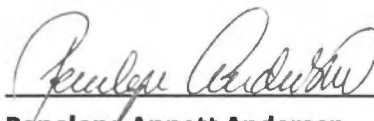


Ensted Bulk Terminal A/S

c/o Vattenfall Energy Trading A/S, Havneholmen 29
1561 København V
CVR No. 32346103

Annual report 2021

The Annual General Meeting adopted the
annual report on 24.03.2022



Penelope Annett Andersen
Chairman of the General Meeting

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Entity details

Entity

Ensted Bulk Terminal A/S

c/o Vattenfall Energy Trading A/S, Havneholmen 29
1561 København V

Business Registration No.: 32346103

Date of foundation: 18.12.2013

Registered office: København

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Jens Wimschulte, Chairman

Dirk Josef Gerling

Penelope Annett Andersen, Vice Chairman

Laurent Pierre Roger Cheval

Executive Board

Søren Limkilde Hansen, CEO

Auditors

PwC Statsautoriseret Revisionspartnerselskab

Strandvejen 44

2900 Hellerup, Denmark

CVR No.: 33771231

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Ensted Bulk Terminal A/S for the financial year 01.01.2021 - 31.12.2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 24 March 2022

Executive Board




Søren Limkilde Hansen
CEO

Board of Directors



Jens Wimschulte
Chairman



Annelise Annett Andersen
Vice Chairman



Dirk Josef Gerling



Laurent Pierre Roger Cheval

Independent auditor's report

To the shareholders of Ensted Bulk Terminal 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 B-Company for the financial year 1 January - 31 December 2021, 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.

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.

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.

Aarhus, 24 March 2022

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

CVR No. 33 77 12 31



Thomas Riis

State Authorised Public Accountant
mne32174



Kristian Kjær Jensen

State Authorised Public Accountant
mne35627

Management commentary

Primary activities

The Entity's activities comprise the activities of Ensted Bulk Terminal including storage of coal, biomass and other fuel as well as related activities.

Development in activities and finances

The result of the year after tax amounts to DKK 32.2 million compared to a result of DKK 6.8 million in 2020. Total equity amounts to DKK 182.5 million on 31 December 2021 compared to DKK 150.3 million in 2020. The year 2021 was characterized by a continuation of the process of emptying the harbor of coal and biomass.

Ensted Bulk Terminal A/S has sold all assets as per 31 October 2021. The activity of operating the harbor has ceased after the sale of assets in 2021.

The management finds the operating result satisfactory.

Knowledge resources

The Entity has no employees as per 31 December 2021.

Special risks

No unusual risks that could significantly affect the Entity's financial position occurred in the financial year.

Events after the balance sheet date

After balance sheet date, it has been decided to merge the legal entity of Ensted Bulk Terminal A/S into Vattenfall Energy Trading A/S in 2022.

Income statement for 2021

| | Notes | 2021 DKK'000 | 2020 DKK'000 |
|--|-------|-----------------|-----------------|
| Gross profit/loss | | 6,445 | (9,842) |
| Staff costs | 2 | (7,465) | (6,231) |
| Depreciation, amortisation and impairment losses | | 0 | (2,557) |
| Other operating income | | 35,388 | 0 |
| Operating profit/loss | | 34,368 | (18,630) |
| Other financial income | | 180 | 11 |
| Other financial expenses | | (13) | (3) |
| Profit/loss before tax | | 34,535 | (18,622) |
| Tax on profit/loss for the year | 3 | (2,293) | 25,454 |
| Profit/loss for the year | | 32,242 | 6,832 |
| Proposed distribution of profit and loss | | | |
| Ordinary dividend for the financial year | | 180,000 | 0 |
| Retained earnings | | (147,758) | 6,832 |
| Proposed distribution of profit and loss | | 32,242 | 6,832 |

Balance sheet at 31.12.2021

Assets

| | Notes | 2021 DKK'000 | 2020 DKK'000 |
|--|-------|-----------------|-----------------|
| Plant and machinery | | 0 | 19,604 |
| Other fixtures and fittings, tools and equipment | | 0 | 5,508 |
| Property, plant and equipment | 4 | 0 | 25,112 |
| Fixed assets | | 0 | 25,112 |
| Trade receivables | | 42 | 978 |
| Receivables from group enterprises | 5 | 162,907 | 115,883 |
| Deferred tax | | 0 | 21,100 |
| Other receivables | | 2,028 | 1,389 |
| Income tax receivable | | 18,727 | 4,000 |
| Receivables | | 183,704 | 143,350 |
| Current assets | | 183,704 | 143,350 |
| Assets | | 183,704 | 168,462 |

Equity and liabilities

| | Notes | 2021 DKK'000 | 2020 DKK'000 |
|--|--------------|-------------------------|-------------------------|
| Contributed capital | 6 | 1,000 | 1,000 |
| Retained earnings | | 1,538 | 149,296 |
| Proposed dividend | | 180,000 | 0 |
| Equity | | 182,538 | 150,296 |
| Other provisions | | 0 | 13,843 |
| Provisions | | 0 | 13,843 |
| Trade payables | | 115 | 1,039 |
| Other payables | | 1,051 | 3,284 |
| Current liabilities other than provisions | | 1,166 | 4,323 |
| Liabilities other than provisions | | 1,166 | 4,323 |
| Equity and liabilities | | 183,704 | 168,462 |
| Going concern | 1 | | |
| Contingent liabilities | 7 | | |
| Group relations | 8 | | |

Statement of changes in equity for 2021

| | Contributed capital DKK'000 | Retained earnings DKK'000 | Proposed dividend DKK'000 | Total DKK'000 |
|---------------------------|--|--|--|--------------------------|
| Equity beginning of year | 1,000 | 149,296 | 0 | 150,296 |
| Profit/loss for the year | 0 | (147,758) | 180,000 | 32,242 |
| Equity end of year | 1,000 | 1,538 | 180,000 | 182,538 |

Notes

1 Going concern

The financial statements are prepared based on a going concern basis. However, as the primary activities have ceased as a result of the sale of all assets, it has been decided to merge the legal entity of Ensted Bulk Terminal A/S into Vattenfall Energy Trading A/S in 2022.

2 Staff costs

| | 2021 DKK'000 | 2020 DKK'000 |
|---------------------------------------|-----------------|-----------------|
| Wages and salaries | 6,389 | 5,455 |
| Pension costs | 822 | 561 |
| Other social security costs | 97 | 110 |
| Other staff costs | 157 | 105 |
| | 7,465 | 6,231 |
| Average number of full-time employees | 8 | 8 |

3 Tax on profit/loss for the year

| | 2021 DKK'000 | 2020 DKK'000 |
|--------------------------------------|-----------------|-----------------|
| Current tax | (18,727) | (4,000) |
| Change in deferred tax | 21,100 | (21,100) |
| Adjustment concerning previous years | (80) | (354) |
| | 2,293 | (25,454) |

4 Property, plant and equipment

| | Plant and machinery DKK'000 | Other fixtures and fittings, tools and equipment DKK'000 |
|--|-----------------------------------|--|
| Cost beginning of year | 110,101 | 17,928 |
| Disposals on divestments etc | (110,101) | (17,928) |
| Cost end of year | 0 | 0 |
| Depreciation and impairment losses beginning of year | (90,497) | (12,420) |
| Depreciation and impairment losses on assets disposed of | 90,497 | 12,420 |
| Depreciation and impairment losses end of year | 0 | 0 |
| Carrying amount end of year | 0 | 0 |

The assets were sold to a higher value than book value. On the day of the sale, 31st of October 2021, the assets

had a book value of DKK 25,112 thousand. The assets were sold at a price of DKK 60,500 thousand. Hence, the sale resulted in a net gain of DKK 35,388 thousand.

5 Receivables from group enterprises

Receivables from group entities represent cash pool receivables of DKK 162,907 thousand (2020: cash pool receivables of DKK 112,459)

6 Share capital

| | Number | Nominal value DKK'000 |
|--------------------------|--------------|-----------------------------|
| A shares of DKK 1,000.00 | 1,000 | 1,000 |
| | 1,000 | 1,000 |

The Entity's share capital has remained DKK 1000 thousand over the past 7 years.

7 Contingent liabilities

The Entity is jointly taxed with the Danish consolidated enterprises. As a group entity, the Entity is liable jointly and severally with other group entities for the Danish corporation tax and withholding taxes on dividends, interest and royalties in the joint taxation. The jointly taxed entities' total known net liability to the Danish tax authorities is presented in the management entity's financial statements, Vattenfall A/S. Any subsequent corrections of joint taxation of income and withholding tax, etc. could cause the Entity's liability to present a greater amount.

8 Group relations

Ensted Bulk Terminal A/S' related parties comprise the following:

Parties exercising control

Vattenfall Energy Trading A/S, Havneholmen 29, 1561 København V, which controls the Entity.

Ownership

The following shareholders are registered in the Entity's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Vattenfall Energy Trading A/S
Havneholmen 29,
1561 København V

The Entity is included in the consolidated financial statements for Vattenfall AB. The consolidated financial statements can be obtained at the parent company's webpage:

<http://corporate.vattenfall.se/om-oss/finansiell-information/finansiella-rapporter/>

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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 at the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit or loss

With reference to section 32 of the Danish Financial statements Act, the items 'Revenue', 'Costs of sale', 'Other external expenses' and 'Operating income' are consolidated into one item designated 'Gross profit'.

Revenue

Income from the sale of services is recognised in revenue when the service has been delivered and provided that the income can be reliably measured and payment is expected to be received.

Revenue is measured at the fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external costs comprise costs for distribution, sale, advertising, administration, premises, bad debt losses, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Entity's employees. Refunds received from public authorities are deducted from staff costs.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Other financial income

Other financial income are recognised in the income statement at the amounts that relate to the reporting period. Other financial income include interest income, realised and unrealised capital and exchange gains on foreign currency transactions and allowances under the advance-payment-of-tax scheme, etc.

Other financial expenses

Financial expenses are recognised in the income statement at the amounts that relate to the reporting period. Other financial expenses include interest expenses, realised and unrealised capital and exchange losses on foreign currency transactions and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Entity is subject to the Danish rules on compulsory joint taxation with the Danish companies controlled by Vattenfall AB.

The Entity and its Danish group entities are jointly taxed. The Danish income tax charge is allocated between profit making and loss making Danish entities in proportion to their taxable income (full distribution).

Jointly taxed entities entitled to a tax refund are reimbursed by the management entity based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management Entity.

Balance sheet**Property, plant and equipment**

On initial recognition, items of property, plant and equipment are measured at cost.

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Production overheads and borrowing costs are not included in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

| | |
|--|---------|
| Plant and machinery | 7 years |
| Other fixtures and fittings, tools and equipment | 7 years |

Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment as well as investments in subsidiaries is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of an asset's net selling price and its 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.

Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses when there is objective evidence that a receivable has been impaired. If there is objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Joint taxation contributions receivable or payable

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement

of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable values.

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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Dividend

Proposed dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other provisions

Other provisions comprise expected future costs for clean-up commitments.

Other provisions are recognised when the enterprise has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

Other provisions that are expected to be repaid later than one year after the balance sheet date are measured at the present value of the expected payments. Other provisions are measured at net realizable value.

The value of provisions related to clean-up commitments are recognised in property, plant and equipment and depreciated together with the relevant assets. An adjustment of the provision will be booked in the previous recognised asset. If a decrease in provision exceeds the booked asset, the difference is recognised in the income statement as other income. The increase of the present value due to the passage of time is recognised in the income statement as financial expenses.

Liabilities

Financial liabilities comprising trade payables and payables to group enterprises are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value which usually is equal to nominal amount.