

Vestas Mediterranean A/S

CVR no. 28 11 82 01
Hedeager 42, 8200 Aarhus N

Annual report for 2022

Adopted at the annual general meeting on 16 June 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 Mediterranean A/S for the financial period 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.

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


Aarhus, 16 June 2023

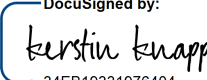
Executive board

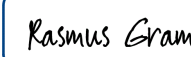
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Javier Rodriguez Diez

Supervisory board

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Henrik Andersen
chairman

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Kerstin Manella Knapp

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Rasmus Gram

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Javier Rodriguez Diez

Independent Auditor's Report

To the shareholder of Vestas Mediterranean 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 Mediterranean 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

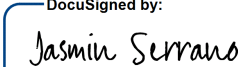
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 16 June 2023

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

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Rune Kjeldsen
State Authorised Public Accountant
mne34160

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Jasmin Serrano
State Authorised Public Accountant
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Company details

The company

Vestas Mediterranean 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.: 28 11 82 01

Reporting period: 1 January - 31 December 2022

Domicile: Aarhus

Supervisory board

Henrik Andersen, chairman
Rasmus Gram
Javier Rodriguez Diez
Kerstin Mariella Knapp

Executive board

Javier Rodriguez Diez

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Consolidated financial statements

The company is reflected in the group report of the parent company Vestas Wind Systems A/S, CVR 10 40 37 82

The group report of Vestas Wind Systems A/S, CVR 10 40 37 82 can be obtained at the following address:

Vestas Wind Systems A/S
Hedeager 42
8200 Aarhus N

Group chart

Parent Company

Vestas Mediterranean A/S, Denmark Nom. tDKK 50,000
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Consolidated subsidiaries

Vestas Hellas Wind Technology S.A., Greece Nom. tEUR 6,808	100%	100%	Vestas Italian S.r.l., Italy Nom. tEUR 3,000
Vestas France S.A., France Nom. tEUR 5,040	100%	100%	Vestas Chile Turbinas Eólicas Limitada, Chile Nom. tCLP 5,080
Vestas Rüzgar Enerjisi Sistemleri Sanayi ve Ticaret Ltd., Sirketi Nom. tTRY 11,500	100%	100%	Vestas WTG Mexico S.A. de C.V., Mexico Nom. tMXN 454
Vestas Mexicana del viento S.A. de C.V., Mexico Nom. tMXN 454	100%	99%	Vestas peru S.A.C., Peru Nom. tPEN 1
Vestas Costa Rica S.A., Costa Rica Nom. tCRC 1	100%	100%	Vestas MED Cyprus Ltd., Cyprus Nom. tEUR 300
Vestas Middle East SLU, Spain Nom. tEUR 96	100%	100%	Vestas Turbinas Eólicas del Uruguay S.A., Uruguay Nom. tUYU 720
Vestas Argentina S.A., Argentina Nom. tras 4,501,874	100%	100%	Vestas do Brazil Ltda., Brazil Nom. tBRL 82,538
Vestas Wind Systems Dominican Republic, S.R.L, Dominican Republic Nom. tDOP 200	99.9%	99.4%	Vestas Nicaragua SA, Nicaragua Nom. tNIO 50

Group chart (continued)

Vestas CV Limitada, Republic of Cape Verde Nom. tDOP 200	100%	100%	Vestas Servicios de Tecnologia Eólica Lda., Portugals Nom. tEUR 6,000
Vestas Guatemala, Guatemala Nom. tGTQ 5	100%	100%	Vestas Middle East S.L.U. – Jordan branch Jordan Nom. tJOD 0
Vestas Honduras, S.A. De C.V., Honduras Nom. tHNL 0	100%	100%	Availon Iberia S.L., Spain Nom. tEUR 3
Vestas Kompozit Kanat, Turkey Nom. tTRY 780	100%	100%	Vestas Senegal SARL, Senegal Nom. tXOF 1,000
Vestas Jamaica, Jamaica Nom. tPEN 0	100%	100%	Vestas Maroc, Marocco Nom. tMAD 10
Vestas Eólica S.A.U., Spain Nom. tEUR 14,741	100%	100%	Vestas Bolivia, Bolivia Nom. tBOB 85
Vestas Future Energy DMCC, UAE Nom. tAED 50	100%	100%	Vestas Colombia, Colombia Nom. tCOP 150,000
Vestas Overseas Panama S.A., Panama Nom. tUSD 9.999	99%	99%	Vestas El Salvador S.A. de C.V., El Salvador Nom. tUSD 2
Vestas Spare Parts Panamá S.A., Panama Nom. tUSD 10	100%		

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2022	2021	2020	2019	2018
	MDKK	MDKK	MDKK	MDKK	MDKK
Key figures					
Revenue	1,004	1,733	1,187	3,132	1,655
Gross profit	249	-142	31	21	79
Operating profit/loss	247	-146	29	4	76
Net financials	-490	146	-28	-166	351
Profit/loss for the year	-255	-2	0	-165	409
Balance sheet					
Balance sheet total	4,389	3,067	2,510	2,629	3,457
Equity	929	1,204	1,161	917	1,246
Return on assets	6.6%	-5.2%	1.3%	0.1%	2.9%
Solvency ratio	21.2%	39.3%	46.3%	34.9%	36.0%
Return on equity	-23.9%	-0.2%	0.0%	-15.3%	39.7%

The financial ratios are calculated in accordance with CFA Society Denmark's recommendations and guidelines. For definitions, see the summary of significant accounting policies..

Management's review

Business review

The company is a holding company for the Vestas Group's sales and service units in the Mediterranean region and Latin America.

The company has significant importance in facilitating Vestas' business activities and operations in the Mediterranean region and Latin America.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not subject to any significant 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 MDKK 255 and the balance sheet at 31 December 2022 shows equity of MDKK 929.

Net profit for the year is considered unsatisfactory primarily driven by exchange rate adjustments and loss from shares in subsidiaries.

Expected development of the company, including specific prerequisites and uncertainties

Management expects that the financial performance in 2023 keeps solid, since the market dynamic in Latin America will remain in a high level. Although the Brazilian market will stay as the cornerstone for LATAM, Argentina attractiveness will keep on growing. Execution is expected to be very active, especially in Argentina. During 2023 Vestas Mediterranean A/S expects to install around 400MW.

A relevant uncertainty in execution remains in Colombia. Progress of these projects might be jeopardized by delays in execution due to customer topics (environmental permits, civil works) as well as social issues with communities. Management expects the result before financial income and expenses to be in line with 2022 for the next year. There is a high degree of uncertainty concerning profit before tax as the profit/loss from investments in subsidiaries and the result of financial income/cost depends on the performance of several underlying companies.

The company's knowledge resources if of particular importance to its future earnings

As part of the Vestas Group, knowledge resources are significant for the company. Processors have been appointed for the company's core processes, which continuously work with mapping and streamlining workflows to ensure continuity and reduce key person dependency in all processes.

Research and development activities in or for the company

The company has no research and development activities.

Management's review

Statutory corporate social responsibility report

With reference to ÅRL § 99a, subsection 6 the information on social responsibility, including respect for human rights, social conditions, environmental and climatic conditions and the fight against corruption is stated in the annual report of the parent company Vestas Wind Systems A/S.

For more information please refer to:

<https://www.vestas.com/en/investor/reports-and-presentations/esg-related>

Policies on the underrepresented gender

Vestas Mediterranean A/S is subject to the parent company's Vestas Wind Systems A/S gender equality policy, which applies to all management levels in the company. The policy is part of the staff policy and contains targets for all management levels with human responsibility. In addition, the policy describes a number of initiatives that take place across the Vestas Wind Systems A/S Group. In addition, the consolidated financial statements of the parent company Vestas Wind Systems A/S are referred to in accordance with section 99b of the Danish Financial Statements Act including targets for females in other management levels. According to the Danish Business Authority guidance on goals and policies for the gender composition of the management, an equal gender distribution has been achieved in the Board.

For more information please refer to:

<https://www.vestas.com/en/investor/reports-and-presentations/esg-related>

Data ethics policy

The overall objective of our Data Ethics Policy is to encourage and motivate all employees of the Vestas Group to handle data with utmost care and respect and to adhere to a responsible and sustainable use of data by following our guiding principles on data ethics. As a global company we align with universal principles on fundamental rights.

Through ethical use of our smart data capabilities and groundbreaking new technologies our aim is to achieve our long-term business objectives and extend our position as the energy industry's leading global partner on sustainable energy. We report on this in accordance with Section 99d of the Danish Financial Statements Act.

Accounting policies

The annual report of Vestas Mediterranean A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

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

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

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.

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.

Accounting policies

Income statement

Hedge accounting

Fair value adjustments of financial instruments that are designated and qualify as fair value hedges of recognised assets or liabilities are recognised in the income statement together with any fair value adjustments of the hedged asset or liability that can be attributed to the hedged risk.

Changes in the fair value of financial instruments that are designated and qualify as hedges of expected future transactions are recognised in equity under retained earnings as regards the effective portion of the hedge. The ineffective portion of the hedge is recognised in the income statement. If the hedged transaction results in an asset or a liability, amounts deferred under equity are transferred to the cost of the asset or liability. If the hedged transaction results in income or expenses, amounts deferred under equity are transferred to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair value of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries, participating interests or associates are recognised directly in equity as regards the effective portion of the hedge, while the ineffective portion is recognised in the income statement.

Revenue

Revenue comprises sale of wind turbines and wind power systems which is recognised according to IFRS 15.

Contracts to deliver large wind power systems with a high degree of customisation are recognised in revenue as the systems are constructed based on the stage of completion of the individual contract (percentage-of-completion-method).

Sale of individual wind turbines and small wind power systems based on standard solutions are recognised in the income statement provided that the control has been transferred to the buyer prior to the year end, and provided that the income can be measured reliably and is expected to be received.

Cost of productions

Costs of sales comprise the expenses incurred to achieve revenue for the year. Cost comprises raw materials and consumables.

Administrative costs

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

Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on foreign currency transactions, loans and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Result from investments in subsidiaries

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

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.

Inventories

Inventories are measured at cost using the weighted average method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of finished goods comprise purchase price and transportation costs.

The net realisable value of inventories is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Accounting policies

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.

Prepayments

Prepayments from customers are recognised as liabilities. Prepayments from customers recognised as liabilities are measured at cost and comprise prepayments received from wind power plants ordered but not yet delivered.

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 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.

Cash flow statement

No cash flow statement has been prepared for the company, as the company's cash flows are included in the consolidated cash flow statement in accordance with section 86 (4) of the Danish Financial Statement Act.

Accounting policies

Financial highlights

Definitions of financial ratios.

Return on assets	$\frac{\text{Profit/loss before financials} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets at year-end}}$
Return on equity	$\frac{\text{Profit/loss from ordinary operations after tax} \times 100}{\text{Average equity}}$

Income statement 1 January 2022 - 31 December 2022

	Note	2022 TDKK	2021 TDKK
Revenue	1	1,003,739	1,732,946
Cost of productions		-754,379	-1,874,851
Gross profit/loss		249,360	-141,905
Administrative costs		-2,705	-4,079
Operating profit/loss		246,655	-145,984
Profit/loss before financial income and expenses		246,655	-145,984
Result from investments in subsidiaries	2	-253,148	0
Financial income	3	166,718	265,154
Financial costs	4	-403,161	-118,743
Profit/loss from ordinary activities before tax		-242,936	427
Profit/loss before tax		-242,936	427
Tax on profit/loss for the year	5	-12,402	-2,642
Net loss for the year		-255,338	-2,215
Distribution of profit	6		

Balance sheet at 31 December 2022

	Note	2022 TDKK	2021 TDKK
Assets			
Investments in subsidiaries	7	843,322	849,125
Fixed asset investments		843,322	849,125
Total non-current assets		843,322	849,125
Inventories		3,023,604	974,337
Inventories		3,023,604	974,337
Trade receivables		33,995	51,547
Receivables from group companies		461,941	1,131,252
Other receivables		26,407	61,189
Receivables		522,343	1,243,988
Total current assets		3,545,947	2,218,325
Total assets		4,389,269	3,067,450

Balance sheet at 31 December 2022

	Note	2022 TDKK	2021 TDKK
Equity and liabilities			
Share capital		50,000	50,000
Retained earnings		853,876	1,109,214
Cash flow hedging reserve		24,997	44,286
Equity	8	928,873	1,203,500
Provision for deferred tax	9	7,051	492
Total provisions		7,051	492
Prepayments received from customers		3,055,354	677,268
Trade payables		204,926	157,652
Payables to group companies		192,663	1,016,446
Joint taxation contributions payable		402	12,092
Total current liabilities		3,453,345	1,863,458
Total liabilities		3,453,345	1,863,458
Total equity and liabilities		4,389,269	3,067,450
Subsequent events	10		
Contingent liabilities	11		
Financial instruments	12		
Related parties and ownership structure	13		

Statement of changes in equity

	Share capital	Retained earnings	Cash flow hedging reserve	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2022	50,000	1,109,214	44,286	1,203,500
Value adjustment of hedging instruments in the year	0	0	-106,021	-106,021
Value adjustment of hedging instruments realized	0	0	81,292	81,292
Net loss for the year	0	-255,338	0	-255,338
Tax of changes in equity	0	0	5,440	5,440
Equity at 31 December 2022	50,000	853,876	24,997	928,873

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
1 Revenue		
Europe	11,877	139,778
Rest of the world	<u>991,862</u>	<u>1,593,168</u>
Total revenue	<u>1,003,739</u>	<u>1,732,946</u>
Power solution	<u>1,003,739</u>	<u>1,732,946</u>
Total revenue	<u>1,003,739</u>	<u>1,732,946</u>
2 Result from investments in subsidiaries		
Impairment for the year	<u>-253,148</u>	<u>0</u>
	<u>-253,148</u>	<u>0</u>
3 Financial income		
Interest received from group companies	14,381	190,940
Other financial income	24,495	3,991
Exchange rate adjustments	<u>127,842</u>	<u>70,223</u>
	<u>166,718</u>	<u>265,154</u>
4 Financial costs		
Interest paid to group companies	33,811	3,433
Other financial costs	83,821	513
Exchange rate adjustments	<u>285,529</u>	<u>114,797</u>
	<u>403,161</u>	<u>118,743</u>

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
5 Tax on profit/loss for the year		
Current tax for the year	402	12,092
Deferred tax for the year	11,999	-11,999
Adjustment of tax concerning previous years	1	2,549
	<u>12,402</u>	<u>2,642</u>
6 Distribution of loss		
Retained earnings	<u>-255,338</u>	<u>-2,215</u>
	<u>-255,338</u>	<u>-2,215</u>
7 Investments in subsidiaries		
Cost at 1 January 2022	870,209	870,148
Additions for the year	<u>247,345</u>	<u>61</u>
Cost at 31 December 2022	<u>1,117,554</u>	<u>870,209</u>
Revaluations at 1 January 2022	-21,084	-21,084
Impairment for the year	<u>-253,148</u>	<u>0</u>
Revaluations at 31 December 2022	<u>-274,232</u>	<u>-21,084</u>
Carrying amount at 31 December 2022	<u>843,322</u>	<u>849,125</u>

Notes

Investments in subsidiaries are specified as follows:

Name	Registered office	Currency	Ownership interest	Equity	Profit/loss for the year
Vestas Hellas Wind Technology S.A.,	Greece	tEUR	100%	212	-3,409
Vestas Italian S.r.l	Italy	tEUR	100%	49,845	6,060
Vestas France S.A.	France	tEUR	100%	46,312	3,686
Vestas Chile Turbinas Eólicas Limitada	Chile	tCLP	100%	558,878	1,751,631
Vestas Rüzgar Enerjisi Sistemleri Sanayi ve Ticaret Ltd. Sirketi	Turkey	tTRY	100%	16,757	40,670
Vestas WTG Mexico S.A. de C.V	Mexico	tMXN	100%	-1,023,169	-185,489
Vestas Mexicana del Viento S.A. de C.V.	Mexico	tMXN	100%	214,937	33,887
Vestas Peru S.A.C.	Peru	tPEN	99%	76,475	82
Vestas Costa Rica S.A.	Costa Rica	tCRC	100%	1,379,614	-64,372
Vestas MED Cyprus Ltd	Cyprus	tEUR	100%	902	24
Vestas Colombia	Colombia	tCOP	100%	3,140,640	2,639,875
Vestas Turbinas Eólicas del Uruguay S.A.,	Uruguay	tUTU	100%	-344,191	-40,188
Vestas Argentina S.A.,	Argentina	tARS	100%	-5,904,248	-1,430,756
Vestas do Brasil Ltda.,	Brazil	tBRL	100%	508	-5,710
Vestas Wind Systems Dominican Republic, S.R.L.	Dominican Republic	tDOP	100%	11,621	63,276
Vestas Nicaragua SA	Nicaragua	tNIO	99%	14,347	-22,925
Vestas CV Limitada	Cape Verde	tDOP	100%	-2,427	-15,454
Vestas Servicios de Tecnología Eólica Lda	Portugal	tEUR	100%	15,274	1,656
Vestas Guatemala	Guatamala	tGTQ	100%	20,182	-1,035
Vestas Middle East S.L.	Jordan	tJOD	100%	-5,020	-7,163
Vestas Honduras, S.A. De C.V	Honduras	tHNL	100%	-85,126	1,356
Availon Iberia S.L.	Spain	tEUR	100%	2,542	783
Vestas Kompozit Kanat	Turkey	tTRY	100%	-2,425	-10,252
Vestas Senegal SARL	Senegal	tXOF	100%	-133,116	-57,580
Vestas Jamaica	Jamaica	tPEN	100%	63,756	55,191
Vestas Maroc	Morocco	tMAD	100%	25,018	6,155
Vestas Eólica S.A.U	Spain	tEUR	100%	29,388	3,654
Vestas Bolivia	Bolivia	tBOB	100%	-36,771	-36,559
Vestas Overseas Panamá S.A	Panama	tUSD	99%	2,553	1,125

Notes

7 Investments in subsidiaries (Continued)

Name	Registered office	Currency	Ownership interest	Equity	Profit/loss for the year
Vestas El Salvador S.A de C.V.	El Salvador	tUSD	99%	-72,665	-84,513
Vestas Future Energy DMCC	Dubai	tAED	100%	1,028	93
Vestas Spare Parts Panama	Panama	tUSD	100%	-45,349	-43,933
Vestas Middle East S.L.U.	Jordan	tJOD	100%	-10,886	-11,816

8 Equity

The share capital consists of 500,000 shares of a nominal value of DKK 100. No shares carry any special rights.

9 Provision for deferred tax

Provision for deferred tax	492	102
Deferred tax recognised in income statement	11,999	-12,067
Deferred tax recognised in equity	-5,440	12,457
Provision for deferred tax	<u>7,051</u>	<u>492</u>

Provisions for deferred tax on:

Other taxable temporary differences	0	-11,998
Hedging on equity	7,051	12,490
	<u>7,051</u>	<u>492</u>

10 Subsequent events

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

Notes

11 Contingent liabilities

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

12 Financial instruments

The Company have entered into derivatives with Vestas Wind Systems A/S in the form of FX forward contracts.

TDKK	The fair value of the derivatives	
	2022	2021
Assets	106,080	207,344
Liabilities	74,032	150,601
Net amount recognised as receivables from group companies	32,048	56,743

The FX forward contracts are entered into to hedge future purchases of goods and sales in primarily USD and EUR. The Company's net position amount to USD -82m and EUR -1m. The derivatives matures in the period 2023 to 2024.

In addition to the above, the company have entered into sales contracts with customers in USD and EUR. The company has separated the embedded derivatives and designated the currency element to hedge cost of goods. The company's net position amount to EUR 119m and fair value amounts to DKK 34m (2021: DKK 154m). The amount is recognised as other receivables.

13 Related parties and ownership structure

Transactions

All transactions with related parties have been carried out on arm's 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