

**Company announcement
No. 1/2023**

Ørsted expects EBITDA excluding new partnership agreements of DKK 21.1 billion for 2022. EBITDA guidance for 2023 of DKK 20-23 billion excluding new partnership agreements

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Company registration no.
(CVR no.) 36 21 37 28

Ørsted presents operating profit (EBITDA) for 2022 based on preliminary and unaudited reporting.

19 January 2023

It has been a year with unusual market conditions, not least very volatile energy prices and a substantial increase in inflation. Despite this, we achieved 2022 results (EBITDA) within our latest guidance from 3 November 2022 and above our initial expectations for the year.

EBITDA including new partnership agreements is expected to total DKK 32.1 billion in 2022, our highest EBITDA to date, of which the gain from the 50 % farm-downs of Hornsea 2 and Borkum Riffgrund 3 amounted to DKK 11.0 billion in total.

EBITDA excluding new partnership agreements is expected to be DKK 21.1 billion, an increase of DKK 5.3 billion compared to 2021. We benefitted from our diverse portfolio and achieved significantly higher earnings from our onshore wind and solar PV business, our combined heat and power plants, and our gas activities than expected at the beginning of the year, while earnings in Offshore decreased. The unexpected decrease in Offshore was primarily due to adverse impacts from hedges, and delays at our Hornsea 2 and Greater Changhua 1 & 2a construction projects.

Preliminary and unaudited EBITDA

DKK billion	2022	2021	Δ
Group EBITDA	32.1	24.3	7.8
Group EBITDA excl. new partnerships	21.1	15.8	5.3
Offshore	19.6	18.0	1.6
- New partnerships	11.0	8.5	2.5
- EBITDA excl. new partnerships	8.6	9.5	(0.9)
Onshore	3.6	1.3	2.3
Bioenergy & Other	8.6	4.7	3.9
Other	0.2	0.2	0

Impairment of Sunrise Wind

As a result of project-specific CAPEX increases, an unprecedented cost inflation, and rapidly rising interest rates in 2022, we will recognise an impairment of DKK 2.5 billion on our 50 % owned US-based offshore wind development project Sunrise Wind in 2022.

EBITDA outlook for 2023

EBITDA excluding new partnership agreements is expected to be DKK 20-23 billion in 2023. Our EBITDA guidance assumes significantly higher earnings in Offshore, the same level in Onshore, and significantly lower earnings in Bioenergy & Other compared to 2022.

Mads Nipper, Group President and CEO of Ørsted, says:

"In a year with unusual market conditions, not least the very volatile energy prices and a substantial increase in inflation, we're happy to achieve a record-high EBITDA for 2022 within our latest guidance and above our initial expectations for the year. The composition and development of our earnings mix was significantly different than expected and once again showed the benefits from having a diverse portfolio.

We expect that earnings from our operational renewable energy assets will increase significantly in 2023 and contribute to reaching a Group EBITDA excluding new partnerships of DKK 20-23 billion, and we remain confident in our long-term financial estimates and growth ambitions."

Daniel Lerup, CFO of Ørsted, says:

"During the year, we have seen adverse impacts from overhedging, ineffective hedges, and delays at Hornsea 2 and Greater Changhua 1 & 2a, which is not satisfactory. As a response to the unintended impacts from hedges, we have established and are in the process of implementing a new risk management framework to reduce the volatility from financial instruments and bring back the inherent predictability of earnings that our contracted and regulated activities possess."

Presentation slides are available at <https://orsted.com/q4-conference-call-presentation>.

Investor and analyst call

In connection with the publication of the preliminary results for 2022 and guidance for 2023, a call for investors and analysts will be held on Friday, 20 January 2023 at 08:00 CET.

Dial in numbers for the call:

Denmark: +45 78 76 84 90

The UK: +44 203 769 6819

The US: +1 646 787 0157

PIN: 994005

The investor and analyst call can be followed live at <https://orsted-events.eventcdn.net/events/conference-call-january-2023>

Press briefing

In order to elaborate on today's announcement and answer questions about the preliminary results for 2022 and guidance for 2023, a press briefing will be held for journalists on Friday, 20 January 2023 at 09:00 CET.

Dial-in numbers for the press briefing:

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Passcode: Ørsted

Ørsted will publish its annual report for 2022 on Wednesday, 1 February 2023.

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About Ørsted

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, renewable hydrogen and green fuels facilities, and bioenergy plants. Ørsted is recognised on the CDP Climate Change A List as a global leader on climate action and was the first energy company in the world to have its science-based net-zero emissions target validated by the Science Based Targets initiative (SBTi). Headquartered in Denmark, Ørsted employs approx. 7,700 people. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2021, the group's revenue was DKK 77.7 billion (EUR 10.4 billion). Visit orsted.com or follow us on Facebook, LinkedIn, Instagram, and Twitter.