

Vestas India Holding A/S

CVR no. 10 79 46 84
Hedeager 42, 8200 Aarhus N

Annual report for 2022

Adopted at the annual general meeting on 31 May 2023

chairman

DocuSigned by:

Mikkel Bach Jensen

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Mikkel Bach Jensen

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Statement by Management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Vestas India Holding A/S for the financial year 1 January - 31 December 2022.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2022 and of the results of the company's operations for the financial year 1 January - 31 December 2022.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company at the annual general meeting.


Aarhus, 31 May 2023

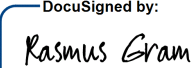
Executive board


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Javier Rodriguez Diez

Supervisory board

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Henrik Andersen
chairman

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Rasmus Gram

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Javier Rodriguez Diez

Independent Auditor's Report

To the shareholder of Vestas India Holding A/S

Opinion

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

We have audited the Financial Statements of Vestas India Holding A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies (financial statements).

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

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

Independent Auditor's Report

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent Auditor's Report

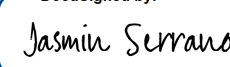
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 31 May 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

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Rune Kjeldsen
State Authorised Public Accountant
mne34160

DocuSigned by:

Jasmin Serrano
State Authorised Public Accountant
mne47222

Company details

The company

Vestas India Holding A/S
Hedeager 42
8200 Aarhus N

Telephone: +45 97 30 00 00

Fax: -45 97 30 00 01

Website: www.vestas.com

CVR no.: 10 79 46 84

Reporting period: 1 January - 31 December 2022

Domicile: Aarhus

Supervisory board

Henrik Andersen, chairman
Rasmus Gram
Javier Rodriguez Diez

Executive board

Javier Rodriguez Diez

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company Vestas Wind Systems A/S, Aarhus, CVR-nr. 10 40 37 82.

The group annual report of Vestas Wind Systems A/S, Aarhus, CVR-nr. 10 40 37 82 may be obtained at the following address:

Vestas Wind Systems A/S
Hedeager 42
8200 Aarhus N

Management's review

Business review

The company's principal activity is shares held in the Vestas Group's sales entity in India.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters

The company's financial position at 31 December 2022 and the results of its operations for the financial year ended 31 December 2022 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 December 2022 shows a loss of TDKK 198,232, and the balance sheet at 31 December 2022 shows equity of TDKK 480,154.

The loss for the year is explained by the impairment of the Indian subsidiary, driven by a change in footprint and closure of the blade factory. Net profit for the year is considered unsatisfactory.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Group chart

Parent Company

Vestas India Holding A/S
Denmark
Nom. tDKK 267,110

Subsidiaries

100%

Vestas Wind Technology India
Private Ltd.
India
Nom. tINR 1,936,150

Accounting policies

The annual report of Vestas India Holding A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

The annual report for 2022 is presented in TDKK

Pursuant to section §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

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

Income statement

Administrative costs

Administrative expenses comprise expenses incurred in the year related to management, administrative staff, office premises, office expenses, depreciation, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Profit/Loss from investments in subsidiaries, associates and participating interests

Dividend from investments is recognised in the reporting year in which the dividend is declared.

Profit/loss on disposals of investments in associates is recognised under Profit/loss from investments in associates.

Accounting policies

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use tax losses to reduce their own taxable profits.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in subsidiaries

Investment in subsidiaries are measured at cost. If cost exceeds the recoverable amount, a write-down is made to this lower value.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Equity

Dividends

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Accounting policies

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement 1 January 2022 - 31 December 2022

	Note	2022 TDKK	2021 TDKK
Gross profit		0	0
Administrative costs		-23	-32
Operating profit/loss		-23	-32
Profit/loss before financial income and expenses		-23	-32
Result from investments in subsidiaries	1	-199,017	0
Result from investments in associates	2	0	1,615
Financial income	3	1,498	25
Financial costs	4	-657	-144
Profit/loss from ordinary activities before tax		-198,199	1,464
Profit/loss before tax		-198,199	1,464
Tax on profit/loss for the year	5	-33	-189
Net profit/loss for the year		-198,232	1,275
Distribution of profit	6		

Balance sheet at 31 December 2022

	Note	2022 TDKK	2021 TDKK
Assets			
Investments in subsidiaries	7	107,960	306,977
Fixed asset investments		107,960	306,977
Total non-current assets		107,960	306,977
Receivables from group companies		372,381	371,402
Joint taxation contributions receivable		0	33
Receivables		372,381	371,435
Total current assets		372,381	371,435
Total assets		480,341	678,412

Balance sheet at 31 December 2022

	Note	2022	2021
		TDKK	TDKK
Equity and liabilities			
Share capital		267,110	267,110
Retained earnings		213,044	411,277
Equity		480,154	678,387
Joint taxation contributions payable		180	0
Other payables		7	25
Total current liabilities		187	25
Total liabilities		187	25
Total equity and liabilities		480,341	678,412
Subsequent events	9		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2022	267,110	411,276	678,386
Net profit/loss for the year	0	-198,232	-198,232
Equity at 31 December 2022	267,110	213,044	480,154

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
1 Result from investments in subsidiaries		
Impairment of investments in subsidiaries	-199,017	0
	<u>-199,017</u>	<u>0</u>
2 Result from investments in associates		
Share of profit/loss of associates	0	1,615
	<u>0</u>	<u>1,615</u>
3 Financial income		
Interest received from group companies	1,463	0
Exchange adjustments	35	25
	<u>1,498</u>	<u>25</u>
4 Financial costs		
Interest paid to group companies	657	144
	<u>657</u>	<u>144</u>
5 Tax on profit/loss for the year		
Current tax for the year	180	-33
Adjustment of tax concerning previous years	-147	0
Other taxes	0	222
	<u>33</u>	<u>189</u>

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
6 Distribution of profit		
Retained earnings	-198,232	1,275
	<u>-198,232</u>	<u>1,275</u>
7 Investments in subsidiaries		
Cost at 1 January 2022	306,977	306,977
Cost at 31 December 2022	306,977	306,977
Revaluation at 1 January 2022	0	0
Impairment for the year	-199,017	0
Revaluation at 31 December 2022	-199,017	0
Carrying amount at 31 December 2022	<u>107,960</u>	<u>306,977</u>

Investments in subsidiaries are specified as follows:

Name	Registered office	Currency	Ownership interest	Equity	Profit/loss for the year
Vestas Wind Technology India Private Ltd	India	tINR	100%	3,180,150	-26,279,000

8 Investments in associates

Cost at 1 January 2022	0	0
Transfers for the year	0	0
Revaluations at 1 January 2022	0	4,120
Disposals for the year	0	-3,162
Exchange adjustment	0	-3
Net profit/loss for the year	0	-955
Revaluations at 31 December 2022	0	0
Carrying amount at 31 December 2022	<u>0</u>	<u>0</u>

Notes

9 Subsequent events

No events have occurred after the balance sheet date which could significantly affect the company's position.

10 Contingent liabilities

The company is included in the joint taxation with the Groups other Danish companies and severally liable for tax on consolidated taxable income, etc.

11 Related parties and ownership structure

Transactions

All transactions with related parties has been carried out on a arm-length basis.

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Vestas Wind Systems A/S, Hedeager 42, 8200 Aarhus N