

**Company announcement
No. 31/2021**

Interim report for the first nine months of 2021

Our robust business model, active approach to risk management, and strong earnings in 'Bioenergy & Other' ensured good financial results despite low wind speeds and unusual market conditions. We are on track to meet our full-year guidance.

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Today, Ørsted's Board of Directors approved the interim report for the first nine months of 2021.

Our operating profit (EBITDA) totalled DKK 16.0 billion, an increase of DKK 2.9 billion compared to the same period last year. Our earnings included a gain of DKK 5.3 billion from the 50 % farm down of Borssele 1 & 2 in Q2 2021.

In most of Q3, we continued to see lower than normal wind speeds, which had an adverse impact on earnings from renewable assets in operation, which amounted to DKK 10.3 billion for the first nine months of the year. This was a decrease of DKK 1.3 billion compared to 9M 2020 despite ramp-up of generation from new assets and the receipt of CFDs for the last 400 MW of capacity from Hornsea 1. The total effect from lower wind speeds in 9M 2021 amounted to approx. DKK 2.5 billion compared to 9M 2020.

Our Bioenergy & Other business achieved significantly higher earnings compared with the same period last year, despite the divestment of our Danish power distribution, residential customer, and city light businesses in August 2020. This was due to exceptional performance by our CHP plants and high earnings from our gas business.

Our active approach to risk management, with a strategy to hedge prices in order to protect Ørsted against market price volatility, has significantly limited the impact of market prices on our earnings in the third quarter which had very bullish and volatile energy prices. Our trading department has done a great job navigating Ørsted well through these unusual market conditions.

Net profit amounted to DKK 7.6 billion and return on capital employed (ROCE) came in at 12.9 %.

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs, and operates offshore and onshore wind farms, solar farms, energy storage facilities, and bioenergy plants, and provides energy products to its customers. Ørsted ranks as the world's most sustainable energy company in Corporate Knights' 2021 index of the Global 100 most sustainable corporations in the world and is recognised on the CDP Climate Change A List as a global leader on climate action. Headquartered in Denmark, Ørsted employs 6,672 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2020, the group's revenue was DKK 52.6 billion (EUR 7.1 billion). Visit ored.com or follow us on Facebook, LinkedIn, Instagram, and Twitter.

EBITDA in 2021 is expected to be DKK 15-16 billion excl. new partnerships. We expect an outcome in the low end of the guided range, which is unchanged relative to the guidance in the H1 2021 report. This guidance is based on an assumption of normal wind speeds in the remainder of the year. Our EBITDA guidance does not include earnings from new partnerships during the year, which means that the gain from the Borssele 1 & 2 farm-down is excluded from our full-year guidance.

We also maintain our full-year gross investment guidance of DKK 39-41 billion.

Mads Nipper, Group President and CEO of Ørsted, says in a comment to the interim report for the first nine months of 2021:

"We are very pleased that our robust business model and active approach to risk management, together with strong earnings in 'Bioenergy & Other' resulted in good financial results in the third quarter despite low wind speeds and unusual market conditions. We are still on track to meet our full-year guidance.

We made good progress on the commercial development of our Borkum Riffgrund 3 project, which we are preparing for a final investment decision by the end of 2021. First, we signed an agreement with Glennmont Partners to farm-down 50 % of the 900 MW German wind project Borkum Riffgrund 3. We have also signed long-term power purchase agreements on Borkum Riffgrund 3 with REWE (100 MW), Covestro (100 MW), and Amazon (250 MW) and have an advanced pipeline of additional PPAs. These agreements are a strong testament to the attractiveness of our offshore wind assets and an important milestone in making the project fully ready for the final investment decision of these strategically important assets, which will further reinforce our market position in Germany.

In our emerging offshore markets, we entered into new strategic partnerships in Vietnam and Poland. Both countries have ambitious renewable energy targets, and we want to be a reliable long-term partner in these countries.

We also made very good progress on our renewable hydrogen and green fuel business, with both the Green Fuels for Denmark (GFDK) project, our Lingen Green Hydrogen project with bp, and the HySCALE100 project being shortlisted as Important Projects of Common European Interest (IPCEI). We continue to see strong momentum within renewable hydrogen both in Europe and worldwide and are, indeed, pleased to be able to progress these key projects in our hydrogen pipeline.

Overall, we are very pleased with our strategic and commercial progress. This year, we have been able to secure 3.6 GW of new offshore wind capacity in 2021 and now have 18 GW of firm offshore wind capacity secured towards our 30 GW target by 2030, which is a critical step in reaching our ambition of 50 GW of installed renewable capacity by 2030 and a strong testament to our commercial strength in offshore wind."

Financial key figures for 9M 2021:

DKK million	Q3 2021	Q3 2020	%	9M 2021	9M 2020	%
EBITDA	2,984	3,360	(11 %)	16,043	13,121	22 %
Profit (loss) for the period	487	12,034	(96 %)	7,629	14,527	(47 %)
Cash flows from operating activities	246	1,941	(87 %)	11,480	9,710	18 %
Gross investments	(8,757)	(9,263)	(5 %)	(27,555)	(18,328)	50 %
Divestments	7	20,506	(100 %)	10,567	20,558	(49 %)
Free cash flow	(8,504)	13,184	n.a.	(5,508)	11,940	n.a.
Net interest-bearing debt	21,211	8,216	158 %	21,211	8,216	158 %
FFO/adjusted net debt	42 %	80 %	(38 %p)	42 %	80 %	(38 %p)
ROCE	13 %	9 %	4 %p	13 %	9 %	4 %p

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Earnings call

In connection with the presentation of the interim report, an earnings call for investors and analysts will be held on Wednesday, 3 November 2021 at 14:00 CET.

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The earnings call can be followed live at:

<https://edge.media-server.com/mmc/p/v757tb3e>

Presentation slides will be available prior to the earnings call at:

www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0

The interim report is available for download at:

www.orsted.com/en/investors/ir-material/financial-reports-and-presentations#0

Attachments to this company announcement:

[Interim financial report 9M 2021 \(pdf\)](#)

[Company announcement \(pdf\)](#)

[Investor presentation \(pdf\)](#)