all the activities and projects created in Ocean Valley, but we believe that we have an excellent position to become a facilitator – which is a traditional role of a port. In this way we can contribute to the improvements of our industry by acting in accordance with our DNA, as a meeting place and integrator that connects the new and old players in our industry in our common search for a needed transformation."

Stronger and more creative together

CMP will continue to carry out its existing and historic role as a traditional port. It will do so by focusing on its

current services within "Sustainable Cruise Tourism" and all freight related business in "Last Mile and Hub". CMP will continuously develop these business areas by introducing new and improved services and facilities, e.g. by investing in building the future cruise terminal in Copenhagen.

"Ocean Valley is a way to further strengthen our partnerships with our customers and the maritime industry while doing what we can to actively solve the climate challenges, and at the same time create a new ecosystem for growth in our region," concludes Barbara Scheel Agersnap.

A GROWING REGION

Compared with other large cities in Sweden and Denmark, Copenhagen and Malmö have seen strong growth during the past ten years. In addition, the population in the two cities will continue to increase, which means that by 2028 the Øresund region is expected to have over 4.3 million inhabitants.

250,000 COMPANIES

The Øresund region is the largest labour market in the Nordic area with 1.9 million collective workforce. It accounts for 26% of the countries' overall GNP. There are 250,000 companies, 145,000 students and 8,000 researchers at the region's 11 colleges and universities.

MANY INDUSTRIES OF THE FUTURE

Its geographic location means that the Øresund region is predicted to be the fastest growing region in Sweden over the next 20 years. The areas where the greatest opportunities are expected to arise include clean tech, life sciences, maritime businesses, and information and communication technology.

AGENDA 2030 AND THE FUTURE

Both Denmark and Sweden have extremely ambitious sustainability goals. In Denmark, the target is that greenhouse gas emissions will be reduced by 70% by year 2030. In Sweden, the goal is to become the world's first fossil-free country. By 2045, Sweden will no longer have any net greenhouse gas emissions to the atmosphere. After 2045 the goal is to achieve negative emissions.

COPENHAGEN MALMÖ PORT SUSTAINABILITY REPORT 2019

CMP shall have a development that is environmentally, economically and socially sustainable and CMP's positive development shall not hinder the opportunities of future generations. This is a fundamental starting point of everything we do. We shall be a sustainable port and take responsibility for the environment, climate and society we are part of.

In our third annual sustainability report, we describe our work on the significant sustainability issues for us in 2019, but also how we now have formulated an ambitious sustainability agenda that lays the foundations for the powerful effort that we aim to make in the years to come.

OVERVIEW OF OUR SUSTAINABILITY AGENDA

In 2019, CMP initiated work on an expanded and more in-depth sustainability agenda as an important part of the overview of the company's business strategy. The ambition is to clarify CMP's responsibility and role in society and identify the economic, social and environmental areas where we can make the greatest difference by limiting our negative impact or strengthening our positive contribution.

As a first step, in workshops with the executive group and subject heads, we have analysed and discussed CMP's effect on and contributions to the local community and the local environment, as well as our perception of stakeholder expectations for CMP. During the year, we have also conducted focused dialogues with selected stakeholder groups to get their input and, together with them, identify possible solutions to specific sustainability issues, such as the environmental and social impact of cruise operations.

Our overview of the sustainability agenda confirmed that the main focus of CMP's sustainability work as it has been carried out so far is also relevant for the coming years. We understand that business has a key role to play in achieving the global goals and, of course, CMP wishes to contribute to this development. Our work has shown that initially we can make a contribution in 14 of UN's Sustainable Development Goals (SDGs).

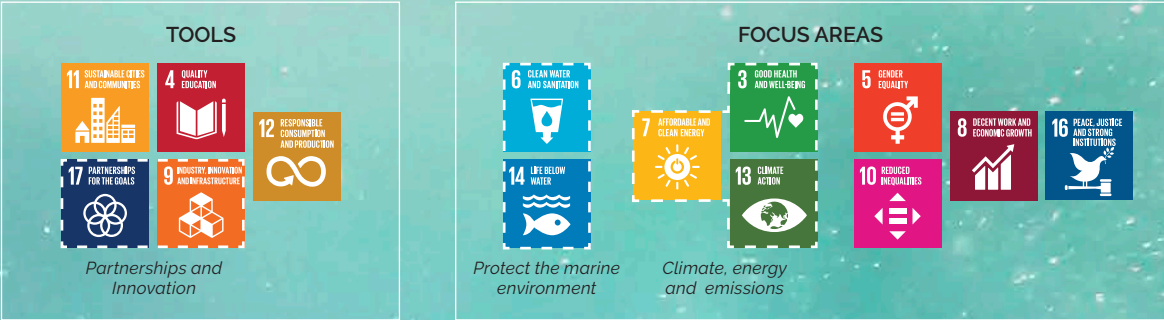
To further focus our work on the Sustainable Development Goals (SDGs), we have set priorities for 2020. For the priority areas Protecting the marine environment, Climate, Energy and Emissions and Partnerships and Innovation, we have developed short-term goals and a number of activities (see table on next page).

For example, in line with goals 6 and 14, we will make a special effort to protect the marine environment by collecting plastics and other waste from the port basins, as well as eliminating the use of disposable plastic products in our own operations.

SUSTAINABLE DEVELOPMENT GOALS

CMP - A SUSTAINABLE PORT

We take responsibility for the environment, the climate and the society that we are a part of.



Of UN's 17 Sustainable Development Goals (SDGs), these 14 are relevant for CMP. Three clusters have been assessed as the most important for CMP to work on during 2020.

CMP'S PRIORITY FOCUS AREAS 2020		
	WHY IS THIS IMPORTANT?	THIS IS WHAT WE WANT TO ACHIEVE IN 2020 AND BEYOND
<div>PROTECT THE MARINE ENVIRONMENT</div> <div><div>6 CLEAN WATER AND SANITATION</div><div>14 LIFE BELOW WATER</div></div>	<p>We are the interface between sea and land.</p> <p>We and our customers operate in the aquatic environment.</p> <p>We supply clean water to our customers.</p>	<p>2020: 90% reduction (baseline 2020) of plastic and other solid waste in port basins and along the boundaries of the port. The quantity collected is reported in our sustainability report.</p> <p>100% reduction in the use of single-use plastics and water in plastic bottles at meetings and events.</p>
<div>CLIMATE, ENERGY AND EMISSIONS</div> <div><div>3 GOOD HEALTH AND WELL-BEING</div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>13 CLIMATE ACTION</div></div>	<p>We are next door to the city and do not want to affect air quality or the noise levels.</p> <p>We and our customers use energy.</p> <p>We have a climate impact and we need to adapt to climate change.</p> <p>We are well situated to produce renewable energy.</p>	<p>2025: CMP is CO2 neutral (scopes 1 and 2) regarding fossil CO2.</p> <p>2020: Emissions of fossil CO2 (scopes 1 and 2) shall be reduced by 10% compared with 2019.</p>
<div>PARTNERSHIP AND INNOVATION</div> <div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>	<p>We see the opportunities.</p> <p>We can influence in the right direction even if we do not always own the issues.</p> <p>We want to create an impact and must therefore look beyond our own boundaries.</p> <p>We need to ally ourselves with different competences, so as to find smart solutions to complex issues.</p> <p>We are facing a paradigm shift and wish to think outside the box.</p>	<p>Over the course of 2020, we will investigate and study three innovative solutions, and enter into three new partnerships.</p>

HOW WE CONTROL OUR SUSTAINABILITY WORK

At an overall level, CMP's sustainability management is based on the company's strategy and business plan decided on by company management and the board of directors. This determines the direction of CMP's sustainability agenda and important focus areas for sustainability work. CMP uses a company-wide tool – M/S Progress – for goal management of the business, which also sets sustainability goals in the same way and with the same conditions as other business goals in connection with budget work. The goals in M/S Progress are broken down into more detailed goals and activities at department level and also for individual employees, so as to drive the development of the company in a common direction.

In 2019, we have established a more coherent and structured governance of our sustainability work from an economic, environmental and social perspective. The basis remains the day-to-day work of the business with continuous improvements and innovations achieved through our internal audits, the management of non-conformances, contingency preparedness work with exercises and collaboration with authorities and other stakeholders. But we have also increased the level of ambition and pace of change, for example through our new sustainability goals in M/S Progress, decisions on activities to contribute to the priority global goals, as well as the establishment of a systematic and documented process to measure and follow up the results of sustainability work based on international guidelines such as the GRI Standards and Greenhouse Gas (GHG) Protocol.

In line with the sustainable development goal "Partnerships for the Goals", we are also seeking active collaboration with various partner organisations. During the year, for example, we signed a partnership agreement with the Port of Los Angeles to jointly further develop our sustainability work. We have issued a declaration together with nine other Nordic ports that lays the foundation for collaboration on environmental challenges related to UN's Sustainable Development Goals (SDGs). CMP collaborates continuously with the UN-backed World Maritime University (WMU) in Malmö and annually receives a significant number of students on study visits, as well as often lecturing at the university. We have also been accepted as a signatory of the United Nation Global Compact, thereby committing ourselves to follow and report our work annually on the 10 principles for sustainable development that are based on UN's declarations and conventions.

ECONOMY

In the economic dimension of sustainability, we have identified our economic value creation, the indirect socio-economic impact that arises from our activities, as well as work on business ethics and anti-corruption as important sustainability aspects.

Financial value creation

CMP wishes to be a relevant partner for all stakeholders who contribute to our business and through our mutual financial exchanges ensure that our collaboration continues for years to come. The financial value generated through the business is distributed to the company's stakeholders in the form of payment to suppliers, employees' salaries, interest to lenders and dividends to owners. The value that remains is reinvested in the business to create the conditions for continued value creation in the coming years.

FINANCIAL VALUE CREATION (MSEK)		2019
Generated financial value	Net sales	955.1
Distributed financial value	Overheads	- 455.3
	Personnel costs	- 316.9
	Interest costs & dividends	- 23.4
	Income tax	- 39.5
Remaining in the business	Profit	120

Innovation and commercial excellence, together with sustainability, are important elements of our goal management. In everyday life, this means that with the aid of innovation we are looking for continuous improvements in our operations, preferably those that have a positive impact from all sustainability dimensions – financial, environmental and social. One example of this is the new automated Optical Character Recognition system (OCR) that we have installed in Copenhagen. This is a new technology that reads properties of containers, such as container numbers, when freight vehicles drive through portals that are equipped with the technology. At the same time, the container is photographed from several angles. With automation, there will be better traffic flow and less engine idling, reducing fuel consumption and emissions to air. The new driving loop and automation also mean less movement of people in the area and more obvious parking places for the freight vehicles making the area a safer workplace for both our employees and visiting drivers. The photography also means that we have fewer cases of insurance claims for container damage and the cases we have require fewer resources because we have better documentation.

Socio-economic impact

The port plays an important role in local, regional, national and international infrastructure. CMP's port-, terminal- and transport solutions create conditions for economic growth and development in society. Maintaining port operations in Malmö and Copenhagen is a major responsibility that is based on partnerships between CMP and a variety of stakeholders and that creates employment, not least at local suppliers of goods and services.

The cruise operations made possible by CMP, for example, create additional jobs in the surrounding community when visiting crews and passengers utilise the cities' range of shops, restaurants etc. In this way, CMP also contributes indirectly to the economic development of the region. According to calculations made by an external consultancy firm in 2017, approximately 30,000 jobs and MSEK 10 in tax revenues are generated annually in the Øresund region, most of them in Denmark, as a result of CMP's operations.

Business ethics and anti-corruption

Corruption is harmful to the national economy and undermines confidence in the business and public sectors. At CMP we have zero tolerance for all forms of bribery and this shall not occur in our business, which is also clearly stated in our Code of Conduct, which is available to all employees.

We make an overall assessment of the risk of corruption in our dealings with customers, suppliers and the authorities. We carry out basic checks on both customers and suppliers so as to feel comfortable doing business with them. We have well established procedures for purchasing and certification of invoices and always obtain several quotations for procurement so as to get good competing offers from prospective suppliers while reducing dependence on specific persons.

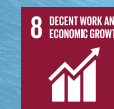
We continuously evaluate the need for improvements in various areas so as to clarify our business ethics principles and strengthen our anti-corruption work. So far, there have been no corruption incidents in our operations in which CMP employees have been involved.

CASE ECONOMY:

TRUST AND CONFIDENCE A PREREQUISITE FOR THE PORT

*The area where the new
cruise terminal and the new container
terminal will be established in the future.*

SUSTAINABLE
DEVELOPMENT GOALS



As a port and central logistics hub, CMP plays a vitally important role in local, regional, national and international trade and industry. Each and every day, the port handles products and raw materials and goods at very high financial amounts, which is only possible via the high level of trust and confidence that exists for CMP in the market, and in the society-at-large, both locally and globally. The foundation for this trust and confidence is that the port's work is accomplished in the, in all respects, safest and most responsible manner feasible, which is governed in the Code of Conduct the company has established.

A key starting point for being granted permissions to conduct port operations and the environmental permits that CMP has received is the expanded security responsibility for everything that takes place within the port. All parts of the business operations are under video surveillance and an

entry system ensures that only authorised persons are allowed to be present in the area. As an integral part of this, CMP invested 2019 in a photographic portal that documents all containers in connection with entry. This contributes to increased supervision and documentation of all freight, plus also streamlines the work within the port while increasing the safety of both CMP's personnel and its customers.

An important prerequisite for CMP's continuing success is that the port develops in line with the needs of trade and industry and the society-at-large. Therefore the investment needs of the business operations are continuously reviewed and a solid and thorough decision-making process ensures that the work is done in the most transparent and proper way possible.

Counteracting the risk of bribery and other irregularity is central to the trust and confidence shown in CMP. As a general principle, potential investments are always assessed on the basis of commercial value for our operations in both the short-term and the long term. In accordance with the rules concerning ethics & workplace conduct as spelt out in the port's Code of Conduct, specific parameters are established for each procurement, and tenders are assessed by the relevant business area as well as by the company's central administrative support unit. CMP is also working on expanding the questionnaire used in connection with the study of proposals for new investments, which as standard will include a special environmental perspective (which will be ready during 2020).

CMP has a number of investments of various sizes on the horizon. At Provestenen in Copenhagen where large quantities of fuel for both cars and aircrafts are stored, work is now underway to develop a new fire protection and fire-suppression facility. The initiative was taken together with the City of Copenhagen in order to facilitate the fire extinguishing work in the event of a fire and thus increase safety within the port. Another project that is underway in its initial phase is to establish a fourth major cruise terminal in "Ydre Nordhavn." The purpose is for CMP to be able to handle even larger cruise ships and therefore the terminal capacity will be expanded to accommodate over 12,000 passengers per day. To make way for this, new land areas will be constructed in the port, corresponding to a full 1 percent of Copenhagen's total area.

ENVIRONMENT



CMP affects the environment directly through our energy use and the emissions to air that thereby occur, but also through some unintended spills to water and soil, as well as the waste that is generated in the port and must be handled. We also have an impact on biodiversity within and in the vicinity of the port area. However, a significant part of the environmental impact is indirect in the form of the emissions from vessels, even though shipping in itself is one of the least environmentally-impacting modes of transport per tonne of freight.

Energy consumption

All types of energy affect the environment in different ways, especially in the extraction and conversion of fuels into electricity and heat. Within CMP, continuous work is underway to reduce energy consumption in the operation. We use some fossil fuels, mainly in the form of diesel for work machines, but we are increasingly moving to leased electrically powered equipment and work machines. We buy 100% renewable electricity for lighting in the port area and the operation of the properties. Here we are also looking at the conditions for an investment in self-produced energy on a larger scale.

In connection with new building and rebuilding in the port, environmental and sustainability aspects are always taken into account wherever possible. A current example is the new cruise terminal in Copenhagen, which will be gold certified according to the criteria for "Green Building". Achieving this certification requires a far-reaching optimisation of the operation of the property, efficient use of resources, a good indoor climate and low energy consumption. Another example is the transition to LED

lighting within the port area, which provides a better light and uses less electricity than the former light sources and also lasts much longer.

Our work machines and vehicles are becoming increasingly energy efficient and cause fewer environmentally harmful emissions as the fleet is modernised, but also through the new solutions that we are continuously testing. We strive for electrification or the use of fossil-free fuels in all machines and vehicles and we have come a long way in this. For some work machines, electrification is not a reasonable option, given how they are used and the capacity of the batteries currently on the market. In Swede Harbour, a renewable fuel (Hydrated Vegetable Oil, HVO100) is used instead of fossil diesel in most of the work machines, which greatly reduces climate-impacting emissions.

ENERGY CONSUMPTION 2019 (MW/h)			TOTAL
Fossil	Diesel, oil, natural gas	8,151	10,295
	District heating	2,144	
Renewable	Electricity	7,004	7,805
	Biodiesel HVO100	801	
Total energy consumption		18,100	18,100

Climate impact and other emissions to air, soil and water
CMP's operations affect the surrounding environment through emissions to air, soil and water. Emissions to air in the form of carbon dioxide, nitrogen oxides, sulphur dioxide and particulate matter, as well as noise, arise in connection with the combustion of fossil fuels in CMP's equipment and machinery in the port, but above all from the engines of ships. The emissions of ships are primarily the responsibility

of shipping companies, but CMP also plays an active role in various partnerships to promote more environmentally friendly shipping. One example is the investment together with DFDS in a shore power facility that supplies the ships with energy when they are at the quay, which contributes to lower fossil fuel consumption and reduced emissions.

We continuously implement a number of small changes in the business in which we are looking to reduce our environmental footprint, as well as creating financial value and a better work environment for our employees. One example initiated by our colleagues in Malmö is the purchase of bicycles for transport within the port area. Previously, work vehicles were used to drive from the quay to the staff building further into the area for breaks, but in 2019 the guidelines for how these vehicles should be used were changed and new bicycles were purchased, resulting in lower emissions to air and health-promoting effects for employees.

Another example is the creation of a car pool with new electric and fuel-efficient cars in both Copenhagen and Malmö that employees can use when travelling on business instead of driving with their own cars, which usually have poorer fuel economy. In Denmark, it is permitted to take the car home the night before business travel, which means that the employee can start from home in the morning instead of first going in to CMP's office to change cars. This makes the journey more efficient for the employee, with less environmental impact. CMP also encourages car pooling where possible and where several employees will travel between the offices on each side of the sound.

Discharges to soil and water occur in the event of any spillage from ships in the port, in the handling of solid or liquid ship-generated waste or from leaks from machinery or equipment. After installing new equipment for loading and unloading bulk goods and petroleum products recently, the risk of spillage has also decreased further. In 2019, no significant spills in water or on land were registered and a total of only 17 smaller spills in Malmö and Copenhagen.

The spills occurred, among other things, as a result of leaking hydraulic hoses on work machines and visiting freight vehicles, elevated levels in oil separators in the oil ports and small amounts of black water leaked during cruise ship hook-up. In all cases, the spills have been collected and taken care of immediately so that any damage has been limited.

EMISSIONS TO AIR (CO2e, TONNES)	2019
Scope 1 (emissions from fossil fuels within CMP) ¹⁾	1,787
Scope 2 (emissions from purchased electricity and heat) ^{1) 2)}	567
Scope 3 (emissions in CMP's value chain) ³⁾	194
Total CO2e emissions	2,548

Notes 1) Emissions from the business based on the financial control principle (including subsidiaries) 2) Calculated on the basis of market-based emission factors (electricity 100% renewable) 3) Refers to business travel and the resale of fossil fuels to customers



Waste management

Most of the solid waste collected and disposed of by CMP comes from the ships calling the port. CMP works to reduce the amount of waste, but it is equally important that the waste collected is also managed properly. We have gradually expanded the possibilities for sorting at source together with the local waste companies and this has led to an increasing share of the total waste now being recycled.

CMP also takes care of liquid waste from the ships. This waste is divided into different categories depending, among other things, on how contaminated and liquid it is. There are already restrictions limiting the way ships are allowed to discharge liquid waste at sea, but with effect from 2021 new rules apply and then all waste must be left in the port. It is a challenge for wastewater treatment plants to receive this waste as it is concentrated and has a high gas content, but CMP is working with the treatment plants in Malmö and Copenhagen to find a workable solution.

WASTE, TONNES ¹⁾	2019
Hazardous waste	3,113
Other waste	2,730
Total waste	5,843
- of which to energy recovery or material recycling	5,744

Notes
1) Waste from CMP's activities and collected from the ships

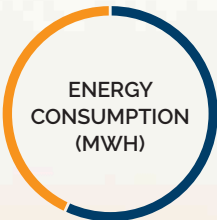
Biological diversity

In line with our ambition to be an innovative driving force for sustainable development in co-operation with our stakeholders, we are happy to test new ways of working and often go slightly further than is required so as to create added value for our stakeholders and society. This is evident, not least, in our work to preserve and develop biodiversity in the port area.

In the storm water pond in Swede Harbour in Malmö, for example, there is a rare red-listed species of green-spotted toad. In consultation with the authorities, we are now trying out a new method to protect the toads by filling shallow ditches with lime crushers that capture large amounts of precipitation and provide good purification of storm water before it is released into the harbour basin, while the toads avoid these ditches and remain in the area around the pond.

Another example is the very unusual field rose that grows in the port in Malmö and otherwise only occurs in a few locations in Sweden. The rose is very sensitive and spreads through a root system. We have therefore set up a fence around the mother plant and take great care when performing groundwork near the rose.

At Prøvestenen in Copenhagen we have a beekeeping trial, which will be expanded to a larger scale in the future if it is successful. The intention is to contribute to the biodiversity of the city where the bees are an important link in the food chain and the local ecosystem.



Renewable: **10,295 MWh**
Fossil: **7,805 MWh**



Hazardous waste: **3,113 tonnes**
Other waste: **2,730 tonnes**



To energy – or
material recovery: **5,744 tonnes**
To landfill: **99 tonnes**

CASE ENVIRONMENT:

SHORE POWER FACILITY FOR DFDS – THE MODERN WAY TO OPERATE A PORT



CMP has made a great number of efforts to reduce the port's carbon footprint, all in line with our environmental and sustainability targets for our operations in 2025. These efforts are a natural consequence of the fact that the terminals in Malmö and Copenhagen are located near the two metropolitan centres and that therefore CMP must pay close attention to how its operations affect life in the cities. One example is the new cruise terminal which is to be established in Copenhagen, where CMP has decided to certify in accordance with DGNB, a sustainable and green building certification. In order to further reduce its impact on the surrounding environment, CMP has also launched an initiative aimed at reducing emissions and resulting air pollution at the port in Copenhagen.

In 2019, together with DFDS, CMP began the work to find a solution to supply ferries with electricity from shore, similar to the solution currently in Oslo Cruise Port for the DFDS ferries, Crown Seaways and Pearl Seaways. An agreement was reached in October to establish a shore power facility in Copenhagen, a project which will help reduce the shipping company's emissions of nitrogen oxides (NOx) and particles when they are in port.

The efforts between both organisations is in line with the common ambition to contribute to a greener Copenhagen. Via the investment in the shore power facility, it is CMP's ambition to contribute to the sustainable development of the ferry industry and at the same time have a positive

impact on the surrounding environment. It is anticipated that the facility will reduce the CO₂ emissions by 912 tonnes per year and reduce nitrogen oxides (NOx) by an estimated 18 tonnes and particles by 0.4 tonnes per year. It is expected that the facility will also reduce the noise from the ferries when they are in port.

According to the plan, the shore power facility will be in place 2021 and when it is completed, CMP and DFDS will have significantly contributed to an improved environment in our neighbourhood in Copenhagen. In developing a solution for DFDS ferries, the Port of Oslo has played a very important role. Via its openness, the Port of Oslo has provided information and has exchanged experience

concerning their shore power facility, which has been in line with the ambition for close co-operation between the Nordic ports relating to sustainability projects and the development of sustainable ports. CMP has applied for EU support for the project, where it may be possible to receive up to 20% of the costs for the development of the shore power facility in grants. CMP has also sought support in the application for a future shore power project for cruise ships, which requires a more complex solution because the electricity needs to be converted to 60 Hz and because the need for electricity is much higher.

SUSTAINABLE DEVELOPMENT GOALS



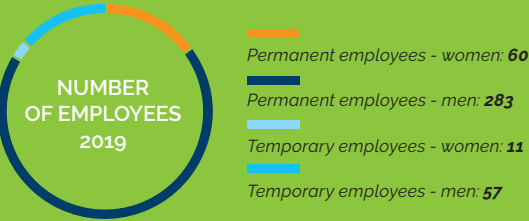
SOCIAL

In the social perspective, we focus primarily on our employees and how we ensure that we have competent, healthy and prosperous colleagues who thrive at CMP. Our most important issues relate, above all, to employment, gender equality and diversity, as well as health and safety at work. Going forward, we will also give more attention to social responsibility in our relationships with customers and suppliers.

Employment conditions

CMP is keen to be an attractive workplace where our employees thrive and develop and their rights are safeguarded. Our business is such that different types of skills and forms of employment are required to meet customer demand. We therefore have both permanent and temporary employees, where some work full-time and others work part-time during certain periods during the year.

At the end of 2019, CMP had 343 permanent employees and many of these have worked at CMP for a long time - the average length of employment among our permanent employees is over 14 years. This means that the average age in some parts of the business is relatively high, while we have a lot of mainly younger employees working on certain types of loading and unloading on an hourly-paid basis.

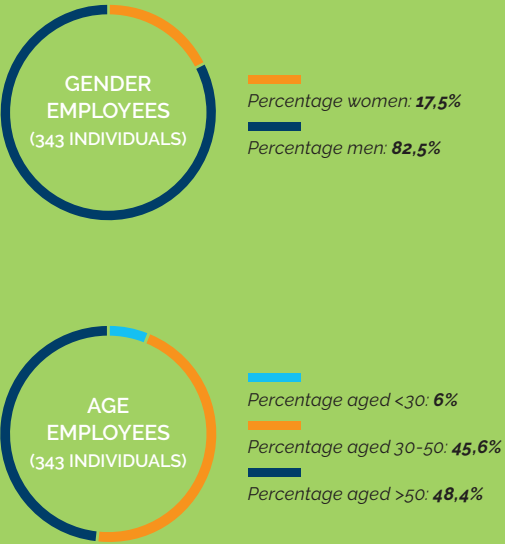
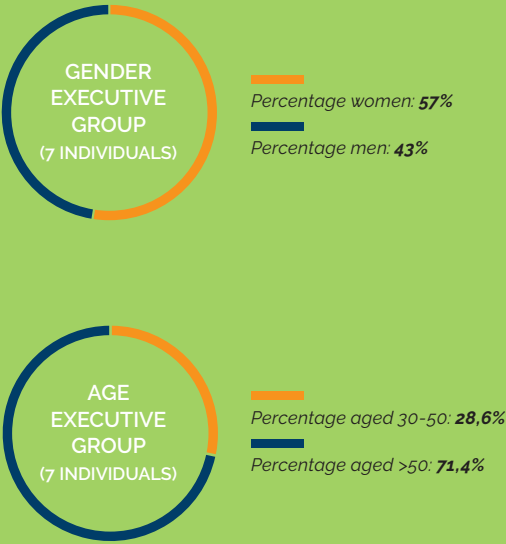


NUMBER OF EMPLOYEES	2019
Permanent employees - men	283
Permanent employees - women	60
Temporary employees - men	57
Temporary employees - women	11
Employee turnover	
New employees during the year - men	23
New employees during the year - women	9
- Percentage of new employees (total)	9,3%
Employees who left during the year - men	17
Employees who left during the year - women	4
- Percentage who left (total)	6,1%

Equality and diversity

CMP is a workplace where everyone is welcome regardless of age, gender, ethnicity or other background or personal qualities. This is self-evident and is clearly expressed in our Code of Conduct and CMP views all forms of discrimination seriously. We have a procedure against abusive treatment and we encourage all employees to contact their manager or the HR department if they see or experience this.

We recruit, promote and pay salaries solely on the basis of competence and experience. It is important to have the right person in the right place for both the individual and the company to develop in the best possible way. We regularly review how pay is set at CMP and some adjustments to salaried staff pay have been made, partly because there were certain pay differences between women and men performing equal or equivalent work. For port workers, there is less risk of an unreasonable pay gap since there is a collective agreement with a clear "skills staircase" indicating what must be known and achieved at each level in order to receive a certain level of pay.



GENDER AND AGE DISTRIBUTION, MANAGEMENT AND EMPLOYEES	2019
Executive group (7 individuals)	
Percentage women	57%
Percentage aged <30	0%
Percentage aged 30-50	71,4%
Percentage aged >50	28,6%
Employees (343 individuals)	
Percentage women	17,5%
Percentage aged <30	6%
Percentage aged 30-50	45,6%
Percentage aged >50	48,4%

Health and safety

The health and safety of our employees is, of course, a top priority at CMP. At our workplace there are heavy machinery, cranes, trucks, passenger cars, containers, trains and other vehicles that mix with our employees at the terminals. Therefore, CMP's activities also include tasks where there are risks of accidents and injuries. We aim to remove these with various aids, controls and automation.

In 2019, we tragically had a death at the container terminal in Copenhagen. An employee was seriously injured when two work machines collided and the employee later passed away in the hospital as a result of the injuries sustained in the accident. The accident is now being investigated by the authorities.

For 2020, we have set a new goal for our work environment activities where the ambition is to completely avoid accidents leading to lost working hours (lost time injuries - LTIs) where an employee is on sick leave as a result of an injury.

This requires systematic health and safety work where our employees are aware of and pay attention to the risks in the tasks and behave appropriately in the workplace.

When any part of the operation changes, for example through a change in the loading or unloading procedure or if a new type of vessel or type of freight is to be handled, a risk assessment is carried out and documented in the company-wide incident management system TRIA. All incidents and risk observations are also reported in TRIA, which makes it possible to follow up and learn from these incidents in order to limit the risk of similar situations in the future.

CMP is an alcohol- and drug-free workplace and no employee is permitted to perform working tasks when under the influence. During the year, we have trained our employees in risk and harmful use of alcohol and drugs, conducted random drug tests and also offered all employees a health check to promote a healthy lifestyle.

INCIDENTS AND ACCIDENTS	2019
Number of deaths	1
Number of lost time injuries	5
- Lost time injury frequency rate ¹⁾	8,46
Number of accidents without lost time	33
Number of near incidents	44
Number of risk observations	69

Notes
1) The frequency rate is calculated as the number of accidents with lost time per million hours worked
2) Near incidents relate to events which could have led to an injury or an accident, but which ended well
3) Risk observations relate to the identification of a risk which could have led to an injury or accident

CASE SOCIAL:

A SAFE AND SECURE WORKING ENVIRONMENT THE BACKBONE OF A SUSTAINABLE PORT

Each and every day, more than 200 employees located on each side of the strait ensure that port operations flow smoothly. One prerequisite for this is that the people within the entire CMP organisation feel safe and secure, and that they have an employer who supports them at all stages. Historically, CMP has minimal staff turnover – with many employees who choose to work for an extended period of time, which not only provides more secure operations for customers, but also indicates that they enjoy their work and their workplace.

Port activities are associated with certain risks, and therefore measures for safety and securing the working environment are naturally at the top of the agenda within CMP. As an employer, clear legal requirements are imposed on CMP, and our operations policy sets the overall framework for how the efforts within the organisation is conducted.

However - the basic responsibility for the practical efforts with health and safety in the workplace must be as close to the operational activities as feasible, and therefore all elements of the operations are mapped out and assessed for risk by forepersons, safety and health engineers, and health and safety representatives (HSRs). These involved jointly develop the standardised working procedures, which the relevant employees are then trained in.

For a long time, CMP has a low rate of absence due to illness, concerning both on short-term and long-term illness. Our overall ambition is that the employee receives the right treatment as soon as possible, and is able to quickly return to work. Therefore all staff are offered informal conversations with their manager with the aim of detecting health risks at an early stage, where they discuss their work

situation focusing on stress symptoms and how to prevent this from leading to reduced capacity to work and absence due to illness, or at worst, absenteeism. In situations where an employee becomes ill or is injured in an accident, CMP has a company health care agreement and as an additional complement, employees are offered healthcare insurance to ensure the fastest possible treatment.

The fact that employees are at the core of CMP's safety work also means that there is an expectation that each and every individual will comply with the rules that apply for the operations. These are described in detail in CMP's Code of Conduct, which sets out rules of behaviour and conduct linked to i.a. the efforts to combat corruption, the relationships with customers, suppliers and collaborative partners, as well as the organisation's approach to sustainability and the environment. An essential part of being able to offer a safe and secure workplace is that all employees have the correct skills and expertise to carry out their work tasks and responsibilities, which CMP ensures via relevant in-service training and skills development efforts.

Considering that all employees must feel safe and secure at their workplace, we have a strict zero-tolerance policy for drugs and alcohol within CMP. At present, all commercial vehicles on the Swedish side are equipped with alcohol interlocks, while on the Danish side, random drug and alcohol tests are carried out. In the long term, this eventually will also become standard in Malmö and the aim is to be able to recognise and offer support and assistance to any individual employee who may be suffering from drug or alcohol-related problems.

SUSTAINABLE
DEVELOPMENT **GOALS**





ABOUT THE SUSTAINABILITY REPORT

This is Copenhagen Malmö Port's (CMP's) third annual sustainability report and relates to the 2019 financial year. The sustainability report encompasses the parent company Copenhagen Malmö Port AB (Corp ID no. 556027-4077) and all entities that are consolidated in CMP's group accounts for the same period. On signing the annual report and consolidated accounts, the board of directors of Copenhagen Malmö Port AB has also approved the sustainability report.

The sustainability report has been prepared in accordance with the provisions of the Annual Reports Act and with guidance from the GRI Sustainability Reporting Standards. We intend to use GRI as the standard in the future for the sustainability report as a whole, but in this report we apply selected GRI Standards as below only.

Certain GRI reporting items are not relevant and have thus been omitted. Where there are specific demarcations or deviations from GRI's definitions, this is indicated in connection with the presentation of the indicators.

We only present data for 2019 when during the year we have established new metrics and procedures for data collection ("accounting policies") as the basis for our continued sustainability work. As a result, the metrics in the 2019 sustainability report are not fully comparable with the data we reported in previous years' sustainability reports. In future reports, we also intend to present a history in order to better evaluate outcomes and trends.

The sustainability information specified in the Annual Accounts Act's 6th Chapter can be found in the sustainability report in addition to the description of the company's business concept presented elsewhere in the annual report (page. 54). Sustainability risks are addressed in the risk section of the annual report (page. 57-58), but also on an ongoing basis in the sustainability report, where we mainly equate sustainability risks with the essential sustainability issues that we report.

GRI STANDARD	INDICATOR	SECTION
GRI 201: Economic Performance 2016	201-1	Economic value creation
GRI 203: Indirect Economic Impacts 2016	203-2 (partial)	Socio-economic impact
GRI 205: Anti-corruption 2016	205-3	Business ethics and anti-corruption
GRI 302: Energy 2016	302-1	Energy consumption
GRI 305: Emissions 2016	305-1, 305-2, 305-3	Emissions to air, soil and water
GRI 306: Effluents and Waste 2016	306-2	Waste management
GRI 401: Employment 2016	401-1 (partial)	Employment conditions
GRI 403: Occupational Health & Safety 2018	403-9 (partial)	Health and safety
GRI 405: Diversity and Equal Opportunity 2016	405-1 (partial)	Equality and diversity

BOARD OF DIRECTORS



Luciano Astudillo
Malmö stad
Chairman of the Board
Board member since 2019



Birgit Aagaard-Svendsen
By og Havn
Deputy Chairman of the Board
Board member since 2018



Olof Andersson
Norra Vallgatan AB
Board member since 2013



Torbjörn Tegnhammar
Malmö stad
Board member since 2019



Anders Peterson
Stena Line
Board member since 2017



Søren Jespersen
By og Havn
Board member since 2017



Marianne Sørensen
By og Havn
Board member since 2019



Jonas Bjørn Jensen
By og Havn
Board member since 2018



Johnny Isager Høvring
Employee representative
Board member since 2017



Karsten Jensen
Employee representative
Board member since 2017



Gert-Inge Johansson
Employee representative
Board member since 2016



Maria Petersson
Employee representative
Board member since 2018

MANAGEMENT



Pia Fabricius
CHRO

Niklas Finné
CFO

Anna Luterkort
Head of Prop-
erty & Legal

Povl Dølleris
Røjkjær Ungar
COO, Cars, Container
& General Cargo

Barbara Scheel
Agersnap
CEO

Brian Kristensen
COO, Bulk, Cruise/
Ferries & North
Harbour

Ulrika Prytz Rugfelt
PR- & Corporate
Communications
Manager

CORPORATE GOVERNANCE REPORT

CMP is a private Swedish limited company with a Danish subsidiary. Its corporate governance is primarily based on the Swedish Companies Act and the Annual Accounts Act, but also on other relevant laws and regulations. CMP is not formally covered by the Swedish code for corporate governance.

However, the ambition is to apply the code as far as possible and also where this is deemed to create value. The aim of this corporate governance report is to highlight to shareholders, customers and other stakeholders how the business is administered. CMP's conviction is that, among other things, good corporate governance creates conditions for clear allocation of responsibility between the different corporate bodies, which increases efficiency and reduces risks.

Annual General Meeting

The AGM is CMP's highest decision-making body and the forum where shareholders can have an influence over the company. Each shareholder is entitled to take part in and exercise the right to vote at the annual meeting of shareholders. A shareholder who is not able to personally attend the meeting can exercise his or her right through a representative. The duties of the AGM are regulated in the Companies Act. Among other things, voting at the AGM determines the composition of the Board of Directors, changes in the articles of association and other matters. Each share represents one vote. Decisions taken at the AGM are made in accordance with the provisions of the Companies Act regarding the size of the majority. The directors and the auditors – along with representatives for the executive management – are normally present to answer questions and provide information.

The Board of Directors

The Board of Directors has ultimate responsibility for how the business is run and must administer the company's affairs in the interests of the company and all shareholders. The Board of Directors' duties include appointing and dismissing the CEO, producing guidelines for the CEO's work and making decisions in all questions that are deemed to be of material importance for the company's operations. The Board of Directors continually evaluates the company's financial position and also ensures that access to capital meets the business's requirements over time. In accordance with the articles of association, CMP's Board consists of twelve ordinary members, eight of which are appointed

at the AGM. The trade-union organisations in Malmö are entitled to appoint another two ordinary members and two deputy members. The employees in Copenhagen also have this right. The Chairman and Deputy Chairman of the Board of Directors are appointed by the two largest owners – By & Havn I/S and Malmö stad, as long as they each own more than 20 per cent of the total number of shares. The chairmanship alternates between By & Havn I/S and Malmö stad. The Chairman is elected for a period of two years. The company's CEO, normally participate in board meetings. If necessary other leading company officials also participate. The main task of the Board of Directors is to be responsible for the company's organisation and the administration of its affairs. The work is governed by the Companies Act and by the rules of procedure for CMP's Board of Directors. The work of the Board of Directors follows a set agenda, with the aim of meeting the Board's requirement for information. The agenda is drawn up in accordance with the rules of procedure set by the Board of Directors. This is done every year at the first board meeting held after the AGM. Among other things, the rules of procedure set out how often the Board of Directors should meet and the allocation of work and responsibility between the Board, the Chairman, Deputy Chairman and CEO. The Board of Directors monitors the business through the work it undertakes, via monthly reporting and through regular contacts between board meetings. This follow-up enables decisions to be taken on overall, long-term strategies and goals. The follow-up also ensures adoption of annual accounts and budgets, and decisions surrounding major investments and other business-related matters. CMP's Board of Directors perform an annual evaluation of their work.

Remuneration issues

The Chairman and Deputy Chairman present the annual remuneration principles for the Board of Directors. The Chairman and Deputy Chairman are also responsible for preparation of issues concerning remuneration principles, remuneration and other terms of employment for the CEO and – if there is one – the Deputy CEO, as well as for submission of proposals to the AGM.

Auditing issues

CMP's Board as a whole participates and makes decisions concerning the company's audit. The company's auditors give an account of observations and conclusions from the annual audit.

CEO, executive management

CMP's CEO leads the business in accordance with the instructions that the Board of Directors has adopted, as well as according to relevant laws and statutes. The CEO is responsible that the Board of Directors receives information and necessary data on which to base decisions and that the Board of Directors' decisions are implemented. The CEO has principal responsibility for the operational management of the company. The company's operations are divided into two Commercial areas. The company has a management team consisting of seven ordinary members including CEO. Besides the CEO, the management team consists of the head of each Commercial area, Property & Legal, CFO, CHRO and PR & Communication.

External audit

According to CMP's articles of association, an authorised public accountant and a deputy must be selected. The nomination of auditors and selection of remuneration principles take place at each ordinary AGM. The responsible auditor in CMP reviews the company's annual report and accounts, as well as the Board of Directors' and CEO's administration. The auditor participates in the Board of Directors' annual accounts meeting and reports on his audit. The chairman or auditor presents the auditor's report at the AGM and describes the audit work and observations made.

Internal control

According to the Swedish Companies Act, CMP's Board is responsible for the internal control. The company's financial reporting complies with the laws and rules that apply for companies of this type and local rules in the respective country where operations are conducted. A satisfactory internal control in respect of financial reporting has the aim, among other things, of providing reasonable certainty in the reporting, among which the annual report has major importance.

The control environment

CMP's Board has overall responsibility for establishing an effective system for internal control, both with regard to the financial reporting and for the business in general. The operational responsibility for maintaining effective internal control is delegated to the CEO, who in turn delegates function-specific responsibility to managers at different levels in the company. Controlling documents – for example, the Board of Directors' rules of procedure and instruction for the CEO – ensure a clear allocation of responsibility. Within CMP there is an overall set of rules and regulations in relation to authorization and powers. These authorization instructions regulate responsibility and powers for transactions between Board of Directors, CEO and other persons in the company. CMP's internal business system – M/S Progress, along with the quality and environmental

management systems – contain process descriptions, job instructions and job descriptions.

Risk assessment

The work in respect of material risks in the financial reporting comprises both identification of risks, as well as surveying and assessing them.

Control activities

The aim of the risk management is to quantify and reduce, or alternatively eliminate, risks that have been identified in the financial reporting. The risk management is built into the company's processes. Different control activities are used to evaluate and limit risks, and also to ensure that the risks to which CMP is exposed are dealt with according to set guidelines and instructions. CMP has a reporting system based on monthly, quarterly and annual reporting. Analyses of the reporting are conducted at overall level, with profitability, capital tied up and key ratios in focus. Follow-up is performed in relation to the budget, the most recent forecast and selected key ratios. Monthly reports are always submitted to the Board of Directors. The regulations in respect of authorization and powers ensure a clear decision process for more extensive decisions, for example, major investments and contracts etc.

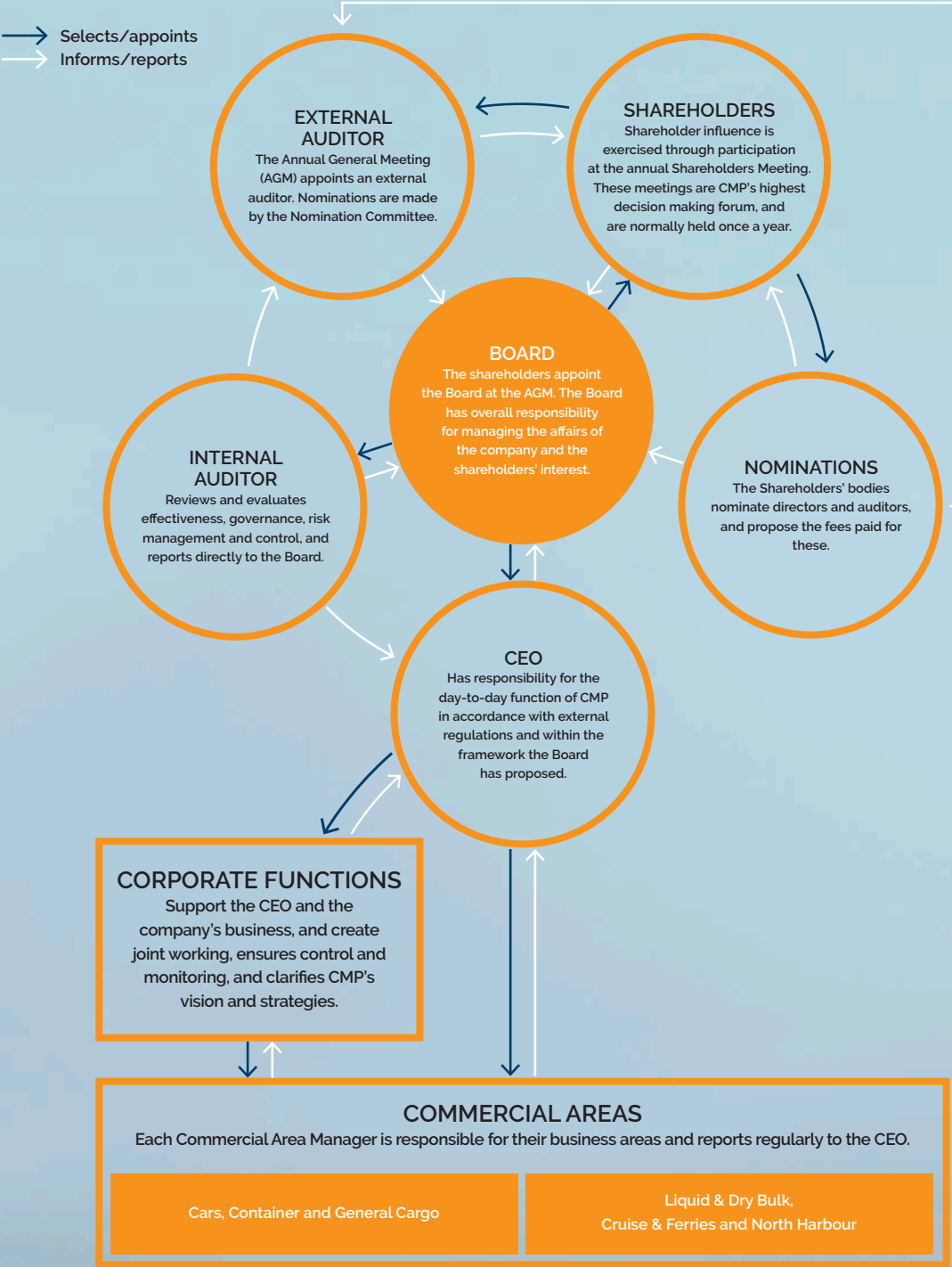
Financial reporting

CMP has internal information and communication routes with the aim of promoting correct financial reporting. Internal guidelines and manuals that affect the financial reporting are evaluated on a continuous basis. The Board of Directors receives monthly reports concerning the operation's financial development with analyses and comments on the development compared with budget, forecast and the previous year. The external auditor reports back to the Board of Directors every year after the year-end audit. CEO and CFO keep the Board of Directors regularly informed concerning the company's financial position, development and any potential risk areas. Press releases, financial information etc. are published on CMP's website. The external financial reporting is based on external and internal controlling documents.

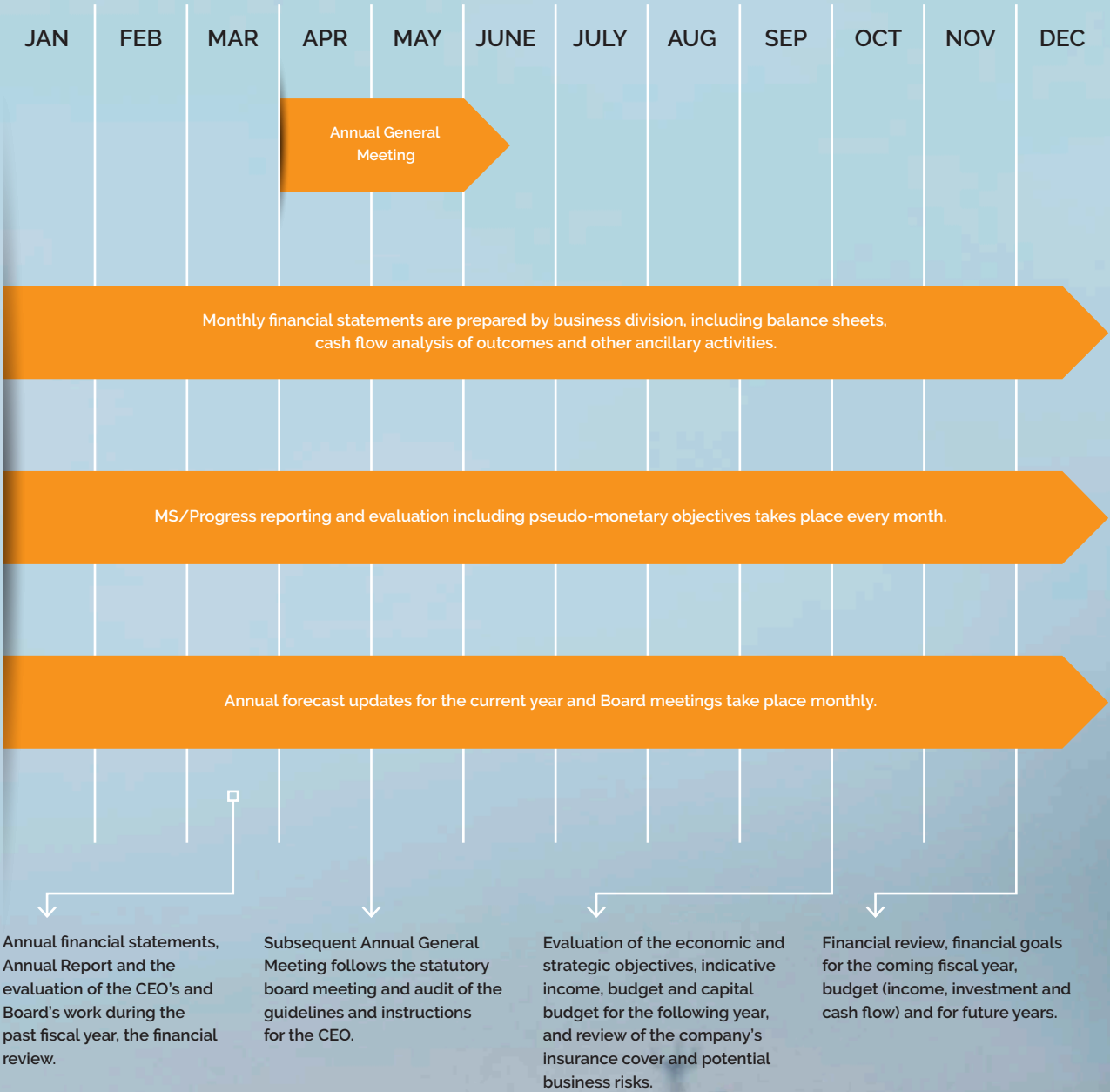
Follow-up

Follow-up to ensure the effectiveness of the internal controls with respect to the financial reporting is dealt with by the Board of Directors, CEO, the management as well as by the company's various units. The follow-up includes analyses of monthly and quarterly reports, which are compared with budgets and forecasts. CMP does not have a specific function for internal auditing. The Board of Directors' assessment is that there are no special circumstances in the business or other conditions that justify establishing such a function.

CORPORATE GOVERNANCE



Board activity during the year



TRANSLATION OF OFFICIAL REPORT:

DIRECTORS' REPORT

The Board of Directors and Chief Executive Officer of Copenhagen Malmö Port AB (CMP) hereby submit their annual report and consolidated financial statements for the financial year January - December 2019.

Ownership structure, nature and focus of the business

CMP shares and voting rights are divided between 22 shareholders (19). Udviklingsselskabet By & Havn I/S, Malmö stad and Förvaltnings AB Norra Vallgatan together represent 91.9 per cent of the total number of shares and votes. In 2019, there have been minor changes among the other owners.

CMP AB's largest shareholders

2019-12-31

Shareholder	No. of shares	% share
Udviklingsselskapet By & Havn I/S (Danish reg.no. 30823702)	1,800,000	50.0%
Malmö stadskontor, Malmö stad (Swedish reg.no. 212000-1124)	989,100	27.5%
Förvaltnings AB Norra Vallgatan (Swedish reg.no. 556669-0383)	517,800	14.4%
Other shareholders	293,100	8.1%
Total	3,600,000	100.0%

Each share is equal to one vote

The parent company is a Swedish limited liability company (Corp. ID no. 556027-4077) with an associated Danish branch (Corp. ID no. 25 99 60 11). In addition to the parent company and branch, there are the subsidiaries Copenhagen Malmö Port Norra Hamnen AB (Corp. ID no. 559061-3963) and Copenhagen Malmö Port Cruise Visby AB (Corp. ID no. 559143-4468), which are 100% owned by the parent company.

Geographically, operations are conducted in the port areas in Copenhagen, Malmö and Visby. Operations in Visby solely comprise cruise traffic. Operations within CMP are divided into four business areas – Cruise & Ferry, Liquid Bulk & Dry Bulk, Cars, Container & General Cargo, and North Harbour.

All business areas apart from Norra Hamnen (North Harbour) have operations in both Malmö and Copenhagen. Norra Hamnen only has operations in Malmö. The only business segment in Visby is Cruise. CMP utilises fixed facilities such as quays, shipping lanes and buildings by agreement with Malmö stad, Udviklingsselskabet By & Havn I/S and Region Gotland. CMP pays annual concession fees for this. These fees are based both on a similar arrangement to site-leasehold, as is the case with older facilities, and – on completion – on investments made in new facilities, which are initially financed by the relevant land owner. The current lease contract with the port owners runs until 2035 (Copenhagen and Malmö) and 2038 with an exit option in 2028 for Visby. Each port owner guarantees CMP at least the book value - or balance of financing rent - of investments which cannot be moved in the event that the lease contracts are not renewed. The guarantee applies to the respective facility provided that the port owner approves the fixed investments that CMP makes and has made.

Business concept

CMP's business concept is to sell port, terminal and transport solutions. We are one of Scandinavia's largest port operators, and a full-service port in the Øresund strait. CMP receives a vast variety of goods and has an infrastructure customised for all types of vessels.

Put simply, the operation is based on CMP matching areas and activities where land and premises provide a rental income, the quay a port revenue and all other handling a handling revenue. However, it should be noted that the handling revenue is principally burdened with personnel costs and other operating costs, as well as with concession fees for the area on which the work is performed.

With our strategic position, CMP is a logistics hub and a catalyst for the growth of the Øresund region. We are the door to both Denmark and Sweden. We are also the gateway to the whole Baltic Sea region.

CMP's various solutions connect sea with shore and create growth and prosperity for all.

Significant events during the financial year

Planning for the construction of an additional cruise terminal in Copenhagen also continued. The terminal is being constructed to meet the increasing demand, with more arrivals and ever larger ships. The plan is for the terminal to be completed by the 2022 season.

In 2019, there was a tragic accident at the container terminal in Copenhagen. An employee was seriously injured when two work machines collided and the employee later passed away in the hospital as a result of the injuries sustained in the accident.

Development of operations, position and profits (group)			
(SEK 1,000)	2017	2018	2019
Turnover	839,451	908,429	955,060
Operating profit	77,874	110,358	112,786
Profit after financial items	56,676	86,026	89,394
Balance sheet total	1,141,047	1,184,728	1,229,675
Equity/assets ratio ¹⁾	13.2%	16.7%	20.1%
Return on Equity ²⁾	21.1%	26.8%	22.4%
Average number of employees	347	356	370

¹⁾ Adjusted Equity/Balance Sheet Total. Adjusted equity refers to equity + untaxed reserves.

²⁾ Profit of the year/average adjusted equity.

Sales and profits

CMP's turnover in 2019 amounted to MSEK 955.1 (908.4), which was an increase of MSEK 46.7 compared with the previous year. Excluding exchange rate effects of MSEK 17.0, the sales increase was MSEK 29.7, which is an increase of 3.3 per cent.

The rise in turnover – excluding exchange rate effects – is mainly explained by increased volumes in Cruise & Ferry.

In this business area, sales increased by MSEK 27.1 or 11% compared with the previous year. The Cars, Containers & General Cargo and Liquid and Dry Bulk business areas also showed increases over the previous year. Cars, Containers and General Cargo increased by MSEK 5.9 or 2% and Liquid and Dry Bulk increased by MSEK 8.2 (3%). North Harbour declined against the previous year with 5 MSEK or approximately 4.8 %. The explanation for the turnover decrease can be related to a decrease in volume.

In total, CMP handled 14.8 million tonnes of freight through the quays in 2019 (15.1), which is a reduction of 0.3 million tonnes or 3 % compared with 2018.

Operating profit for 2019 was MSEK 112.8 (110.4). This gave an operating margin of 11.8 per cent (12.2) and an improved operating profit of MSEK 2.4 compared with 2018. The outcome is positively affected by an exchange rate effect of MSEK 3.7.

Profit after financial items was MSEK 89.4 (86.0). This was an improvement of MSEK 3.4 compared with 2018. Tax on profit for the year amounted to MSEK -39.5 (-39.4). The company has chosen not to report any deferred income taxes recoverable on loss carry-forward, as it is currently not possible for the amount can be utilised within the prescribed period. This also explains the relatively high tax in relation to profit after financial items.

Profit after tax for the year was MSEK 49.9 (46.7), an increase of MSEK 3.2.

Cash flow and Liquidity

CMP's cash flow from operating activities amounted to MSEK 128.9 (129.7). The principle reasons for the increase in cash flow from operating activities compared with 2018 of MSEK 26.1 were:

The investment activity gave an outflow of cash of MSEK 84.4 (82.5), of which this year's investments in tangible assets amount to MSEK 95.0 - Sales of tangible fixed assets had an effect on cash of MSEK 11.1.

In total, cash flow for the year amounted to MSEK 31.0 (8.5). Cash flow for the year meant that cash and cash equivalents at year-end amounted to MSEK 207.4 (176.4).

Balance sheet

The balance sheet total increased by MSEK 44.9 or 3.8% to MSEK 1,229.7 (1,184.7). On the asset side, it is mainly tangible assets which increased by a net MSEK 23 through construction in progress that is to be completed in 2020.

On the liabilities side, equity has increased to MSEK 247.5 (197.6) and long-term liabilities to 712.6 (708.0) net, including future rental payments of MSEK 18.1.

These changes mean that the equity/assets ratio increased from 16.7 to 20.1 per cent.

The parent company

Copenhagen Malmö Port AB is the parent company for the CMP group and is based in Malmö with a branch in Copenhagen. As mentioned previously, the operation in North Harbour in Malmö was hived off in 2016 and placed in the subsidiary Copenhagen Malmö Port Norra Hamnen AB. Copenhagen Malmö Port Cruise Visby AB was formed in connection with CMP establishing the cruise operation in Visby, and it includes all of CMP's operations in Visby.

As a critical infrastructure hub, CMP, like all other major ports, must maintain the operation of secure freight movement. With large declines in freight handling and a major impact on cruise operations, the consequences in the current situation are serious.

As a result of a significant level of uncertainty related to COVID-19, CMP is taking major measures to reduce the impact of the situation on its business, including reducing

Copenhagen Malmö Port AB, 5 year summary
(SEK 1,000)

	2015	2016	2017	2018	2019
Turnover	762,122	807,442	812,212	864,516	906,857
Operating profit	29,122	46,816	87,198	117,224	116,429
Profit after financial items	29,965	47,816	43,494	107,227	106,490
Balance sheet total	636,003	603,678	672,640	751,491	799,499
Equity/assets ratio ¹⁾	25.7%	19.6%	9.6%	23.4%	30.3%
Return on Equity ²⁾	14.2%	16.3%	Neg	25.9%	31.9%
Average number of employees	376	337	302	318	323

1) Adjusted equity/balance sheet total. Adjusted equity refers to equity + untaxed reserves less deferred tax with a deduction for deferred tax liability.
2) Profit of the year/average adjusted equity.

Otherwise, all business operations are conducted in the parent company. The bulk of the comments for the group above therefore also relate to the parent company. Turnover in 2019 in the parent company were MSEK 906.9 (864.5).

In 2019, the parent company had 323 full-time employees (318) ¹⁾. The Annual Report is ratified at the Annual General Meeting on 28 May, 2020.

Significant events after the end of the financial year

Negotiations on the right of use agreements with the land owners are ongoing. CMP is negotiating to obtain a right of use agreement with an agreement period of 2020-2044, right of use fees (two parts, a fixed basic rent and a variable rent based on profits) and an interest rate for finance on market terms. That the basic rent is on market terms is verified by a new external valuation no later than every ten years. In the event that CMP is terminated, any residual value of investments will be depreciated.

The economic impact of the coronavirus outbreak is clear to everyone, although it is difficult to put figures on this at the moment. The situation is changing from hour to hour and the countries of Europe, for example, are taking various measures to curb the spread of infection. It is therefore also uncertain whether new measures will affect freight and passenger traffic in the future. The challenge is that we do not know how long it will continue, but we expect consequences at least for most of the year.

costs and the number of employees and increasing flexibility in the workforce.

There is a significant risk of material financial impact on CMP from the end of March. With the high level of uncertainty surrounding the situation and the potential further initiatives from the authorities and CMP's customers, it is very difficult to predict the full financial impact that the situation may have on CMP.

Outlook

Our port is, and has always been, a venue for both goods and people to interact. A hub for activities and knowledge that generates collaborations, exchanges of knowledge and expertise, synergies, and adds value to the society we are part of. CMP shall continue to be so.

Via innovation and digitalisation, we will develop, in partnerships, the sustainable maritime industry of the future.

CMP has a positive outlook based, in addition to the geographical location, experience and competences we possess, on the company's purpose-built facilities and the established commercial networks. These success factors have given CMP a strong position in a number of business segments and markets.

Changing patterns of consumption and new challenges in the transport market require innovation and flexibility. We are resourceful and take the initiative – we have the ambition to be at the forefront of innovation so that we can shape the port of the future with smart, innovative solutions and offer our customers the best and most efficient logistics solutions.

Significant risks and uncertainties

All business operations are associated with risks. Risks managed correctly can open up fresh opportunities and increase value creation, while risks that are badly managed can result in damage and losses. The ability to identify, evaluate and manage risks is an important part of the governance and control of CMP's operations. The ambition is to achieve the business's goals through properly assessed risk-taking, where certain risks can be reduced or entirely avoided.

CMP's risks are managed and followed up systematically, including via a follow-up of the monthly financial outcomes at business segment and departmental level. The ongoing management also entails CMP analysing, expanding and improving the systems, methods and processes used in order to reduce risks. Examples of this are the annual strategy seminars with the Board of Directors, as well as forecasts, budget processes and continuous audits of internal processes and procedures.

The business is exposed to a number of strategic and operational risks. The strategic risks are linked to CMP focusing its operations on areas that might not be in demand in the future, or investing incorrectly and jeopardising competitiveness. CMP tries to reduce these risks through broadly-based, recurrent business analyses, through continually developing the organisation and the employees, as well as through strategy discussions with the Board of Directors and other stakeholders who provide a broader future perspective.

The management of strategic risks is focused on doing the right things. The operational risk management, on the other hand, is more about performing a particular task correctly. Operational risks are therefore focused more on processes, assets and people.

Market risks

CMP's business operations are exposed to market risks, including cyclical fluctuations and changed patterns of demand which can affect demand for the company's services. CMP's operations are wide-ranging and directed at many different sectors and customers. This reduces the risk that a deterioration in demand can affect significant

parts of the business. The breadth of the operation also means that the effects and risks of major seasonal variations – which for example characterise the cruise industry – are diminished.

Price risk

The price risk means that the market price of CMP's services could fall, and have a negative effect on the business. This risk is managed through CMP's services being substantially linked to contracts that extend at least one year forward in time. For long-term contractual relationships in respect of leasing quays and warehouses etc., the contracts are index-linked.

Price risks for products and services that CMP purchases primarily pertain to market risks, currency risks and interest rate risks. CMP is indirectly exposed to interest rate risks in its lease contracts via annual indexation of its concession fees. The interest on which the financing rent which runs for investments is based changes every three to five years. During 2019, the leases (fee plus financing rent) accounted for an annual cost of some MSEK 200.

The leases for properties that CMP uses are regulated via concession agreements. This minimises the risk of the lessor deciding to use properties for other purposes. The contracts run for five year periods and with a 20 year period of notice before the respective five year period expires. Fixed assets that are owned by CMP – and which have a longer economic service life than 20 - 25 years – are normally guaranteed by the land owner at book value at the end of the contract term.

IT risks

Disruptions or faults in critical systems can affect CMP's services and financial follow-up. The risk management in this area is based on CMP minimising the number of systems, using standardised systems with no adaptations and purchasing services from companies with effective systems and a high level of quality and expertise. Analyses of risks such as cyber risks and other types of hacking are performed regularly both internally and by external experts.

Personal injuries and damage to assets

CMP's business is exposed to personal injuries and damage to assets. An example of damage to assets is if a ship were to collide with a quay or other equipment, leading to injuries to persons and/or damage to assets and a stop in operations. CMP follows up these risks on a continuous basis, develops procedures and improves technical equipment and expertise in order to prevent accidents.

1) Comparison 2018 adjusted from 309 to 318.

CMP has some exposure to substances that are harmful to the environment, for example oil and chemicals. Systematic environmental and quality management – with clear processes, risk analyses, preventive measures and a contingency plan - means that this risk is deemed to be limited. The same goes for the risk of terror attacks or similar events, where according to international regulations CMP must comply with ISPS (The International Ship and Port Facility Security Code).

Financial risks

CMP currently has relatively minor interest-bearing loans, but is exposed in an equivalent way to interest rates, currency and liquidity, primarily through long lease contracts with port owners in the respective ports. CMP tries to limit this exposure by signing long lease contracts with its customers. The customer contracts thus counterbalance CMP's own exposure as far as possible.

The currency risks are primarily linked to the risk that the Danish krona will develop negatively relative to the Swedish krona. Just over half of CMP's turnover is in Danish kroner. The risk is limited to the profit margin as the bulk of the costs for what is invoiced in Danish kroner are in the same currency.

Other significant risks are the risk of bad debt losses due to insolvency. CMP performs credit checks on customers on a continuous basis, and tries to limit outstanding accounts receivable by adapting the terms of payment. CMP often requires bank guarantees or equivalent from customers for the long lease contracts, which further limits the risks of bad debt losses. Moreover, the risks inherent in long lease contracts are limited as areas and buildings can often be used in other ways than those detailed in the actual contract.

The insurance risk means that the insurance policies that CMP has taken out do not provide protection against different types of damage. CMP has a single insurance policy, with the objective of covering as large a proportion of potential risks as possible at a reasonable cost. Risks of downtime exist. CMP always tries to have alternative technology and equipment available. This limits the effects of a breakdown or other incidents that could result in long periods of downtime.

The environment and quality

CMP has a permit to conduct environmentally hazardous operations. This permit presupposes that CMP and the company's tenants and customers meet their undertakings. CMP continuously evaluates operations and analyses relevant risks in order to comply with the requirements and conditions in the environmental permit. The international

standards ISO 14001:2015 and the management system for quality ISO 9001:2015 are used to ensure the work is performed systematically. A recertification was undertaken during 2018 to extend CMP's integrated certificate for the environment and quality for a further three years. A new recertification of the ISO standard will be undertaken during 2021.

Environmental legislation stipulates that port operations in Sweden have a permit. CMP received its environmental permit for port operations in Malmö in 2008. Some of the facilities and land areas where CMP currently conducts operations have been polluted by past activities. The environmental conditions that apply to the period before 2001, when CMP's operations started, are the responsibility of the respective port owners.

Proposed distribution of profits

The following funds are at the disposal of the Annual General Meeting:

Retained profits, SEK 1,000	30.924
Profit for the year, SEK 1,000	66.590
Total, SEK 1,000	97.514

The Board of Directors propose the following:

To be carried forward, SEK 1,000	97.514
Total, SEK 1,000	97.514

Investments

Investments in buildings, machinery and equipment during the year amounted to MSEK 91.0 (31.0). The investments mainly related to land installations, which are completed in 2020. Besides investments on its own account, investments are also made by the respective land owner, which pays via a lease fee.

CMP's dividend policy stipulates that 25 per cent of the free equity is distributed to its shareholders in cases where the equity/assets ratio exceeds 40 per cent and it is judged that the company's general financial strength so allows.

The Board propose that no dividend is made on this occasion, motivated partly by the fact that the equity /assets ratio does not reach the dividend policy limit of 40 per cent, but also to secure the financial strength in relation to the major investments which the company is facing in the coming years.

For more information about the company's results and financial position for 2019 and 2018, see the following income statement and balance sheet and additional disclosures.

CONSOLIDATED INCOME STATEMENT

(SEK 1,000)	Note	2019-01-01 2019-12-31	2018-01-01 2018-12-31
Net turnover	3	955.061	908.429
Expenditure for goods sold	10	-763.908	-731.799
Gross profit		191.153	176.630
Sales costs		-20.873	-25.012
Administrative costs		-54.084	-34.769
Other operating income	5	51.112	75.333
Other operating expenses	6	-54.522	-81.824
Operating income	7, 8, 9	112.786	110.358
Interest and other similar income		1.956	1.181
Interest expense and similar items	11	-25.348	-25.513
Profit after financial items		89.394	86.026
Tax on profit for the year	12	-39.473	-39.350
Profit for the year		49.921	46.676

CONSOLIDATED BALANCE SHEET

(SEK 1,000)	Note	2019-12-31	2018-12-31
ASSETS			
Fixed assets			
Tangible fixed assets	13		
Buildings and Land		488.699	525.172
Plant and other technical equipment		140.953	161.644
Inventory, tools, fixtures and fittings		71.443	77.008
Construction in progress and advances		105.427	19.948
		806.522	783.772
Financial assets			
Deferred taxes recoverable	14	32.907	34.354
Other long-term receivables	15	51.262	50.357
Total Financial fixed assets		84.169	84.711
Total fixed assets		890.691	868.483
CURRENT ASSETS			
Current receivables			
Accounts receivables		55.170	60.914
Other receivables	18	21.845	13.082
Current income taxes recoverable		6.181	7.994
Prepayments and accrued income	19	48.345	57.830
		131.541	139.820
Cash and bank balances	25	207.443	176.425
Total current assets		338.984	316.245
Total assets		1.229.675	1.184.728

(SEK 1,000)	Note	2019-12-31	2018-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital		100.000	100.000
Other contributed capital		20.388	20.388
Other equity including profit for the year		127.160	77.239
		247.548	197.627
Equity		247.548	197.627
APPROPRIATIONS			
Other appropriations	21	28.801	28.373
Deferred tax liability	14	6.854	7.054
		35.655	35.427
LONG-TERM LIABILITIES			
Liability financial leasing	22	392.256	421.820
Other long-term liabilities	23	320.349	286.903
		712.605	708.723
CURRENT LIABILITIES			
Trade payables		66.463	53.931
Liability financial leasing	22	32.319	31.718
Other liabilities		8.074	9.168
Accrued expenses and deferred income	24	127.011	148.134
		233.867	242.951
Total equity and liabilities		1.229.675	1.184.728



CHANGES IN CONSOLIDATED EQUITY

Equity (SEK 1,000)	Share capital	Other contributed capital	Other reserves	Retained profits	Total equity
Opening balance as of 1 January 2019	100.000	20.388	25.010	52.229	197.627
Change in revaluation reserve			-735	735	0
Profit for the year				49.921	49.921
Total changes in value	0	0	-735	50.656	49.921
Closing balance as of 31 December 2019	100.000	20.388	24.275	102.885	247.548

The parent company's share capital comprises 3,600,000 shares with a quota value of SEK 27.78 per share.

THE GROUP'S CASH FLOW STATEMENT

(SEK 1,000)	Note	2019	2018
OPERATING ACTIVITIES			
Operating income		112.786	110.358
Adjustment for non-cash items:			
Depreciation and impairment of property, plant and equipment		70.643	74.414
Interest received		1.051	1.181
Interest paid		-25.348	-25.513
Provisions		428	1.295
Adjustment for linear distribution of rental costs		9.108	20.857
Adjustment for pension fund		6.193	0
Capital gain on property, plant and equipment		-7.430	833
		167.431	183.425
Income tax paid		-35.951	-39.756
Cash flow from operating activities before changes in working capital		131.480	143.669
Change in receivables		6.466	-9.081
Change in current liabilities		-9.084	-4.839
Cash flow from operating activities		128.862	129.749
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		-95.014	-32.165
Sale of equipment		11.077	44
Acquisition financial fixed assets		-462	-50.357
Cash flow from investing activities		-84.399	-82.478
FINANCING ACTIVITIES			
Amortization of long-term liabilities including financial leasing		-31.590	-38.630
Regulation in loans taken out		18.145	-123
Cash flow from financing activities		-13.445	-38.753
Cash flow for the year		31.018	8.518
Cash and cash equivalents at beginning of year		176.425	167.907
Cash and cash equivalents at end of year		207.443	176.425

THE PARENT COMPANY'S INCOME STATEMENT

(SEK 1,000)	Note	2019-01-01 2019-12-31	2018-01-01 2018-12-31
Net turnover	3	906.857	864.516
Expenditure for goods sold	10	-710.670	-686.346
Gross profit		196.187	178.170
Sales costs		-17.639	-22.773
Administrative costs		-52.430	-32.646
Other operating income	5	43.948	75.528
Other operating expenses	6	-53.636	-81.055
Operating income	7, 8, 9	116.430	117.224
Interest and other similar income		5.217	3.885
Interest expense and similar items	11	-15.157	-13.882
Profit after financial items		106.490	107.227
Appropriations	20	0	-27.030
Tax on profits of the year	12	-39.900	-39.897
Profit for the year		66.590	40.300

THE PARENT COMPANY'S BALANCE SHEET

(SEK 1,000)	Note	2019-12-31	2018-12-31
ASSETS			
Fixed assets			
Tangible fixed assets	13		
Buildings and Land		137.343	144.562
Plant and other technical equipment		49.911	61.043
Inventory, tools, fixtures and fittings		71.139	76.218
Construction in progress and advances		103.897	19.951
		362.290	301.774
Financial assets			
Participations in group companies	16	3.100	3.100
Receivables from group companies	17	122.583	111.650
Deferred taxes recoverable	14	28.608	30.583
		154.291	145.333
Total fixed assets		516.581	447.107
CURRENT ASSETS			
Current receivables			
Accounts receivables		47.770	59.305
Receivables from group companies		1.760	11.884
Other receivables	18	21.248	10.382
Current income taxes recoverable		5.786	7.494
Prepayments and accrued income	19	41.860	54.524
		118.424	143.589
Cash and bank balances	25	164.494	160.795
Total current assets		282.918	304.384
Total assets		799.499	751.491



(SEK 1,000)	Note	2019-12-31	2018-12-31
EQUITY AND LIABILITIES			
Restricted equity			
Share capital		100.000	100.000
Statutory reserve		20.388	20.388
Revaluation reserve		24.275	25.010
		144.663	145.398
Non-restricted equity			
Retained earnings		30.924	-10.111
Profit for the year		66.590	40.300
		97.514	30.189
Total equity		242.177	175.587
Appropriations			
Other appropriations	21	28.801	28.373
Deferred tax liability	14	6.854	7.054
		35.655	35.427
Long-term liabilities			
Other long-term liabilities	23	320.349	286.903
Current liabilities			
Trade payables		64.291	51.740
Liabilities to group companies		11.331	51.118
Other liabilities		7.565	8.772
Accrued expenses and deferred income	24	118.131	141.944
		201.318	253.574
Total equity and liabilities		799.499	751.491

CHANGES IN THE PARENT COMPANY'S EQUITY

Equity (SEK 1,000)	Share capital	Statutory reserve	Revaluation reserve	Non-restricted equity	Total equity
Opening balance as of 1 January 2019	100.000	20.388	25.010	30.189	175.587
Change in revaluation reserve			-735	735	0
Profit for the year				66.590	66.590
Closing balance	100.000	20.388	24.275	97.514	242.177

The parent company's share capital comprises 3,600,000 shares with a quota value of SEK 27.78 per share.



THE PARENT COMPANY'S CASH FLOW STATEMENT

(SEK 1,000)	Note	2019	2018
OPERATING ACTIVITIES			
Operating income		116.430	117.224
Adjustment for non-cash items:			
Depreciation and impairment of property, plant and equipment		30.779	30.086
Interest received		5.217	3.885
Interest paid		-15.157	-13.882
Provisions		428	1.295
Adjustment for linear distribution of rental costs		9.108	20.869
Adjustment for pension fund		6.193	0
Capital gain on property, plant and equipment		-200	833
		152.798	160.310
Income tax paid		-35.955	-39.756
Cash flow from operating activities before changes in working capital		116.843	120.554
Change in receivables		23.457	-23.815
Change in current liabilities		-52.256	-10.437
Cash flow from operating activities		88.044	86.302
INVESTING ACTIVITIES			
Acquisition of subsidiaries		0	-50
Change in financial fixed assets		-10.935	-51.530
Acquisition of property, plant and equipment		-91.755	-31.032
Sale of equipment		200	44
Cash flow from investing activities		-102.490	-82.568
FINANCING ACTIVITIES			
Adjustment in loans taken out		18.145	0
Cash flow from financing activities		18.145	0
Cash flow for the year		3.699	3.734
Cash and cash equivalents at beginning of year		160.795	157.061
Cash and cash equivalents at end of year		164.494	160.795

ADDITIONAL DISCLOSURES

Note 1 General information
Copenhagen Malmö Port AB with corporate identity number 556027-4077 is a limited company registered in Sweden with its headquarters in Malmö. The address of the head office is Terminalgatan 18, SE 201 25 Malmö. The parent company owns 100% of the subsidiary Copenhagen Malmö Port Norra Hamnen AB, Corp. ID no. 559061-3963, also with headquarters in Malmö, as well as the subsidiary Copenhagen Malmö Port Cruise Visby AB, Corp. ID no. 559143-4468, and registered office on Gotland. The parent company also consists of the Danish branch, Copenhagen Malmö Port, Filial af Copenhagen Malmö Port AB, Sverige with Corp. ID no. 25 99 60 11 and registered office in Copenhagen, Denmark.

Note 2 Accounting principles
The company applies the Swedish Annual Accounts Act (1995:1554) and General Recommendation BFNAR 2012:1 Annual Accounts and Consolidated Financial Statements ("K3") of the Swedish Accounting Standards Board.

The same accounting and valuation principles are applied in the parent company as in the group, apart from in the cases indicated in italics below.

Consolidated accounts
The consolidated accounts comprise the parent company Copenhagen Malmö Port AB and the companies over which the parent company directly or indirectly has a controlling influence (subsidiaries). Controlling influence entails an entitlement to structure another company's financial and operational strategies with the aim of obtaining financial benefits. In assessing whether controlling influence exists, the holding of financial instruments which are potentially qualified to vote should be taken into account as well as financial instruments which can be utilised or converted to equity instruments qualified to vote without delay. Consideration should also be taken to whether the company is able to control operations through an agent. Controlling influence normally exists when the parent company directly or indirectly has shares which represent more than 50% of the votes.

Leasing
All the parent company's lease contracts in which the company is lessee are reported as operational leasing (rental agreement), regardless of whether the agreement is financial or operational.

Revenues
Revenues are reported at the fair value of the compensation received or will be received, with deduction for value added tax, discounts, returns and similar.

Sales of services
Revenues from sales of services on current account are reported as revenues in the period the work is performed and materials are supplied or consumed.

Tangible fixed assets
Fixed assets are reported at acquisition value after deduction for accumulated depreciation and any write-downs.

The acquisition value consists of the purchase price, expenditure that is directly attributable to the acquisition in order to bring it to the location and in the condition to be used. Additional expenses are only included in the asset or reported as a separate asset when it is likely that future economic advantages that are associated with the item will accrue to the company and that the acquisition value for it can be measured reliably. All other costs for repairs and maintenance, as well as additional expenditure, are reported in the income statement in the period when they arise.

When there is deemed to be a material difference in use of a tangible asset's significant components, the asset is divided into these components.

Depreciation of tangible fixed assets is booked in such a way that the asset's acquisition value, potentially reduced by the estimated residual value at the end of its economic life, is written off lineally over its estimated economic life. If an asset has been divided up into different components, the respective component is written off separately over its economic life. Depreciation commences when the tangible fixed asset can be put into use. The economic life of tangible fixed assets is set at:

Buildings	
Framework	100 years
Additional structure/interior walls	50 years
Heating, ventilation, sanitation and electricity	40 years
Ventilation	20 years
Facade and Roof	40 years
Transport (elevators)	25 years
Cranes	25-30 years
Building equipment and installations	10-20 years
Work machinery	7-10 years
Vehicles and other equipment	5-10 years
Computers	3-5 years

Capital allowances other than depreciation according to plan are regarded as accelerated depreciation arrangements which constitute an untaxed reserve.

Assessed economic life and depreciation methods are reviewed if there are indications that expected use has changed substantially compared with the estimate on the previous balance sheet date. When the company changes its assessment of economic life, it also reviews the asset's residual value, if any. The effect of these changes is reported prospectively.

Buildings have no assessed value.

Removal from the balance sheet

The reported value for a tangible asset is removed from the balance sheet in connection with disposal or sale, or when no future economic benefits are expected from use or disposal/sale of the asset or the component. The profit or loss that arises when a tangible fixed asset or a component is removed from the balance sheet is the difference between that which is potentially received after deduction for direct sales expenses, and the asset's reported value. The capital gain or capital loss that arises when a tangible fixed asset or a component is removed from the balance sheet is reported in the income statement as other operating income and other operating expense.

Lease contracts

A financial lease contract is an agreement according to which the economic risks and benefits that are associated with ownership of an asset are transferred in all essentials from the lessor to the lessee. Other lease contracts are classified as operational lease contracts. If rent payments do not coincide with linear accounting and it is assessed that rent that is to be paid includes a financing component, rent arrears are reported at discounted value.

The group as lessee

Assets which are held according to financial lease contracts are reported as fixed assets in the group's balance sheet at actual value at the start of the lease period or at the current value of the minimum leasing fees if this is lower. The liability that the lessee has in relation to the lessor is reported in the balance sheet under the headings Long-term liabilities and Short-term liabilities respectively, with the subheading Liability financial leasing. The lease payments are distributed between interest and amortization of the liability. The interest is distributed over the term of the lease so that each accounting period is charged with an amount equivalent to a fixed interest rate on the liability recorded during the respective period. Interest charges are reported directly in the income statement unless they are directly attributable to acquisition of an asset which of necessity takes a significant period to make ready for the intended use or sale, and the capitalization principle is applied.

Lease contracts where the economic benefits and risks which are attributable to the leased item in all essentials remain with the lessor, are classified as operational leasing. Payments, including an initial increased rent, according to these contracts are accounted as a cost lineally over the lease period, or alternatively based on the economic benefit over the leasing period.

Financial instruments

Financial instruments are reported in accordance with the rules in K3, Chapter 11, which means that valuation is based on acquisition value. Financial instruments reported in the balance sheet include accounts receivable and other receivables, accounts payable and borrowings. The instruments are reported in the balance sheet when the company becomes a party to the contractual provisions. Financial assets are removed from the balance sheet when the right to receive the cash flow from the instrument have expired or been transferred and the group has substantially transferred all risks and rewards of ownership.

Financial liabilities are removed from the balance sheet when the commitments have been regulated or ceased in some other way.

Accounts receivable and other receivables

Receivables are reported as current assets with the exception of items with a due date more than 12 months after the balance sheet date, which are classified as fixed assets. Receivables are recognised at the amount that is expected to be paid after deductions for individually assessed doubtful debts. Receivables that are interest-free or which bear interest which deviates from the market rate and have a duration in excess of 12 months, are reported at a discounted present value and the change in value over time is reported as interest income in the income statement.

Borrowings and accounts payable

Borrowings are reported initially at acquisition value after deduction for transaction costs (accrued acquisition value). If the amount reported differs from the amount that is to be repaid on maturity, the difference is periodised as an interest expense over the term of the loan using the instrument's effective rate of interest. The amount reported thus corresponds with the amount to be repaid. Current accounts payable are reported at acquisition value.

Offsetting off financial receivable and financial liability

A financial asset and a financial liability are only offset and reported at a net amount in the balance sheet when there is a legal right of set-off and when regulation with a net amount is intended to take place or when there is an intention to simultaneously dispose of the asset and settle the liability.

Impairment test of financial liability

On every balance sheet date, the company assesses whether there is any indication of impairment in any of the

financial fixed assets. Impairment takes place if the depreciation is judged to be permanent. Impairment is reported in the income statement item, Profit/loss from other securities and receivables forming part of the fixed assets. Impairment is tested individually for shares and participations and other individual financial fixed assets that are significant. Examples of indications of impairment are negative economic circumstances or adverse changes in industry conditions in companies whose shares CMPAB has invested in. Impairment for assets valued at accrued acquisition value are measured as the difference between the asset's carrying amount and the present value of the management's best estimate of the future cash flows discounted at the financial asset's original effective interest rate. For assets with floating interest rate, the current rate on the balance sheet date is used as discount rate.

For the purpose of impairment testing for the securities portfolio with interest rate instruments, an effective interest rate for the portfolio is established correspondingly to that used for discounting. If impairment of shares takes place, the impairment loss is established as the difference between the carrying amount and the highest of fair value with deduction for selling expenses and the present value of the future cash flows (which are based on the management's best estimate).

Remuneration to employees

Remuneration to employees in the form of salaries, bonuses, paid holiday, paid sick leave etc., as well as pensions, are reported as they are accrued. With regard to pensions and other post-employment remuneration, they are classified as defined contribution or defined benefit pension plans. The company only has defined contribution pension plans.

Provisions

Provisions are reported when the company has an existing obligation (legal or informal) as a result of an incident that has occurred, it is likely that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

A provision is reviewed each balance sheet date and adjusted so that it reflects the best estimate of the amount required to settle the existing obligation on the balance sheet date, taking into account risks and uncertainties associated with the obligation. When a provision is calculated by estimating the payments that are expected to be required to settle the obligation, the reported value corresponds to the current value of these payments.

Tax

Total tax is comprises current tax and deferred tax. Taxes are reported in the income statement, apart from when underlying transaction is accounted directly against equity, when pertinent tax effects are reported in equity.

Current tax

Current tax refers to income tax for the present financial year as well as the part of the previous financial year's income tax that has not yet been reported. Current tax is calculated on the basis of the tax rate that applies on the balance sheet date.

Deferred tax

Deferred tax is income tax which relates to future financial years as a result of previous events. Accounting takes place according to the balance sheet method. This means that deferred tax liabilities and deferred income taxes recoverable on temporary differences which arise between, respectively, booked and fiscal values for assets and liabilities as well as for other fiscal deductions or deficits.

Deferred income taxes recoverable are reported net against deferred tax liabilities only if they can be paid with a net amount. Deferred tax is calculated on the basis of the tax rate approved on the balance sheet date. Effects of changes to the applicable tax rates are taken up as income in the period in which the change was legally prescribed. Deferred income taxes recoverable are reduced to the extent that it is unlikely that the underlying income taxes recoverable will be realised within the foreseeable future. Deferred income taxes recoverable are reported as financial assets and deferred tax liability as provision.

Receivables and liabilities

Receivables are recognised at the amounts expected to be received.

Receivables and liabilities in foreign currencies have been converted into Swedish kronor at closing-date exchange rates. The difference between cost and the value at the closing date has been recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents are constituted solely by bank balances.

Foreign branch

The branch's income statement and balance sheet have been converted in accordance with the monetary/non-monetary method. Monetary items in foreign currency are converted at the rate on the balance sheet date. Non-monetary items are recognised at the rate per day for the business event (date of acquisition).

Cash flow statement

The cash flow statement shows changes in the company's liquid funds during the financial year. The cash flow statement has been prepared according to the indirect method. The cash flow reported solely comprises transactions that entailed payments received or made.



Important estimates and assessments

Estimates and assessments are evaluated continuously and are based on historical experience and other factors, including expectations of future events regarded as reasonable under prevailing circumstances.

Reserve for bad debts

The company continually makes an individual assessment of accounts receivable to assess and determine the need for a reserve where full payment is not anticipated.

Need for restoration of land

The company and the company's customers sometimes conduct operations that can entail a risk that restoration of land etc. will be required. In most customer agreements, the customer is responsible for this, however, the company continuously assesses and evaluates the need to make provisions for restoration costs.

Classification of leasing

The company pays large concession fees for the areas where operations are conducted, as well as for the buildings etc. included. The company classifies the concession fees on an ongoing basis regarding whether they are to be considered as financial or operational leasing. Where the classification is financial, the installation or area is reported in the balance sheet as an asset.

Valuation of own assets

The company has a small number of assets which have a depreciation period longer than the company's Concession agreement with the owners of the area. The company therefore continuously evaluates depreciation rate and asset value.

NOTE 3 - NET SALES

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Terminal income	712.589	677.311	619.180	582.758
Rental income	160.997	154.730	159.817	153.261
Other income	81.475	76.388	127.860	128.497
Total	955.061	908.429	906.857	864.516

Sales per geographic market

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Sweden	355.613	349.997	307.409	306.083
Denmark	599.448	558.432	599.448	558.433
Total	955.061	908.429	906.857	864.516

NOTE 4 - INFORMATION ABOUT PURCHASES AND SALES WITHIN THE SAME GROUP

(SEK 1,000)	Parent Company	
	2019	2018
Purchases	0%	0%
Sales	6%	7%

NOTE 5 - OTHER OPERATING INCOME

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Exchange rate regulation	38.922	64.790	38.996	64.985
Capital gain/loss on sale	7.430	294	200	294
Other	4.760	10.249	4.752	10.249
Total	51.112	75.333	43.948	75.528

NOTE 6 - OTHER OPERATING EXPENSES

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Exchange rate regulation	41.910	68.841	41.907	68.819
Property tax	6.044	5.677	6.044	5.677
Self-insurance costs	1.259	2.245	421	1.508
Capital gain/loss on sale	0	881	0	881
Other	5.309	4.180	5.264	4.170
Total	54.522	81.824	53.636	81.055

NOTE 7 - FEES TO AUDITORS

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
PwC				
Audit assignment	900	874	600	694
Auditing services in addition to the audit assignment	0	96	0	96
Tax consultancy	482	258	364	258
Other services	382	107	332	107
Total	1.764	1.335	1.296	1.155

Audit assignments include reviewing the annual report and accounts, as well as administration by the Board of Directors and the CEO.

Auditing services in addition to audit assignments refers to other tasks that it is incumbent on the company's auditor to perform, as well as consultancy or other assistance as a result of observations in connection with such inspection.

Tax consultancy is reported separately. Everything else is included in other services.

NOTE 8 - NUMBER OF EMPLOYEES, SALARIES AND REMUNERATION FOR EMPLOYEES AND THE BOARD

Average number of employees	Group		Parent Company	
	2019	2018	2019	2018
Malmö				
Men	142	139	97	101
Women	29	26	27	26
Total	171	165	124	127
Copenhagen				
Men	167	164	167	164
Women	32	27	32	27
Total	199	191	199	191
Total	370	356	323	318



NOTE 8 - NUMBER OF EMPLOYEES, SALARIES AND REMUNERATION FOR EMPLOYEES AND THE BOARD, CONTINUED

Personnel expenses (SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Board of Directors and CEO				
Salaries and other remuneration	10.138	9.617	8.945	8.451
of which Bonuses	490	490	490	490
Social-security contributions,	3.616	3.590	2.744	2.733
of which pension costs and obligations	2.268	2.266	1.772	1.604
Other employees				
Salaries and other remuneration	235.803	220.242	213.429	202.196
of which Bonuses	671	774	671	773
Social-security contributions,	52.327	48.192	43.518	40.601
of which pension costs and obligations	23.827	19.693	22.742	18.781

Agreements on severance pay in the amount of one year's salary have been concluded with the CEO.

Female representation on the Board and in management	Board of Directors	CEO and other senior executives
Proportion of men in the group	75%	43%

NOTE 9 - OPERATIONAL LEASING

The company has lease expenses for cars, machinery and equipment.
Total lease payments in 2019 were 19.602 (11.515) TSEK.
(The nominal values are given in the note below.)

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Within one year	15.110	10.503	18.019	8.225
Later than one year but within five years	14.522	15.112	32.737	29.464
Later than five years	0	0	30.240	34.589
Total	29.632	25.615	80.996	72.278

The company has leasing costs for leases

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Within one year	159.370	145.119	243.103	227.328
Later than one year but within five years	709.981	682.200	1.054.914	1.016.374
Later than five years	2.228.073	2.414.096	3.255.348	3.244.757
Total	3.097.424	3.241.415	4.553.365	4.488.459

The parent company as lessee

The parent company has a lease contract with Malmö stad on which the subsidiary, Copenhagen Malmö Port Norra Hamnen AB conducts its operations. The relevant area consists of quays, land, railway tracks and buildings consisting of office premises and workshops. The parent company sublets the area to the subsidiary in a lease contract which extends until 2035. The contract is drawn up in such a way that the fee consists primarily of a fixed component.

NOTE 10 - DEPRECIATION AND IMPAIRMENT OF TANGIBLE FIXED ASSETS

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Cost of goods sold	-70.644	-73.383	-31.239	-33.556
Total	-70.644	-73.383	-31.239	-33.556

NOTE 11 - INTEREST CHARGES AND SIMILAR EXPENSES

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Interest in respect of financial leasing	10.185	11.622	0	0
Other	15.163	13.891	15.157	13.882
Total	25.348	25.513	15.157	13.882

NOTE 12 - TAX

(SEK 1,000)	Group		Parent Company	
	2019	2018	2019	2018
Current tax	-37.764	-43.574	-37.662	-43.574
Deferred tax	-1.709	4.224	-2.238	3.677
Tax on profit for the year	-39.473	-39.350	-39.900	-39.897

RECONCILIATION OF TAX EXPENSE FOR THE YEAR:

Reported profit before tax	89.394	86.026	106.490	80.197
Tax calculated with tax rate of 22 %	-19.130	-18.926	-22.789	-17.643
Tax effect of non deductible expenses	-1.318	-1.317	-609	-1.286
Tax effect of non-taxable income	0	2	0	0
Adjustment from booked to fiscal depreciation of building	-320	-328	-294	-301
Effect of foreign tax	-10.551	-17.182	-10.551	-17.182
Difference in exchange rate on foreign tax	-3.085	-1.716	-3.085	-1.716
Utilization of previously non-capitalized losses carried forward	0	2.051	0	0
Tax effect of impairment of shares in subsidiary	-334	-4.493	-334	-4.493
Tax attributable to previous year	-2.442	0	0	0
Other adjustments	-2.294	2.558	-2.238	2.724
Total	-39.473	-39.350	-39.900	-39.897
Reported tax expense for the year	-39.473	-39.350	-39.900	-39.897



NOTE 13 - TANGIBLE FIXED ASSETS

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Buildings and land				
Opening acquisition value	190.417	161.671	188.005	159.259
Reclassifications	0	28.746	0	28.746
Closing accumulated acquisition value	190.417	190.417	188.005	188.005
Opening depreciation	-44.186	-37.633	-43.443	-37.011
Depreciation for the year	-7.340	-6.553	-7.219	-6.432
Closing accumulated depreciation	-51.526	-44.186	-50.662	-43.443
Closing residual value according to plan	138.891	146.231	137.343	144.562

(SEK 1,000)	Group	
	2019-12-31	2018-12-31
Buildings and Land attributable to financial leasing		
Opening acquisition value	527.360	509.688
Procurement regulation	1.275	3.435
Acquisitions for the year	0	14.237
Closing accumulated acquisition value	528.635	527.360
Opening depreciation	-148.419	-117.328
Procurement regulation	0	-1.030
Depreciation for the year	-30.408	-30.061
Closing accumulated depreciation	-178.827	-148.419
Closing residual value according to plan	349.808	378.941

Depreciation of financial lease contracts takes place over the term of the lease, normally 5-35 years.
For more information regarding lease contracts, See note 21 Financial leasing.

(SEK 1,000)	Group	
	2019-12-31	2018-12-31
Machinery assignable to financial leasing		
Opening acquisition value	61.841	60.212
Acquisitions for the year	2.375	1.629
Closing accumulated acquisition value	64.216	61.841
Opening depreciation	-5.181	-774
Depreciation for the year	-4.941	-4.407
Closing accumulated depreciation	-10.122	-5.181
Closing residual value according to plan	54.094	56.660

NOTE 13 - TANGIBLE FIXED ASSETS, CONTINUED

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Plant and other technical equipment				
Opening acquisition value	326.973	320.014	242.435	235.476
Reclassifications	579	9.448	579	9.448
Sales/disposals	-30.977	-2.489	-1.362	-2.489
Closing accumulated acquisition value	296.575	326.973	241.652	242.435
Opening impairment	-11.170	-11.170	-11.170	-11.170
Impairment at end of year	-11.170	-11.170	-11.170	-11.170
Opening depreciation	-210.819	-195.583	-170.222	-159.914
Sales/disposals	27.330	2.489	1.362	2.489
Depreciation for the year	-15.057	-17.725	-11.711	-12.797
Closing accumulated depreciation	-198.546	-210.819	-180.571	-170.222
Closing residual value according to plan	86.859	104.984	49.911	61.043

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Inventory, tools, fixtures and fittings				
Opening acquisition value	184.411	185.054	182.420	183.549
Reclassifications	7.333	3.675	7.230	3.189
Sales/disposals	0	-4.318	0	-4.318
Closing accumulated acquisition value	191.744	184.411	189.650	182.420
Opening depreciation	-107.403	-96.203	-106.202	-95.312
Sales/disposals	0	3.437	0	3.437
Depreciation for the year	-12.898	-14.637	-12.309	-14.327
Closing accumulated depreciation	-120.301	-107.403	-118.511	-106.202
Closing residual value according to plan	71.443	77.008	71.139	76.218

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Construction in progress and advances				
Opening balance	19.948	30.299	19.951	30.299
Expenditure for the year	93.392	31.519	91.756	31.033
Reclassifications during the year	-7.913	-41.870	-7.810	-41.381
Closing balance	105.427	19.948	103.897	19.951



NOTE 14 - DEFERRED TAX

Deferred taxes recoverable (SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Deferred tax in respect of financial leasing	4.299	3.770	0	0
Deferred tax in respect of temporary difference in lease contract	28.608	30.584	28.608	30.583
	32.907	34.354	28.608	30.583

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Opening deferred taxes recoverable	34.354	30.336	30.583	27.112
Appropriations for the year	991	4.018	463	3.471
Reversal for the year	-2.438	0	-2.438	0
Closing deferred taxes recoverable	32.907	34.354	28.608	30.583

Tax rate for calculation of deferred tax amounts to 21.4 per cent and 20.6 per cent respectively. The deferred tax asset is not recognised on the carry-forward amount for settlement of foreign tax as at present it is not likely that the amount can be utilised within the prescribed period.

Deferred tax on lease contracts arises as a temporary difference for the cost, as it does not become deductible until the date of payment, see note 23.

Deferred tax liability (SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Deferred tax in respect of appreciation of property	6.854	7.054	6.854	7.054
	6.854	7.054	6.854	7.054

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Opening deferred taxes recoverable	7.054	7.260	7.054	7.260
Appropriations for the year	0	0	0	0
Reversal for the year	-200	-206	-200	-206
Closing deferred taxes recoverable	6.854	7.054	6.854	7.054

NOTE 15 - OTHER LONG-TERM RECEIVABLES

(SEK 1,000)	Group	
	2019-12-31	2018-12-31
Opening acquisition value	50,282	0
Additional receivables	0	50,000
Other receivables	905	282
Total appropriations	51,187	50,282
Closing reported value	51,187	50,282

Receivables refer to a security deposit to Region Gotland, in connection with a lease. Interest is payable on the amount of security deposited, corresponding to the annual change in the CPI, and the security deposit will be refunded with interest in 2025 if the company does not exercise its possibility to give notice of termination.

NOTE 16 - PARTICIPATIONS IN GROUP COMPANIES

(SEK 1,000)	Parent Company	
	2019-12-31	2018-12-31
Opening acquisition value	40.100	40.050
Investment subsidiaries	0	50
Closing accumulated acquisition value	40.100	40.100
Opening impairment	-37.000	-37.000
Impairment charge for the year	0	0
Closing accumulated	-37.000	-37.000
Closing reported value	3.100	3.100

PARTICIPATIONS IN GROUP COMPANIES, CONTINUED

The company's holding of participations in group companies

The company's name	Share of equity	Share of voting power	Number of participations	Booked value 2019-12-31
Copenhagen Malmö Port Norra Hamnen AB	100%	100%	100.000	3.050
Copenhagen Malmö Port Cruise Visby AB	100%	100%	50.000	50
Total				3.100

The company's name	Corp. ID no.	Registered office
Copenhagen Malmö Port Norra Hamnen AB	559061-3963	Malmö
Copenhagen Malmö Port Cruise Visby AB	559143-4468	Gotland

NOTE 17 - RECEIVABLES FROM GROUP COMPANIES

(SEK 1,000)	Parent Company	
	2019-12-31	2018-12-31
Opening acquisition value	111.650	56.650
Additional receivables	10.933	55.000
Closing accumulated acquisition value	122.583	111.650
Closing reported value	122.583	111.650

NOTE 18 - OTHER RECEIVABLES

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Insurance compensation	1.042	727	1.042	727
Fees	18.118	9.942	17.516	7.312
Other	2.685	2.413	2.690	2.343
	21.845	13.082	21.248	10.382

NOTE 19 - PREPAYMENTS AND ACCRUED INCOME

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Accrued terminal income etc.	20.316	27.028	14.702	23.752
Prepaid rents	24.463	23.969	24.463	23.971
Other	3.566	6.833	2.695	6.801
	48.345	57.830	41.860	54.524

NOTE 20 - APPROPRIATIONS

(SEK 1,000)	Parent Company	
	2019-12-31	2018-12-31
Appropriations		
Group contribution provided	0	27.030
Total appropriations	0	27.030

NOTE 21 - PROVISIONS

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Opening appropriation	28.373	27.078	28.373	27.078
Appropriations for the year	0	206	0	206
Rate adjustment for the year	428	1.089	428	1.089
Closing value other appropriations	28.801	28.373	28.801	28.373

Appropriations correspond to the compensation the company received from a previous customer related to future environmental requirements for restoration of land in connection with the customer relocating. The obligations are based on thorough studies of the environmental requirements for restoration of land.

The customer has made a one off payment to CMP corresponding to the obligation. The compensation and appropriation has had no impact on the operating profit during the financial year.

NOTE 22 - FINANCIAL LEASING

Financial lease contracts - lessee

The Group has entered into financial leasing agreements for buildings and land and machinery. The leasing agreements are non-cancellable and the leasing periods vary between 5-35 years. The year's costs relating to depreciation and interest in the Group amounted to MSEK 44.4 and in the parent company to MSEK 0. At the end of the lease term, the Group has no opportunity to acquire the leased as sets according to the conditions stated in the leasing agreements. The maturity dates for the financial lease debt are explained below:

(SEK 1,000)	Group	
	2019-12-31	2018-12-31
Within one year	32.319	31.718
Later than one year but within five years	127.376	150.519
Later than five years	264.880	271.301
	424.575	453.538
Long-term part	392.256	421.820
Short-term part	32.319	31.718
	424.575	453.538

NOTE 22 - FINANCIAL LEASING , CONTINUED

A financial lease contract is a lease contract according to which the economic risks and benefits that are associated with ownership of an asset are transferred in all essentials from the lessor to the lessee. Our assessment is also that the leased asset is of such a specific character that only the lessee can use the asset without essential changes being made.

The CMP group has a number of significant contracts that are very important in enabling CMP to conduct its operations. These are the concession agreements that the CMP AB group has with its two largest landowners, which are also major owners of CMP. These are By & Havn and Malmö stad. The contracts cover almost all areas in which CMP conducts its operations in Malmö. The fees for the concession agreements are deemed to be market-based and the current contracts apply for the period 2011 to 2035. The Group largely books the concession agreements evenly throughout the term of the agreement, while the landowners have incrementally increased the annual invoicing from the start of 2011 by almost MSEK 10 per year in accordance with the concession agreements. According to the agreements, they will do this until 2023 and subsequently invoice the same amount until 2035 where only an index linked amount for inflation will be added.

NOTE 23 - OTHER LONG-TERM LIABILITIES

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Long-term liabilities due for payment more than five years after the balance sheet date:				
Other liabilities	320.349	286.903	320.349	286.903
Total long-term liabilities	320.349	286.903	320.349	286.903

NOTE 24 - PREPAYMENTS AND ACCRUED INCOME

(SEK 1,000)	Group		Parent Company	
	2019-12-31	2018-12-31	2019-12-31	2018-12-31
Accrued expenses and deferred income				
Accrued salaries, holiday pay and social-security contributions	53.416	59.074	48.048	54.214
Estimated payroll tax	1774	1.645	1.645	1.645
Accrued discounts	4.446	2.495	2.376	2.462
Prepaid basic rent reduction 2015-2019	0	5.867	0	5.867
Accrued rental costs	31.878	41.289	30.878	41.289
Prepaid rental income	25.221	25.406	25.474	25.152
Other	10.276	12.358	9.710	11.315
Total accrued expenses and deferred income	127.011	148.134	118.131	141.944

NOTE 25 - OVERDRAFT FACILITY

The company has a credit facility of SEK 30,000 thousand with SEB Bank. The overdraft facility was not utilised at the closing date.

NOTE 26 - ALLOCATION OF PROFITS

(SEK 1,000)	2019-12-31	
The Board of Directors proposes that funds available		
Retained earnings	30.924	
Profit for the year	66.590	
	97.514	
are allocated so that		
a dividend of SEK 7.29 per share to be distributed to shareholders	0	
to be carried forward	97.514	

The parent company's share capital comprises 3,600,000 shares with a quota value of SEK 27.78 per share.

NOTE 27 - PLEDGED ASSETS

(SEK 1,000)	Group	
	2019-12-31	2018-12-31
Assets held with financial leasing	403.902	435.601

NOTE 28 - EVENTS AFTER THE BALANCE SHEET DATE

As a result of a significant level of uncertainty related to COVID-19, CMP is taking major measures to reduce the impact of the situation on its business, including reducing costs and the number of employees and increasing flexibility in the workforce. There is a significant risk of material financial impact on CMP from the end of March. With the high level of uncertainty surrounding the situation and the potential further initiatives from the authorities and CMP's customers, it is very difficult to predict the full financial impact that the situation may have on CMP.

Negotiations on the right of use agreements with the land owners are ongoing. CMP is negotiating to obtain a right of use agreement with an agreement period of 2020-2044, right of use fees (two parts, a fixed basic rent and a variable rent based on profits) and an interest rate for finance on market terms. That the basic rent is on market terms is verified by a new external valuation no later than every ten years. In the event that CMP is terminated, any residual value of investments will be depreciated.

COPENHAGEN, 31 MARCH 2020

Luciano Astudillo

Chairman

Birgit Aagaard-Svendsen

Deputy Chairman

Anders Peterson

Gert-Inge Johansson

Employee representative

Olof Andersson

Marianne Sørensen

Employee representative

Karsten Jensen

Employee representative

Jonas Bjørn Jensen

Torbjörn Tegnhammar

Maria Petersson

Employee representative

Søren Jespersen

Johnny Isager Høvring

Employee representative

Barbara Scheel Agersnap

Chief Executive Officer

Our auditor's report was submitted on 31 March 2020

Mats Åkerlund, Authorised Public Accountant

AUDITOR'S REPORT

Unofficial translation
To the general meeting of the shareholders of Copenhagen Malmö Port AB, corporate identity number 556027-4077

Report on the annual accounts and consolidated accounts

Opinions
We have audited the annual accounts and consolidated accounts of Copenhagen Malmö Port AB for the year 2019 except for the statutory sustainability report on pages 26-47 (printed version).

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2019 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. Our opinions do not cover the statutory sustainability report on pages 26-47 (printed version). The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions
We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility
Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Copenhagen Malmö Port AB for the year 2019 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

Basis for Opinions
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's opinion regarding the statutory sustainability report
The Board of Directors is responsible for the statutory sustainability report on pages 26-47 (printed version), and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Malmö 31 March 2020
PricewaterhouseCoopers AB

Mats Åkerlund
Authorized Public Accountant



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A SEA OF
OPPORTUNITIES

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