Ørsted Horns Rev 2 A/S

Annual report for 2019

CVR no. 31 84 93 22

(11th Financial year)

Adopted at the annual general meeting on 4 June 2020

Ulrik Jarlov
chairman

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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 2019.

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 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

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, 27 May 2020

Executive board

Andreas Stokholm Keiding

Board of directors

Jan Engelbert chairman	Mette Bechmann Parkegaard deputy chairman	Andreas Stokholm Keiding

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 2019 and of the results of the Company's operations for the financial year 1 January - 31 december 2019 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 2019, 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 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.

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, 27 May 2020

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Thomas Wraae Holm
State Authorised Public Accountant
MNE no. mne30141

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: Financial year:	1 January - 31 December 2019 11th financial year
	Domicile:	Fredericia
Board of directors	Jan Engelbert Mette Bechmann Parkegaard Andreas Stokholm Keiding	
Executive board	Andreas Stokholm Keiding	
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 may be obtained at the following address: www.orsted.com	

Financial highlights

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

	2019	2018	2017	2016	2015
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	486.134	475.602	491.416	446.318	412.291
Profit/loss before amortisation/depreciation and impairment losses	320.171	314.904	330.828	264.049	353.709
Net financials	-17.498	-17.364	-18.048	-18.179	-15.490
Profit/loss for the year	1.424	-131.869	-301.401	-55.852	-353
Balance sheet					
Balance sheet total	858.596	1.213.929	1.692.206	2.452.331	2.544.169
Investment in property, plant and equipment	-7.112	0	45.146	-3.314	78.173
Equity	319.551	618.127	1.049.997	1.751.398	1.807.250
Financial ratios					
EBIT margin	4,0%	-31,9%	-74,9%	-11,1%	4,3%
Return on assets	1,9%	-10,4%	-17,8%	-2,0%	0,7%
Solvency ratio	37,2%	50,9%	62,0%	71,4%	71,0%
Return on equity	0,3%	-15,8%	-21,5%	-3,1%	0,0%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and key figures 2015. 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 2019 shows a profit of TDKK 1.424, and the balance sheet at 31 December 2019 shows equity of TDKK 319.551.

Net profit (loss) relation to expected development assumed in previous report
Financial performance for 2019 (earnings before interest, taxes and depreciation) nearly match the expectations, however a little bit higher because of higher wind.

Financial review
Earnings before interest, taxes and depreciation for 2020 is expected to be affected by a continuing stable operation and earnings as anticipated and in line with 2019.

Special risks apart from generally occuring risks in industry
Operating risks
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 is expected end of 2020.

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

Statutory report on corporate social responsibility
In pursuance of Section 99a (6) of the Danish Financial Statements Act, the Company has omitted information on corporate social responsibility. Reference is made to the Annual Report (orsted.com/en/Investors/Reports-and-presentations) and sustainability report (orsted.com/en/Sustainability) 2019 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.

Subsequent events

The consequence of COVID-19, where many governments have decided to "close down countries" will have a significant impact on the world economy. Management has assessed the consequence of COVID-19 as an non-adjusting event but has decided to disclose assessment of impact.

On 30 January 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of coronavirus a "Public Health Emergency of International Concern". This event, in management's opinion, do not provide evidence of conditions that have direct impact on company's business operations, assets and liabilities.

Accounting policies

The annual report of Ørsted Horns Rev 2 A/S for 2019 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 2019 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 are indications of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

Accounting policies

The recoverable amount is the higher of the net selling price and the value in use. The value in use 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 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.

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.

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.

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

Fixed assets acquired in foreign currencies are measured 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 statementas the company's cash flow is included in the consolidated cash flow statement of Ørsted.

Financial highlights

Definitions of financial ratios.

EBIT margin	Profit/loss before financials x 100 / Revenue
Return on assets	Profit/loss before financials x 100 / Average assets
Solvency ratio	Equity at year-end x 100 / Total assets at year-end
Return on equity	Net profit for the year x 100 / Average equity

Income statement 1 January - 31 December

	Note	2019 TDKK	2018 TDKK
Revenue	1	**486.134**	**475.602**
Other operating income		431	310
Operating expenses		-7.103	-7.054
Other external expenses		-159.291	-153.954
Gross profit		**320.171**	**314.904**
Staff costs	2	0	0
Profit/loss before amortisation/depreciation and impairment losses		**320.171**	**314.904**
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-300.759	-466.438
Profit/loss before net financials		**19.412**	**-151.534**
Financial income	3	44	51
Financial costs	4	-17.542	-17.415
Profit/loss before tax		**1.914**	**-168.898**
Tax on profit/loss for the year	5	-490	37.029
Profit/loss for the year		**1.424**	**-131.869**
Distribution of profit	6		

Balance sheet 31 December

	Note	2019 TDKK	2018 TDKK
Assets			
Plant and machinery		568.054	874.802
Other fixtures and fittings, tools and equipment		1.665	2.787
Tangible assets	7	**569.719**	**877.589**
Total non-current assets		**569.719**	**877.589**
Trade receivables		35.861	45.657
Receivables from group companies		237.839	290.280
Other receivables		404	403
Deferred tax asset	10	14.773	0
Receivables		**288.877**	**336.340**
Total current assets		**288.877**	**336.340**
Total assets		**858.596**	**1.213.929**

Balance sheet 31 December

	Note	2019 TDKK	2018 TDKK
Equity and liabilities			
Share capital		200.000	200.000
Retained earnings		119.551	118.127
Proposed dividend for the year		0	300.000
Equity	9	**319.551**	**618.127**
Provision for deferred tax	10	0	42.883
Other provisions	11	461.304	452.988
Total provisions		**461.304**	**495.871**
Trade payables		3.320	25.551
Payables to group companies		14.411	18.147
Corporation tax		57.812	53.113
Other payables		2.198	3.120
Total current liabilities		**77.741**	**99.931**
Total liabilities		**77.741**	**99.931**
Total equity and liabilities		**858.596**	**1.213.929**

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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK
Equity at 1 January 2019	200.000	118.127	300.000	618.127
Ordinary dividend paid	0	0	-300.000	-300.000
Net profit/loss for the year	0	1.424	0	1.424
Equity at 31 December 2019	**200.000**	**119.551**	**0**	**319.551**

Notes

		2019	2018
		TDKK	TDKK
1	**Revenue**		
	Sale of electricity	486.134	475.602
	Total revenue	**486.134**	**475.602**
	Geographical markets		
	Denmark	486.134	475.602
	Total revenue	**486.134**	**475.602**

2	**Staff costs**		
	Average number of employees	1	1

The executive board and board of directors have not been paid remuneration.

3	**Financial income**		
	Other financial income	8	0
	Exchange gains	36	51
		44	**51**

4	**Financial costs**		
	Financial expenses, group companies	1.680	2.050
	Other financial costs	0	1
	Interest element abandonment	15.811	15.304
	Exchange loss	51	60
		17.542	**17.415**

Notes

		2019	2018
		TDKK	TDKK
5	**Tax on profit/loss for the year**		
	Current tax for the year	57.812	53.113
	Deferred tax for the year	-57.322	-90.142
	Adjustment of tax concerning previous years	334	52
	Adjustment of deferred tax concerning previous years	-334	-52
		490	**-37.029**
6	**Distribution of profit**		
	Proposed dividend for the year	0	300.000
	Retained earnings	1.424	-431.869
		1.424	**-131.869**

7 **Tangible assets**

	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
	TDKK	TDKK	TDKK
Cost at 1 January 2019	3.831.030	8.124	3.839.154
Disposals for the year	-7.112	0	-7.112
Cost at 31 December 2019	3.823.918	8.124	3.832.042
Impairment losses and depreciation at 1 January 2019	2.956.228	5.337	2.961.565
Depreciation for the year	299.636	1.122	300.758
Impairment losses and depreciation at 31 December 2019	3.255.864	6.459	3.262.323
Carrying amount at 31 December 2019	**568.054**	**1.665**	**569.719**

Notes

8 Receivables from group companies

The company's receivables from group companies includes TDKK 212.278 in a cash pool scheme with the ultimate parent company, Ørsted A/S (2018: TDKK 251.349)

9 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 inthe share capital during the last 5 years.

	2019	2018
	TDKK	TDKK
10 Provision for deferred tax		
Provision for deferred taxat 1 January 2019	42.883	133.077
Deferred tax recognised in income statement	-57.656	-90.194
Transferred to assets	14.773	0
Provision for deferred tax at 31 December 2019	**0**	**42.883**
Property, plant and equipment	86.714	142.541
Other provisions	-101.487	-99.658
Transferred to deferred tax asset	14.773	0
	0	**42.883**
Deferred tax asset		
Calculated tax asset	14.773	0
Carrying amount	**14.773**	**0**

Notes

		2019	2018
		TDKK	TDKK
11	**Other provisions**		
	Balance at beginning of yearat 1 January 2019	452.988	437.176
	Interest element	15.811	15.304
	Change in other abandonment factors	-7.495	508
	Balance at 31 December 2019	**461.304**	**452.988**
	Over 5 years	461.304	452.988
		461.304	**452.988**

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

12 Subsequent events

The consequence of COVID-19, where many governments have decided to "close down countries" will have a significant impact on the world economy. Management has assessed the consequence of COVID-19 as an non-adjusting event but has decided to disclose assessment of impact.

On 30 January 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of coronavirus a "Public Health Emergency of International Concern". This event, in management's opinion, do not provide evidence of conditions that have direct impact on company's business operations, assets and liabilities.

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)
The Danish State represented by the Ministry of Finance
Group companies and associates
Board of directors, executive board and senior employees

Transactions

There have been no transactions with the Board of Directors, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties, except for intercompany transactions.

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.