

Vestas Americas A/S

CVR no. 28 11 82 44
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

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 Americas 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.

We recommend that the annual report be adopted at the annual general meeting.


Aarhus, 31 May 2023

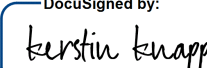
Executive board

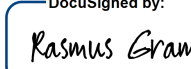
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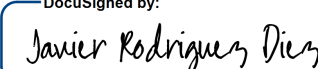
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Javier Rodriguez Diez

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 Americas 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 Americas 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.

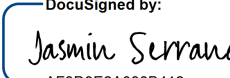
Independent Auditor's Report

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

DocuSigned by:

Rune Kjeldsen
State Authorised Public Accountant
mne34160

DocuSigned by:

Jasmin Serrano
State Authorised Public Accountant
mne47222

Company details

The company

Vestas Americas 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 44

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

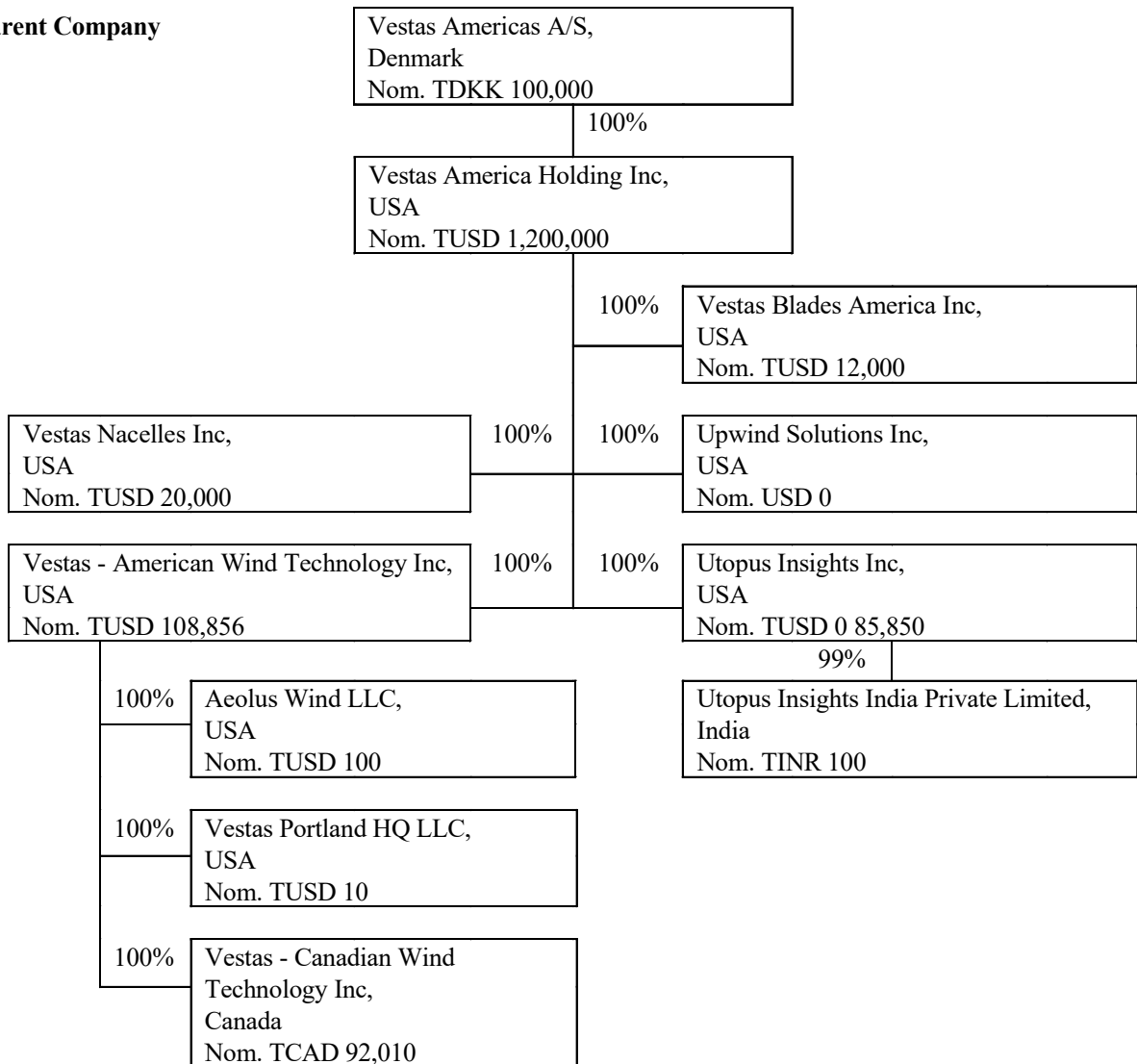
The company is included in the consolidated financial statements of the parent company, Vestas Wind Systems A/S, CVR-nr. 10 40 37 82

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

Vestas Wind Systems A/S
Hedeager 42
DK-8200 Aarhus N

Group chart

Parent Company



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					
Profit/loss					
Net profit/loss before financial items	0	0	0	0	0
Net financials	318	322	-338	206	-450
Profit/loss for the year	248	254	-275	179	-477
Balance sheet					
Balance sheet total	10,843	10,539	10,281	12,574	7,909
Equity	10,774	10,526	10,272	12,546	7,888
Return on assets	0.0%	0.0%	0.0%	0.0%	0.0%
Solvency ratio	99.4%	99.9%	99.9%	99.8%	99.7%
Return on equity	2.3%	2.4%	-2.4%	1.8%	-6.0%

The financial ratios are calculated in accordance with the 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 US and Canada.

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 profit of TDKK 247,889, and the balance sheet at 31 December 2022 shows equity of TDKK 10,773,647.

The decrease in profit before tax compared to 2021 is related to exchange rate adjustments. Net profit for the year is considered satisfactory compared to expected.

Expected development of the company, including specific prerequisites and uncertainties

Next year Management expects the result before financial income and expenses to be in line 2022. 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 streaming 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.

Statutory corporate social responsibility report

With reference to ÅRL§ 99a, subsection 6 gives information on social responsibility, including respect for human rights, social conditions, environmental and climatic conditions and the fight against corruption 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>

Management's review

Policies on the underrepresented gender

Vestas Americas 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. 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 Americas 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, 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.

Income statement

Administrative costs

Administrative expenses comprise expenses incurred in the year related to management, administrative staff, office premises, office expenses, depreciation, 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, foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Profit/loss 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

Fixed asset investments

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.

Loan to subsidiaries

Loan to subsidiaries are measured at amortised cost, usually equalling nominal 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.

Accounting policies

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.

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
Administrative costs		-58	-61
Operating profit/loss		-58	-61
Profit/loss before financial income and expenses		-58	-61
Financial income	1	320,628	322,247
Financial costs	2	-2,553	-216
Profit/loss before tax		318,017	321,970
Tax on profit/loss for the year	3	-70,128	-67,715
Net profit/loss for the year		247,889	254,255
Distribution of profit	4		

Balance sheet at 31 December 2022

	Note	2022 TDKK	2021 TDKK
Assets			
Investments in subsidiaries	5	6,040,578	6,040,578
Loan to subsidiaries	6	4,355,891	4,103,611
Fixed asset investments		10,396,469	10,144,189
Total non-current assets		10,396,469	10,144,189
Receivables from group companies		446,665	394,368
Deferred tax asset	8	0	489
Receivables		446,665	394,857
Total current assets		446,665	394,857
Total assets		10,843,134	10,539,046

Balance sheet at 31 December 2022

	Note	2022 TDKK	2021 TDKK
Equity and liabilities			
Share capital		100,000	100,000
Retained earnings		10,673,647	10,425,758
Equity	7	10,773,647	10,525,758
Deferred tax	8	55,012	0
Total provisions		55,012	0
Trade payables		13	61
Payables to group companies		0	8,539
Joint taxation contributions payable		14,462	4,688
Total current liabilities		14,475	13,288
Total liabilities		14,475	13,288
Total equity and liabilities		10,843,134	10,539,046
Subsequent events	9		
Contingent assets, liabilities and other financial obligations	10		
Related parties and ownership structure	11		

Statement of changes in equity

	Share capital	Retained earnings	Total
	<u>TDKK</u>	<u>TDKK</u>	<u>TDKK</u>
Equity at 1 January 2022	100,000	10,425,758	10,525,758
Net profit/loss for the year	0	247,889	247,889
Equity at 31 December 2022	<u>100,000</u>	<u>10,673,647</u>	<u>10,773,647</u>

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
1 Financial income		
Interest received from group companies	64,523	5,671
Exchange adjustments	255,671	316,576
Other adjustments of financial income	434	0
	<u>320,628</u>	<u>322,247</u>
2 Financial costs		
Interest paid to group companies	2,284	216
Exchange adjustments costs	269	0
	<u>2,553</u>	<u>216</u>
3 Tax on profit/loss for the year		
Current tax for the year	14,462	4,688
Deferred tax for the year	55,501	69,100
Adjustment of tax concerning previous years	165	-6,073
	<u>70,128</u>	<u>67,715</u>
4 Distribution of profit		
Retained earnings	247,889	254,255
	<u>247,889</u>	<u>254,255</u>

Notes

	<u>2022</u> TDKK	<u>2021</u> TDKK
5 Investments in subsidiaries		
Cost at 1 January 2022	<u>6,040,578</u>	<u>6,040,578</u>
Cost at 31 December 2022	<u>6,040,578</u>	<u>6,040,578</u>
Carrying amount at 31 December 2022	<u><u>6,040,578</u></u>	<u><u>6,040,578</u></u>

Investments in subsidiaries are specified as follows:

<u>Name</u>	<u>Registered office</u>	<u>Currency</u>	<u>Ownership interest</u>	<u>Equity</u>	<u>Profit/loss for the year</u>
Vestas America Holding Inc.	Portland, USA	tUSD	100%	1,394,385	-40,827

6 Loan to subsidiaries		
Receivable at 1 January 2022	<u>3,719,251</u>	<u>3,719,251</u>
Receivable at 31 December 2022	<u>3,719,251</u>	<u>3,719,251</u>
Revaluations at 1 January 2022	384,360	69,807
Exchange adjustment	<u>252,280</u>	<u>314,553</u>
Revaluations at 31 December 2022	<u>636,640</u>	<u>384,360</u>
Carrying amount at 31 December 2022	<u><u>4,355,891</u></u>	<u><u>4,103,611</u></u>

7 Equity

The share capital consists of 1,000,000 shares of a nominal value of DKK 100. No shares carry any special rights.

Notes

	2022 TDKK	2021 TDKK
8 Deferred tax		
Currency adjustment on intercompany loan	55,012	0
Provision for deferred tax at 31 December 2022	55,012	0
Deferred tax asset		
Currency adjustment on Intercompany loan	0	489
Carrying amount at 31 december 2022	0	489

9 Subsequent events

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

10 Contingent assets, liabilities and other financial obligations

The company is included in the joint taxation with the Group's other Danish companies and several liable for tax on consolidated taxable income, etc.

11 Related parties and ownership structure

Transactions

All transactions with related parties have been carried out on an arms-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.