

Vestas®

Vestas Central Europe A/S

**CVR no. 28 11 82 36
Hedeager 42, 8200 Aarhus N**

Annual report for 2023

Adopted at the annual general meeting on 17 May 2024

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 considered and adopted the annual report of Vestas Central Europe A/S for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the company's operations for the financial period 1 January - 31 December 2023.

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, 17 May 2024

Executive board

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Javier Rodriguez Diez
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Supervisory board

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Henrik Andersen
chairman
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Maria Belfrage
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Thomas G. Arendt
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Javier Rodriguez Diez
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Independent Auditor's Report

To the shareholder of Vestas Central Europe 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 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Vestas Central Europe A/S for the financial year 1 January - 31 December 2023, 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, we conclude that 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.

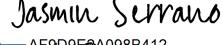
Independent Auditor's Report

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, 17 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31
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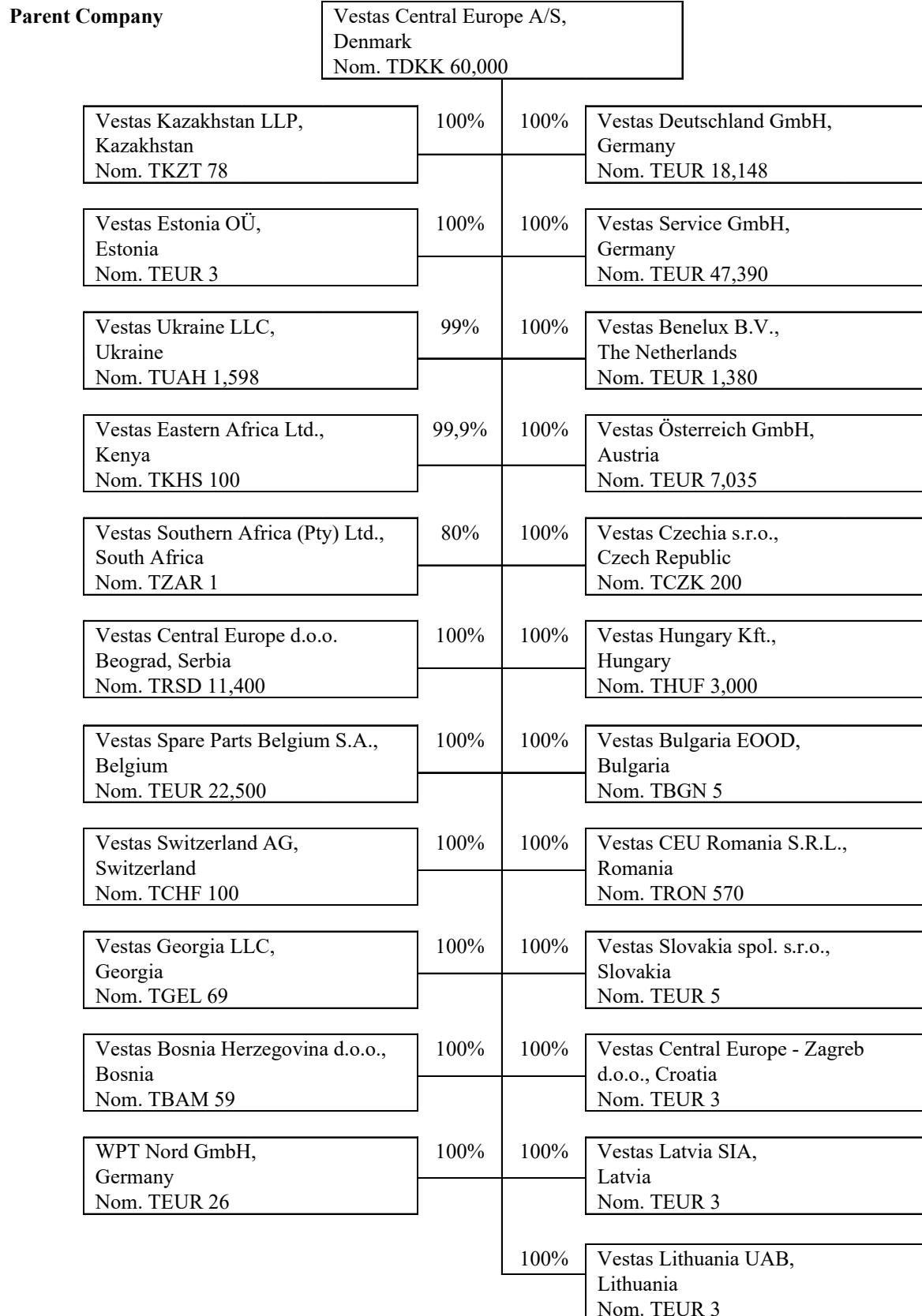
Rune Kjeldsen
State Authorised Public Accountant
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Jasmin Serrano
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Company details

The company	Vestas Central Europe 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 36
Reporting period:	1 January - 31 December 2023
Domicile:	Aarhus
Supervisory board	Henrik Andersen, chairman Thomas Gunner Arendt Javier Rodriguez Diez Anna Maria Eleonora Belfrage
Executive board	Javier Rodriguez Diez
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
Consolidated financial statements	<p>The company is reflected in the group report as the parent company Vestas Wind Systems A/S, Aarhus, CVR-nr. 10 40 37 82</p> <p>The group report of Vestas Wind Systems A/S, Aarhus, CVR-nr. 10 40 37 82 can be obtained at the following address:</p> <p>Vestas Wind Systems A/S Hedeager 42 DK-8200 Aarhus N</p>

Group chart



Management's review

Business review

The company's principal activity is shares held in the Vestas Group's sales and service units in Europe, Kazakhstan, Kenya and South Africa.

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 2023 and the results of its operations for the financial year ended 31 December 2023 are not affected by any unusual matters.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of TDKK 268,605, and the balance sheet at 31 December 2023 shows equity of TDKK 844,381.

Accounting policies

The annual report of Vestas Central Europe A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities.

The annual report for 2023 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 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.

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

Cost of productions

Cost of productions comprises costs 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, depreciation, etc.

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 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.

Inventory

Inventory 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.

Accounting policies

The net realisable value of inventory 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.

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

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 according to the tax rules and at the tax rates applicable 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.

Accounting policies

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.

Income statement 1 January 2023 - 31 December 2023

	Note	2023 TDKK	2022 TDKK
Gross profit		0	-3,238
Administrative costs		207	4,150
Operating profit/loss		207	912
Profit/loss before financial income and expenses		207	912
Result from investments in subsidiaries	1	-262,170	-24,251
Financial income	2	20	537
Financial costs	3	-8,478	-1,346
Profit/loss from ordinary activities before tax		-270,421	-24,148
Profit/loss before tax		-270,421	-24,148
Tax on profit/loss for the year	4	1,816	70
Net profit/loss for the year		-268,605	-24,078
Distribution of profit/loss	5		

Balance sheet at 31 December 2023

	Note	2023 TDKK	2022 TDKK
Assets			
Investments in subsidiaries	6	1,143,582	1,405,752
Fixed asset investments		1,143,582	1,405,752
Total non-current assets		1,143,582	1,405,752
Inventory		0	12
Inventory		0	12
Trade receivables		9	9
Receivables from group companies		0	5,023
Other receivables		711	0
Deferred tax asset	7	1,721	1,611
Joint taxation contributions receivable		1,706	0
Receivables		4,147	6,643
Cash at bank and in hand		407	408
Total current assets		4,554	7,063
Total assets		1,148,136	1,412,815

Balance sheet at 31 December 2023

	Note	2023 TDKK	2022 TDKK
Equity and liabilities			
Share capital		60,000	60,000
Retained earnings		<u>784,381</u>	<u>1,052,986</u>
Equity	8	<u>844,381</u>	<u>1,112,986</u>
Trade payables		71	737
Payables to group companies		303,684	298,676
Joint taxation contributions payable		0	184
Other payables		0	232
Total current liabilities		<u>303,755</u>	<u>299,829</u>
Total liabilities		<u>303,755</u>	<u>299,829</u>
Total equity and liabilities		<u>1,148,136</u>	<u>1,412,815</u>
Letter of Support from Parent Company	9		
Contingent liabilities	10		
Related parties and ownership structure	11		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2023	TDKK 60,000	TDKK 1,052,986	TDKK 1,112,986
Net profit/loss for the year	0	-268,605	-268,605
Equity at 31 December 2023	60,000	784,381	844,381

Notes

	2023 TDKK	2022 TDKK
1 Result from investments in subsidiaries		
Disposals for the year	-3,965	0
Reversal of prior year impairment	4,060	0
Impairment for the year	<u>-262,265</u>	<u>-24,251</u>
	<u>-262,170</u>	<u>-24,251</u>
2 Financial income		
Interest received from group companies	1	501
Exchange adjustments	0	29
Other financial income	<u>19</u>	<u>7</u>
	<u>20</u>	<u>537</u>
3 Financial costs		
Interest to group companies	8,265	1,236
Other financial costs	8	8
Exchange adjustments	<u>205</u>	<u>102</u>
	<u>8,478</u>	<u>1,346</u>
4 Tax on profit/loss for the year		
Current tax for the year	-1,706	184
Deferred tax for the year	-110	-161
Adjustment of tax concerning previous years	<u>0</u>	<u>-93</u>
	<u>-1,816</u>	<u>-70</u>

Notes

	2023 TDKK	2022 TDKK
5 Distribution of profit/loss		
Retained earnings	-268,605	-24,078
	-268,605	-24,078
6 Investments in subsidiaries		
Cost at 1 January 2023	1,652,682	1,652,663
Additions for the year	0	19
Disposals for the year	-3,965	0
Cost at 31 December 2023	<u>1,648,717</u>	<u>1,652,682</u>
Revaluations at 1 January 2023	-246,930	-222,679
Impairment for the year	-262,265	-24,251
Reversal of prior year impairment	4,060	0
Revaluations at 31 December 2023	<u>-505,135</u>	<u>-246,930</u>
Carrying amount at 31 December 2023	<u>1,143,582</u>	<u>1,405,752</u>

Notes

Investments in subsidiaries are specified as follows:

Name	Registered office	Currency	Ownership interest	Equity	Profit/loss for the year
Vestas Kazakhstan LLP	Kazakhstan	TKZT	100%	1,651,328	300,803
Vestas Ukraine LLC	Ukraine	TUAH	99%	1,253,375	272,151
Vestas Eastern Africa Ltd.	Kenya	TKHS	100%	22,285	21,554
Vestas Southern Africa (Pty) Ltd.	South Africa	TZAR	80%	44,875	11,715
Vestas Central Europe d.o.o. Beograd	Serbia	TRSD	100%	30,390	6,177
Vestas Spare Parts Belgium S.A.	Belgium	TEUR	100%	673	55
Vestas Switzerland AG	Switzerland	TCHF	100%	1,440	52
Vestas Georgia LLC	Georgia	TEUR	100%	21,657	790
Vestas Bosnia Herzegovina d.o.o.	Bosnia	TBAM	100%	7	24
WPT Nord GmbH	Germany	TEUR	100%	913	185
Vestas Deutschland GmbH	Germany	TEUR	100%	72,307	9,327
Vestas Benelux B.V.	The Netherlands	TEUR	100%	17,036	602
Vestas Österreich GmbH	Austria	TEUR	100%	12,243	4,938
	Czech				
Vestas Czechia s.r.o.	Republic	TCZK	100%	16,539	-2,790
Vestas Hungary Kft.	Hungary	THUF	100%	782,813	2,501
Vestas Bulgaria EOOD	Bulgaria	TBGN	100%	12,830	-4,208
Vestas CEU Romania S.R.L.	Romania	TRON	100%	7,057	8,146
Vestas Slovakia spol. s.r.o.	Slovakia	TEUR	100%	1	2
Vestas Central Europe - Zagreb d.o.o.	Croatia	TEUR	100%	-1,220	112
Vestas Services GmbH	Germany	TEUR	100%	56,148	843
Vestas Latvia SIA	Latvia	TEUR	100%	62	46
Vestas Lithuania UAB	Lithuania	TEUR	100%	3	5
Vestas Estonia OÜ	Estonia	TEUR	100%	6	4

Notes

	2023 TDKK	2022 TDKK
7 Provision for deferred tax		
Provisions for deferred tax on:		
Trade payables	-1,721	-1,611
Transferred to deferred tax asset	<u>1,721</u>	<u>1,611</u>
Deferred tax asset		
Calculated tax asset	<u>1,721</u>	<u>1,611</u>
Carrying amount	<u>1,721</u>	<u>1,611</u>

8 Equity

The share capital consists of 60,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

9 Letter of Support from Parent Company

The company has received a commitment of financial support from the parent company.

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.

11 Related parties and ownership structure

Transactions

All transactions with related parties has been carried out on a 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