

Ørsted Real Estate A/S

CVR no. 35208534

Annual report 2023

Approved at the Company's annual general meeting on 17 June 2024

Chair: Jeppe Skov Andersen

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Ørsted Real Estate A/S - Kraftværksvej 53, Skærbæk, 7000 Fredericia

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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 Real Estate A/S for the financial year 1 January - 31 December 2023.

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

In our opinion, the company financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management proposes at the annual general meeting that the annual report for 2023 should not be audited. The management considers the conditions for omitting an audit to be met.

Management recommends that the annual report should be approved at the annual general meeting.

Skærbæk, 10 June 2024

Executive Board:

Anja Forup
Executive board

Board of Directors:

Mikael Brandt
chair

Jeppe Hoff Nielsen
deputy chair

Ulrik Jarlov

The general meeting of shareholders have resolved that the financial statements for the coming financial year are not to be audited

Company information

Company

Ørsted Real Estate A/S
Kraftværksvej 53 Skærbæk
7000 Fredericia

Company CVR: 35208534

Financial year: 2023-01-01 - 2023-12-31

Annual general meeting: 17 June 2024

Board of Directors

Mikael Brandt chair
Jeppe Hoff Nielsen deputy chair
Ulrik Jarlov

Executive Board

Anja Forup Executive board

Consolidated financial statements

The company is included in the consolidated financial statements of the parent company, Ørsted A/S, CVR no. 36213728

The annual report of Ørsted A/S, CVR no. 36213728 can be obtained at the following address:

<https://orsted.com/en/investors/ir-material/annual-reporting-2023>

Accounting policies

The annual report of Ørsted Real Estate A/S for 2023 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to Reporting class B entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report for 2023 is presented in TDKK.

1 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 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.

2 Income statement

2.1 Other external expenses

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

2.2 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, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under tax payments, etc. Financial income and expenses also include realised and unrealised gains and losses relating to derivatives which are not used for hedge accounting.

Accounting policies

2.3 Income from investments in subsidiaries

Gain and loss from disposals of subsidiaries is recognised in the reporting year of the divestment. Dividend from investments is recognised in the reporting year in which the dividend is declared.

2.4 Tax for the year

The company is subject to the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The ultimate parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 the tax losses to reduce their own taxable income.

The tax expense for the year, which comprises the year's current tax charge, joint taxation contributions and changes in the deferred tax charge - including changes arising from changes in tax rates - 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.

3 Balance sheet

3.1 Tangible assets

Tangible assets which is not a lease is 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. Land and property, plant and equipment in progress are not depreciated.

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.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Accounting policies

Buildings	20-50 years
Plants and machinery	3-5 years
Other fixtures and fittings, tools and equipment	0 years

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

3.2 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 has been impaired, an impairment loss is recognised on an individual basis.

3.3 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.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Corporation tax receivable' or 'Corporation tax 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.

3.4 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.

Accounting policies

4 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 A/S.

Income statement 01 January - 31 December

	Note	2023 TDKK	2022 TDKK
Gross profit		0	0
Staff costs	3	0	0
Profit/(loss) before amortisation/depreciation and impairment losses		0	0
Other operating expenses		0	1
Profit before net financials		0	1
Finance expenses	4	(21)	(7)
Loss before tax		(21)	(6)
Tax on profit/loss for the year		5	0
Loss for the year		(16)	(6)
Distribution of profit	5		

Balance sheet 31 December

	Note	2023 TDKK	2022 TDKK
Assets			
Non-current assets			
Total non-current assets		0	0
Current assets			
<i>Receivables</i>			
Deferred tax asset		1	0
Corporation tax receivable		5	1
		6	1
Total current assets		6	1
		6	1
Total assets		6	1
Equity and liabilities			
<i>Equity</i>			
Share capital		500	500
Retained earnings		(998)	(982)
Total equity		(498)	(482)
<i>Current liabilities</i>			
Payables to group companies		504	483
Total current liabilities		504	483
Total liabilities		504	483
		6	1
Total equity and liabilities		6	1
Capital readiness	1		
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Statement of changes in equity

	Share capital TDKK	Retained earnings TDKK	Total TDKK
Equity at 1 January 2023	500	(982)	(482)
Net profit/loss for the year	0	(16)	(16)
Equity at 31 December 2023	500	(998)	(498)

Notes to the financial statements

1. Capital readiness

The equity is per 31 December 2023 negative. A credit limit has been made available, which will ensure the necessary capital readiness for the next 12 months.

2. Main activity

Ørsted Real Estate A/S is part of the Ørsted group and is a subsidiary of Ørsted A/S, Fredericia. Reference is made to the annual report for Ørsted A/S.

The company's purpose is to take care of the ownership and operation of real estate, and to carry out other business which, at the discretion of the board, is connected to the business mentioned opposite.

3. Staff costs

	2023	2022
Average number of employees	1	1

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

4. Financial expenses

	2023 TDKK	2022 TDKK
Interest expense to group enterprises	21	7
	21	7

5. Distribution of profit

	2023 TDKK	2022 TDKK
<i>Recommended appropriation of profit/loss</i>		
Retained earnings	(16)	(6)
	(16)	(6)

6. Subsequent events

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

Notes to the financial statements**7. Contingent assets, liabilities and other financial obligations****7.1 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. Any subsequent corrections to income and withholding taxes may result in an increase in the entities' liability.

8. Related parties and ownership structure**Controlling interest**

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