

Ørsted Horns Rev 2 A/S

Annual report for 2021

CVR no. 31 84 93 22

(13rd Financial year)

Adopted at the annual general meeting on 31 May
2022

Vibeke Rohde
chairman

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Financial highlights	6
Management's review	7
Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	15
Balance sheet 31 December	16
Statement of changes in equity	18
Notes	19

Statement by management on the annual report

The board of directors and the executive board have today discussed and approved the annual report of Ørsted Horns Rev 2 A/S for the financial year 1 January - 31 December 2021.

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 2021 and of the results of the company's operations for the financial year 1 January - 31 December 2021.

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 at the annual general meeting.

Skærbæk, 16 May 2022

Executive board

Allison Marie Metzak

Board of directors

Jan Engelbert
chairman

Mette Bechmann Parkegaard
deputy chairman

Allison Marie Metzak

Independent auditor's report

To the shareholder of Ørsted Horns Rev 2 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 2021 and of the results of the Company's operations for the financial year 1 January - 31 december 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Ørsted Horns Rev 2 A/S for the financial year 1 January - 31 December 2021, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

Independent auditor's report

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.

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 judgement and maintain professional scepticism 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.

Independent auditor's report

- 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.

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 May 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Anders Stig Lauritsen
State Authorised Public Accountant
MNE no. mne32800

Company details

The company

Ørsted Horns Rev 2 A/S
Kraftværksvej 53
Skærbæk
7000 Fredericia

Telephone: +45 99 55 11 11

E-mail: info@orsted.dk

Website: www.orsted.com

CVR no.: 31 84 93 22

Reporting period: 1 January - 31 December 2021

Financial year: 13rd financial year

Domicile: Fredericia

Board of directors

Jan Engelbert, chairman
Mette Bechmann Parkegaard, deputy chairman
Allison Marie Metzack

Executive board

Allison Marie Metzack

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company Ørsted A/S, CVR no. 36 21 37 28

The group annual report of Ørsted A/S, CVR no. 36 21 37 28 can be obtained at the following address:

www.orsted.com/en/investors/ir-material/financial-reports-and-presentations

Financial highlights

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

	2021	2020	2019	2018	2017
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	481.266	404.567	486.134	475.602	491.416
Profit/loss before amortisation/depreciation and impairment losses	317.534	258.440	320.171	314.904	330.828
Net financials	-17.365	-17.073	-17.498	-17.364	-18.048
Profit/loss for the year	137.782	37.914	1.424	-131.869	-301.401
Balance sheet					
Balance sheet total	1.063.532	897.746	858.596	1.213.929	1.692.206
Investment in property, plant and equipment	-1.860	-10.313	-7.112	0	45.146
Equity	495.247	357.465	319.551	618.127	1.049.997
Financial ratios					
EBIT margin	40,3%	16,2%	4,0%	-31,9%	-74,9%
Return on assets	19,8%	7,5%	1,9%	-10,4%	-17,8%
Solvency ratio	46,6%	39,8%	37,2%	50,9%	62,0%
Return on equity	32,3%	11,2%	0,3%	-15,8%	-21,5%

The financial ratios are calculated in accordance with 'Recommendations & Financial Ratios' published by the Danish Society of Financial Analysts. For definitions, see the summary of significant accounting policies..

Management's review

Business activities

The Company's objects are to engage in activities in the energy sector and ancillary activities.

The windfarm of Horns Rev 2 consists of 91 wind turbines with a total production capacity of 209 MW. The windfarm of Horns Rev 2 is located in the North Sea approximately 30 kilometers off the coast of Jutland.

Business review

The company's income statement for the year ended 31. december 2021 shows a profit of TDKK 137.782, and the balance sheet at 31 December 2021 shows equity of TDKK 495.247.

Net profit (loss) relation to expected development assumed in previous report

Financial performance for 2021 (earnings before interest, taxes and depreciation) did not match the expectation to be around DKK 78 million, as significant higher power prices in the second half of 2021 have had the effect that the profit was significant higher for 2021 compared to the expectation, despite the fact that the production has been approximately 20% lower than expected.

Financial review

Earnings before interest, taxes and depreciation for 2022 is expected to be affected by a continuing stable operations but because of expected lower power prices and despite the fact that production is expected to increase with 15-20% the earnings before interest, tax, and depreciation is expected to be around DKK 200 million.

Special risks apart from generally occurring risks in industry

Operating risk

There are no special risks related to the company except for those usual for the industry. Horns Rev 2 wind farm receives a fixed price for the first 10 TWh of production corresponding to approximately 12 years from the beginning of operation. The expiry of the subsidy period was reached in the end of October 2020.

Environment

The Danish Environmental Protection Agency monitors the environmental impact of Horns Rev 2 windfarms during the operating stage.

Statutory corporate social responsibility report

In pursuance of Section 99a (7) of the Danish Financial Statements Act, the Company has omitted information on corporate social responsibility. Reference is made to the Annual Report (www.orsted.com/en/investors/ir-material/financial-reports-and-presentations) and sustainability report (www.orsted.com/en/sustainability/esg-ratings-and-reporting) 2021 of Ørsted A/S.

Management's review

Policies on the underrepresented gender

Description of target figures for the underrepresented gender

Target figures for the underrepresented gender

Due to equal representation of men and women in the board of directors in accordance with the rules in Section 99b in the Danish Financial Statements Act, no targets for the share of the underrepresented gender have been set.

Description of policies for the underrepresented gender

Statement that the company is not required to publish policies on the underrepresented gender at other executive levels

The company has no or less than 50 employees and is therefore not required to prepare policies on the underrepresented gender at other executive levels.

Statement of policy for data ethics

Description of the entity's work with and policy for data ethical questions

In pursuance of Section 99d of the Danish Financial Statements Act, the Company has omitted information on data ethics. Reference is made to the Data Ethics statement 2021 of Ørsted A/S: <https://orsted.com/en/about-us/corporate-governance/data-ethics-report>

Accounting policies

The annual report of Ørsted Horns Rev 2 A/S for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2021 is presented in TDKK.

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.

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.

Government grants

Grants for power generation are recognised as revenue in step with the recognition of the related power revenue.

Income statement

Information of revenue

Information is provided on geographical markets. The information is provided in consideration of the company's accounting policies, risks and management control.

Accounting policies

Revenue

Income from the sale of electricity and grants for sale of electricity is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Operating expenses

Operating expenses comprise the expenses incurred by the company to generate the year's revenue. Such expenses are recognised in the income statement as incurred.

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and property, plant and equipment and compensations for break downs.

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

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.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Ørsted 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.

Accounting policies

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed Danish entities in proportion to their taxable income. Danish entities with tax losses receive joint taxation contributions from the ultimate parent company (the management company), Ørsted A/S equivalent to the tax base of the tax losses utilised (full allocation), while Danish entities that utilise tax losses in other entities pay joint taxation contributions to the Ørsted A/S equivalent to the tax base of the utilised losses.

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

Tangible assets

Tangible assets are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Cost is increased by estimated expenses for dismantling and disposing of the assets and restoration to the extent that they are recognised as a provision.

The basis of depreciation is determined as cost reduced by any residual value, and depreciation is charged using diminishing balance method over the expected useful lives of the assets, which are:

	Useful life
Plant and machinery	20-24 years
Other fixtures and fittings, tools and equipment	3-5 years

The residual value of the company's property, plant and equipment is reassessed annually.

Impairment of fixed assets

The carrying amount of property, plant and equipment is reviewed for impairment, other than what is reflected through normal amortisation and depreciation, on an annual basis.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made if the recoverable amount is lower than the carrying amount.

Accounting policies

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables, which include trade receivables, receivables from group entities and other 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.

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.

Provisions

Provisions are recognised when as a result of a past event the company's has a legal or constructive obligation and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions, except for deferred taxes, are measured at fair value.

Provisions for the decommissioning of production assets and restoration are measured at the present value of the future liability in respect of decommissioning and shutdown as estimated at the balance sheet date. The amount provided is determined on the basis of existing requirements and estimated expenses, which are discounted to present value. If specific risks are deemed to attach to a provision, the estimated expenses are recognised. A discount rate is used that reflects the general interest rate level in society. These liabilities are recognised as they arise and are adjusted on a regular basis to reflect changes in requirements, price level, etc. The value of the provision is recognised in property, plant and equipment and depreciated together with the relevant assets. The increase in time of the present value of the provision is recognised in profit/loss for the year as financial expenses.

Accounting policies

A provision for onerous contracts is recognised when the expected benefits to be derived from a contract are lower than the unavoidable cost of meeting the obligations existing under the contract. If it is considered unlikely that an outflow from the enterprise of economic resources will be required to settle a liability, or if the liability cannot be measured reliably, the liability is accounted for as a contingent liability that is not recognised in the balance sheet. Material contingent liabilities are disclosed in the notes.

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.

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 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".

Accounting policies

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.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Cash flow statement

In pursuance of Section 86(4) of the Danish Financial Statements Act, the company has omitted preparing a cash flow statement as the company's cash flow is included in the consolidated cash flow statement of Ørsted.

Financial highlights

Definitions of financial ratios.

EBIT margin	$\frac{\text{Profit/loss before financials} \times 100}{\text{Revenue}}$
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 - 31 December

	Note	2021 TDKK	2020 TDKK
Revenue	1	481.266	404.567
Other operating income		43	4.506
Operating expenses		-9.555	-8.009
Other external expenses		-154.220	-142.624
Gross profit		317.534	258.440
Staff costs	2	0	0
Profit/loss before amortisation/depreciation and impairment losses		317.534	258.440
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-123.434	-192.726
Profit/loss before net financials		194.100	65.714
Financial income	3	15	37
Financial costs	4	-17.380	-17.110
Profit/loss before tax		176.735	48.641
Tax on profit/loss for the year	5	-38.953	-10.727
Profit/loss for the year		137.782	37.914
Distribution of profit	6		

Balance sheet 31 December

	<u>Note</u>	<u>2021</u> TDKK	<u>2020</u> TDKK
Assets			
Plant and machinery		240.309	365.714
Other fixtures and fittings, tools and equipment		<u>1.076</u>	<u>965</u>
Tangible assets	7	<u>241.385</u>	<u>366.679</u>
Total non-current assets		<u>241.385</u>	<u>366.679</u>
Trade receivables		6.325	4.287
Receivables from group companies	8	740.530	474.413
Other receivables		0	404
Deferred tax asset	9	<u>75.292</u>	<u>51.963</u>
Receivables		<u>822.147</u>	<u>531.067</u>
Total current assets		<u>822.147</u>	<u>531.067</u>
Total assets		<u><u>1.063.532</u></u>	<u><u>897.746</u></u>

Balance sheet 31 December

	Note	2021 TDKK	2020 TDKK
Equity and liabilities			
Share capital		200.000	200.000
Retained earnings		45.247	157.465
Proposed dividend for the year		250.000	0
Equity	10	495.247	357.465
Other provisions	11	480.558	468.669
Total provisions		480.558	468.669
Trade payables		7.150	2.195
Payables to group companies		15.616	19.219
Corporation tax		62.072	47.755
Other payables		2.889	2.443
Total current liabilities		87.727	71.612
Total liabilities		87.727	71.612
Total equity and liabilities		1.063.532	897.746
Subsequent events	12		
Contingencies assets, liabilities and other financial obligations	13		
Related parties and ownership structure	14		
Fee to auditors appointed at the general meeting	15		

Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2021	200.000	157.465	0	357.465
Net profit/loss for the year	0	-112.218	250.000	137.782
Equity at 31 December 2021	200.000	45.247	250.000	495.247

Notes

	<u>2021</u> TDKK	<u>2020</u> TDKK
1 Revenue		
Sale of electricity	<u>481.266</u>	<u>404.567</u>
Total revenue	<u>481.266</u>	<u>404.567</u>
Geographical markets		
Denmark	<u>481.266</u>	<u>404.567</u>
Total revenue	<u>481.266</u>	<u>404.567</u>
2 Staff costs		
Average number of employees	<u>1</u>	<u>1</u>
The executive board and board of directors have not been paid remuneration.		
3 Financial income		
Exchange gains	<u>15</u>	<u>37</u>
	<u>15</u>	<u>37</u>
4 Financial costs		
Financial expenses, group companies	957	1.008
Other financial costs	5	1
Interest element abandonment	16.378	16.095
Exchange loss	<u>40</u>	<u>6</u>
	<u>17.380</u>	<u>17.110</u>

Notes

	<u>2021</u> TDKK	<u>2020</u> TDKK
5 Tax on profit/loss for the year		
Current tax for the year	62.072	47.755
Deferred tax for the year	-23.193	-37.057
Adjustment of tax concerning previous years	210	162
Adjustment of deferred tax concerning previous years	-136	-133
	<u>38.953</u>	<u>10.727</u>
 6 Distribution of profit		
Proposed dividend for the year	250.000	0
Retained earnings	-112.218	37.914
	<u>137.782</u>	<u>37.914</u>

Notes

7 Tangible assets

	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
	TDKK	TDKK	TDKK
Cost at 1 January 2021	3.813.287	8.442	3.821.729
Additions for the year	2.123	506	2.629
Disposals for the year	-4.489	0	-4.489
Cost at 31 December 2021	<u>3.810.921</u>	<u>8.948</u>	<u>3.819.869</u>
Impairment losses and depreciation at 1 January 2021	3.447.573	7.477	3.455.050
Depreciation for the year	<u>123.039</u>	<u>395</u>	<u>123.434</u>
Impairment losses and depreciation at 31 December 2021	<u>3.570.612</u>	<u>7.872</u>	<u>3.578.484</u>
Carrying amount at 31 December 2021	<u>240.309</u>	<u>1.076</u>	<u>241.385</u>

8 Receivables from group companies

The company's receivables from group companies includes TDKK 659.411 in a cash pool scheme with the ultimate parent company, Ørsted A/S (2020: TDKK 453.829)

Notes

	2021 TDKK	2020 TDKK
9 Provision for deferred tax		
Provision for deferred tax at 1 January 2021	51.963	14.773
Deferred tax recognised in income statement	23.329	37.190
Transferred to assets	-75.292	-51.963
Provision for deferred tax at 31 December 2021	0	0
Provisions for deferred tax on:		
Property, plant and equipment	30.431	51.144
Other provisions	-105.723	-103.107
Transferred to deferred tax asset	75.292	51.963
Deferred tax asset		
Calculated tax asset	75.292	51.963
Carrying amount	75.292	51.963

10 Equity

The share capital consists of 200.000 shares of a nominal value of TDKK 1. No shares carry any special rights.

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

Notes

	2021 TDKK	2020 TDKK
11 Other provisions		
Balance at beginning of year at 1 January 2021	468.669	461.304
Provision in year	16.378	16.095
Applied in the year	-4.489	-8.730
Balance at 31 December 2021	<u>480.558</u>	<u>468.669</u>
Over 5 years	<u>480.558</u>	<u>468.669</u>
	<u>480.558</u>	<u>468.669</u>

Other provisions comprise the expected future costs for decommissioning and shutdown of the company's windfarm.

12 Subsequent events

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

13 Contingencies assets, liabilities and other financial obligations

Liability in joint taxation

The group's Danish companies are jointly and severally liable for tax on group jointly taxes income, etc. Reference is made to the annual report for Ørsted A/S, the administration company in relation to joint taxation. The group's Danish companies are also jointly and severally liable for Danish withholding taxes on dividends, royalties and interests within the group of jointly taxed entities.

The group's Danish entities have joint and several liability for joint VAT registration.

Notes

14 Related parties and ownership structure

Controlling interest

Ørsted Wind Power Denmark A/S, Kraftværksvej 53, 7000 Fredericia (parent company)

Other related parties

Ørsted A/S (ultimate parent company)

Transactions

In pursuance of Section 98c (7) of the Danish Financial Statements Act, the Company has chosen only to disclose transactions that are not carried out on an 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:

Ørsted Wind Power Denmark A/S

15 Fee to auditors appointed at the general meeting

In pursuance of Section 96(3) of the Danish Financial Statements Act, the company has omitted providing information on audit fees as the company is fully consolidated in Ørsted A/S's consolidated financial statements, in which the audit fees for the Group as a whole are disclosed.