



Ørsted

Interim financial report

First half year 2021

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Earnings call

In connection with the presentation of the interim financial report an earnings call for investors and analysts will be held on Thursday, 12 August 2021 at 14:00 CEST:

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The earnings call can be followed live here:
<https://edge.media-server.com/mmc/p/vps2auvq>

Presentation slides will be available prior to the earnings call and can be downloaded here:
orsted.com/financial-reports

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CEO's review

Strong strategic progress in first half with a major US offshore wind project awarded, new partnerships, updated strategic ambitions, and long-term financial guidance.
Full-year EBITDA guidance maintained despite low wind speeds.

Highlights

Financials

Operating profit (EBITDA) increased by DKK 3.3 billion compared to the same period last year, amounting to DKK 13.1 billion, including a DKK 5.4 billion gain from the farm-down of Borssele 1 & 2.

Earnings from offshore and onshore wind farms in operation amounted to DKK 7.9 billion, a decrease of DKK 0.3 billion compared to the same period last year due to significantly lower wind speeds.

We reiterate our EBITDA guidance, excluding new partnerships, of DKK 15-16 billion and increase our expected gross investments to DKK 39-41 billion.

Our green share of heat and power generation amounted to 89 %.

Construction and operational progress

Installed the first wind turbines at our 1.3 GW offshore wind farm Hornsea 2.

Commissioned Permian Energy Center in Texas, our first combined solar PV and storage facility.

Commissioned Western Trail Wind Farm in Texas.

Business development

Ocean Wind 2 awarded 1,148 MW offshore wind contract in New Jersey, fully utilising our Ocean Wind lease area.

Closed the agreement to enter into a 50/50 joint venture with PGE for the Baltica 2 & 3 projects in Poland.

Closed the agreement to acquire Brookfield Renewable Ireland, a European onshore wind platform.

Closed the agreement with Norges Bank Investment Management to farm down 50 % of the 752 MW offshore wind farm Borssele 1 & 2.

Financials

Our operating profit (EBITDA) for the first half of the year amounted to DKK 13.1 billion, a DKK 3.3 billion increase compared to the same period last year. The increase was mainly due to a contribution from new partnerships from the gain of the 50 % farm-down of Borssele 1 & 2 in May, which amounted to DKK 5.4 billion.

In the first half of 2021, we experienced significantly lower wind speeds than normal, especially across our offshore portfolio. Consequently, earnings from offshore and onshore wind farms in operation amounted to DKK 7.9 billion, a decrease of DKK 0.3 billion compared to H1 2020 despite ramp-up of generation from new operating assets and the addition of CfDs for the last 400 MW of capacity from Hornsea 1. We obtained solid availability rates during the first half. We also saw exceptionally good performance by our CHP plants and high earnings from our gas business.

We maintain our full-year EBITDA guidance of DKK 15-16 billion, but currently expect an outcome in the low end of the guided range. In line with previous years, 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 and the farm-down of Greater Changhua 1 expected in Q3 is excluded from our full-year guidance.

We increase our full-year gross investment guidance from DKK 32-34 billion to DKK 39-41

billion to reflect the acquisition of Brookfield Renewable Ireland (BRI) in June and the expected acquisition of the fully constructed 302 MW onshore wind project Lincoln Land in the US later this year.

Our green share of heat and power generation amounted to 89 % in H1 2021, up 1 percentage point relative to the same period last year. The development was primarily due to more wind farms in operation, partly offset by lower wind speeds and increased thermal generation of heat and power driven by higher heat demand and regulatory obligations to make all our energy capacities available to the market.

Construction and operational progress

We are currently constructing two of the largest offshore wind farms in the world, Hornsea 2 and Greater Changhua 1 & 2a, which are both on track to be commissioned in 2022.

On 27 May, we reached a significant milestone when we installed the first offshore wind turbine at our 1.3 GW wind farm Hornsea 2 off the coast of the UK. With 50 out of 165 wind turbines currently installed at the site, we now have more than 1,000 offshore wind turbines in UK waters. When commissioned in H1 2022, Hornsea 2 will become the world's largest offshore wind farm, exceeding our own Hornsea 1.

In Taiwan, construction of Greater Changhua 1 & 2a is progressing according to plan within both time and budget, but the continued

dynamic COVID-19 restrictions in Taiwan could potentially impact the construction timeline. When commissioned, the 900 MW wind farm will be the largest offshore wind farm in APAC and will supply 1 million Taiwanese households with renewable energy.

The array cable issue we discovered earlier this year on several offshore wind farms across the UK and Continental Europe led us to include a warranty provision of DKK 0.8 billion in Q1 2021 to cover potential costs towards partners. Our assessments are unchanged since the publication of the Q1 2021 report and still point to a total financial impact of around DKK 3 billion across 2021 to 2023 with approx. one third expected to be capitalised.

In May, we commissioned our first large-scale combined solar PV and storage facility, Permian Energy Center, in Texas. The renewable power facility consists of a 420 MW_{ac} solar PV farm and a 40 MW_{ac} energy storage facility and showcases our ability to build and develop large-scale solar PV assets. Additionally, in August, we commissioned our greenfield wind project Western Trail in Texas. With a generation capacity of 367 MW, Western Trail is our largest onshore wind asset in operation. Earlier this year, we signed PPAs with PepsiCo, Hormel foods, and Nucor to offtake renewable power from the wind farm, which entails an attractive incremental source of stable earnings. We are currently constructing Muscle Shoals, Haystack, Old 300, and Helena Energy Center in the US, which are all on track to be commissioned during H2 2021 or 2022, and Kennoxhead 1 in Scotland, which is expected to enter commercial operation in 2022.

Business development

Offshore

Our portfolio of US offshore development projects is moving ahead. On 30 June, the New Jersey Board of Public Utilities selected our Ocean Wind 2 project for a 20-year offshore wind renewable energy certificate (OREC) for an offshore wind farm with a capacity of 1,148 MW. The 2029 OREC price is USD 84.03 per MWh, with a 2 % annual escalator. With Ocean Wind 1 and 2, we will deliver more than 2,200 MW of offshore energy to the state of New Jersey. We have now been awarded offshore wind projects totalling over 4 GW in the US, more than any other developer, which unlocks significant synergies in procurement, construction, and operation.

We are further looking to expand our offshore footprint in the US by submitting a bid to the Maryland Public Service Commission to develop Skipjack Wind 2, with a proposed capacity of up to 760 MW. We are currently developing the 120 MW Skipjack Wind 1 off the Maryland-Delaware coast, which is expected to be commissioned in 2026.

In the US, we have seen various indications of momentum on both the federal and state levels and therefore, we remain confident that three of our largest US projects: Ocean Wind 1, Revolution Wind, and Sunrise Wind are on track to be commissioned before the end of 2025. Both Ocean Wind 1 and Revolution Wind have received their notices of intent (NOIs), and Sunrise Wind's notice of intent is expected in Q3 this year.

The 50/50 joint venture agreement with PGE to develop, build, operate, and own the two Polish offshore wind farms Baltica 2 & 3 with a



On 30 June, the New Jersey Board of Public Utilities selected Ørsted's Ocean Wind 2 project to negotiate a 20-year offshore wind renewable energy certificate (OREC) for an offshore wind farm with a capacity of 1,148 MW.

Capital Markets Day 2021

On 2 June 2021, we presented our updated strategic ambitions and new financial guidance. To continue to lead in the global green energy transformation and realise our full potential as a global green energy major, we will accelerate our global build-out of renewable energy and have set an ambition to reach approx. 50 GW of installed renewable capacity by 2030. To support this ambitious build-out, our planned gross investments from 2020 to 2027 will be approx. DKK 350 billion, of which approx. 80 % is expected to be within Offshore (incl. renewable hydrogen), and approx. 20 % within Onshore. Net of the expected proceeds from farm-downs, investments are expected to be approx. DKK 200 billion.

In the period 2020-2027, we expect a growth in operating profit (EBITDA) from offshore and onshore assets in operation of approx. 12 % a year on average, reaching a level of DKK 35-40 billion in 2027. The growth rate assumes a 50 % ownership stake in new offshore projects. Potential farm-down gains will come on top of the operational EBITDA CAGR.

We aspire to be a globally recognised sustainability leader and to accelerate our efforts to operate our company in an even more sustainable way. Therefore, we have set the ambition that by 2030 all new projects commissioned must have a net-positive biodiversity impact, fully supporting that the transformation to green energy must take place in a sustainable way and in harmony with nature. Furthermore, we commit to either reuse, recycle, or recover all of the wind turbine blades in our global portfolio upon decommissioning.

Read more about our ambitions and guidance metrics in the material from the Capital Markets Day: <https://orsted.com/en/capital-markets-day-2021>

total installed capacity of up to 2.5 GW has been closed. This follows the good news of the projects being awarded contracts for difference (CfDs) earlier this year. Poland has set an ambitious renewable build-out target, and this partnership with PGE cements our position in a growing market and is an important milestone in our ambition for Continental Europe.

In Japan, we have submitted three bids in the country's first-ever auction for bottom-fixed offshore wind projects. One bid is with our partner TEPCO in the Choshi lease zone located off the east coast of the Chiba prefecture. The two other bids are with our partners JWD and Eurus Energy for projects located off the west coast of the Akita prefecture. We are very excited to be part of the first offshore auction in Japan, which has an ambition to become one of the world's largest markets for offshore wind with an up to 45 GW target in 2040. The winners of the first auction are expected to be announced at

the end of this year, and the Japanese government plans to host yearly auction rounds going forward.

We have closed the agreement with Norges Bank Investment Management (NBIM) to farm down 50 % of our 752 MW Dutch offshore wind farm Borssele 1 & 2. The total value of the transaction amounted to approx. DKK 10.2 billion and marks NBIM's first investment in unlisted renewable energy infrastructure. As part of the agreement, we will provide O&M and energy balancing services.

Since the publication of our Q1 2021 report, Ørsted has entered into several new and strategic partnerships.

In the UK, we entered into a joint venture agreement with BlueFloat Energy and Falck Renewables to join two large-scale floating wind bids in Scotland. The joint venture company is owned on an equal ownership

basis and demonstrates Ørsted's commitment to floating wind. We have also submitted bids alone for bottom-fixed offshore wind project rights in the Scotwind leasing round. With decades of experience in the UK and overseas, we can help maximise the full offshore wind potential in Scotland.

In Norway, we joined forces with Fred. Olsen Renewables and Hafslund Eco to participate in Norway's upcoming application round for offshore seabed leases. The Norwegian government has appointed two lease areas with a potential capacity of up to 4.5 GW across the two areas, and the consortium will be applying for seabed leases in both areas with the aim of delivering both bottom-fixed and floating offshore wind power.

In Korea, we signed an MoU with POSCO Group to support the development of our 1.6 GW offshore wind projects off the coast of Incheon City, and conduct feasibility studies on a potential collaboration on renewable

hydrogen.

In Denmark, we started construction of our first renewable hydrogen project, H2RES. The project will have a capacity of 2 MW and will be used to investigate how best to combine efficient electrolyser facilities with fluctuating power supply from offshore wind, using our two 3.6 MW offshore wind turbines at Avedøre Holme.

Furthermore, we entered into an agreement with HOFOR to source renewable power for the next phases of the Green Fuels for Denmark project from their 250 MW offshore wind farm Aflandshage which is expected to deliver first power in 2024/2025. Green Fuels for Denmark is uniting some of the strongest partners in the Danish transport and energy sector to fulfil Denmark's ambitious vision for a large-scale production of renewable hydrogen and fuels. The project has a potential capacity of 1.3 GW, abating up to 850,000 tonnes of carbon emissions.

Implementation of the EU Taxonomy

As part of the European Green Deal to become the first climate-neutral continent by 2050, the EU Commission has established the EU Taxonomy as an important enabler to scale up sustainable investments. The taxonomy is a catalogue of environmentally sustainable economic activities, each with criteria to determine if they substantially contribute towards a sustainable economy. In June, the Commission adopted the Climate Delegated Act for the first two out of six environmental objectives of the Taxonomy Regulation, namely climate change mitigation and climate change adaptation, with the remaining four expected during 2022.

At Ørsted, we want to be a catalyst for change, and are committed to taking a leading role in the global green energy transformation. We therefore welcome the new reporting framework.

During the year, we assessed whether our activities can be identified in the taxonomy and thereby be classified as taxonomy-eligible. Subject to fulfilling certain criteria on substantially contributing to at least one environmental objective, doing no significant harm (DNSH) to the other

environmental objectives, and complying with minimum social safeguards, the activities will be classified as taxonomy-aligned. Although the upcoming EU requirements for reporting on taxonomy-eligible activities do not come into force until 2022, we have decided to disclose approximate levels for our taxonomy-eligible share of revenue, EBITDA, and gross investments in our H1 2021 report (read more in our ESG performance report: <https://orsted.com/esg-2021-h1>). We plan to complete the criteria screening before year-end and thus to report on taxonomy-aligned shares in our annual reports, one year ahead of requirements.

The taxonomy-eligible share of revenue was above 65 %, whereas the shares of our EBITDA and gross investments was above 95 % and 99 % respectively, in H1 2021. The non-eligible part of our revenue primarily concerned our long-term legacy activities related to sourcing and sale of gas (17 % of revenue in H1 2021), Danish CHP plants, where fossil fuels still account for approx. a quarter of the fuels used, and sale of power to end-users (activity currently not covered by the taxonomy). We expect the share of taxonomy-eligible revenue to increase in the coming years.

Onshore

In June, we completed the acquisition of the onshore renewable energy platform Brookfield Renewable Ireland (BRI). The acquisition marks our entry into the European onshore market with a portfolio of 327 MW in operation, 62 MW under construction, 149 MW of advanced development projects, and more than 1 GW of projects under development. Integration of key systems is underway, and we are now looking ahead at new opportunities as a transatlantic onshore renewable energy developer.

In May, we entered into an agreement to acquire the 302 MW US wind project Lincoln Land, which is expected to be operational by the end of 2021. The wind farm resides in the Midwest Independent System Operator (MISO) area and will thereby expand our footprint in the US energy market.

In the US, we signed three new PPAs in Q2 2021. One with North Iowa Municipal Electric Cooperative Association (NIMECA) to purchase power from our 103 MW wind farm Willow Creek in South Dakota. The PPA helps NIMECA diversify their energy supply. The second, is with Microsoft Corporation to purchase power from our 430 MW_{ac} solar PV farm Old 300 Solar Center in Texas. The third is with Royal DSM to purchase electricity from one of our solar projects we are developing in Texas. These adds to our list of six other PPAs signed this year, which underpins the commercial value of our onshore renewable assets in the US.

Employees

On 1 June, Richard Hunter joined Ørsted as our new Chief Operating Officer (COO). Richard has a long career as an executive and extensive experience within engineering, manufacturing, and operations, and is thus well-suited to continue the development of our EPC & Operations activities. We are excited to have Richard on board on our journey to sustain our position as the world's leading energy major.

We recently announced that Declan Flanagan decided to resign from the company. Twelve years after founding Lincoln Clean Energy and three years after Ørsted's acquisition. We have initiated the process of recruiting the next CEO of Onshore and effective immediately, Neil O'Donovan, our COO of Onshore, has been appointed interim CEO of Onshore.

More than 16 months into the COVID-19 pandemic, our Corporate Crisis Management Organisation (CCMO) has continued to meet regularly, focusing on the health and safety of our employees, and ensuring business continuity. Although the pandemic is not yet over, management and the HR department are well into considerations on how to create a flexible workplace of the future, employing the learnings we have obtained from the recent period's way of working.

We strongly believe in the value of a diverse organisation. We aspire to create an environment where everyone can thrive, perform, and grow. With the launch of Ørsted's Inclusion Networks, we promote and support diversity and inclusion of all minority groups.



Mads Nipper
Group President and CEO

At a glance

Ørsted

EBITDA

2020	DKK 8.2 bn	DKK 9.8 bn
2021	DKK 7.9 bn	DKK 13.1 bn

● From operating wind farms and solar PV

Key figures H1 2021

Revenue	DKK 32.5 bn
Gross investments	DKK 18.8 bn
Capital employed	DKK 109.0 bn
TRIR	3.1
Number of employees	6,472
ROCE ¹	12.5 %

Green share of heat and power generation, %

2020	88
2021	89

Offshore

EBITDA

2020	DKK 7.5 bn	DKK 8.0 bn
2021	DKK 7.3 bn	DKK 11.5 bn

● From operating wind farms

Key figures H1 2021

Revenue	DKK 22.2 bn
Gross investments	DKK 10.4 bn
Capital employed	DKK 87.9 bn
TRIR	3.1
Number of employees	3,250

Wind speed and availability, m/s, %

Wind speed	2020: 10.4	2021: 9.2
Availability	2020: 93	2021: 94

Onshore

EBITDA

2020	DKK 0.5 bn
2021	DKK 0.4 bn

Key figures H1 2021

Revenue	DKK 0.2 bn
Gross investments	DKK 8.3 bn
Capital employed	DKK 18.0 bn
TRIR	6.3
Number of employees	220

Wind speed and availability, m/s, %

Wind speed	2020: 7.8	2021: 7.5
Availability	2020: 96	2021: 95

Bioenergy & Other

EBITDA

2020	DKK 1.1 bn
2021	DKK 1.1 bn

Key figures H1 2021

Revenue	DKK 12.6 bn
Gross investments	DKK 0.1 bn
Capital employed	DKK 1.7 bn
TRIR	2.5
Number of employees	971

Green share of heat and power generation, %

2020	71
2021	76

¹Last 12 months

Outlook 2021

EBITDA

EBITDA in 2021, excluding new partnership agreements, is expected to be DKK 15-16 billion, which is unchanged relative to the guidance in our annual report for 2020 and interim report for Q1 2021. We now expect an outcome in the low end of the guided range mainly due to very low wind speeds in June and July. This guidance is based on an assumption of normal wind speeds for the last five months.

Our directional guidance for Offshore has changed from 'lower' to 'significantly lower', mainly due to the significantly lower than normal wind speeds across our entire offshore wind portfolio (approx. DKK -1.4 billion impact versus a normal year up until the end of July) and the DKK 0.8 billion warranty provision towards our partners related to cable protection system issues at some of our wind farms.

Our directional guidance for Bioenergy & Other has changed from 'lower' to 'higher', mainly due to higher earnings from our CHP plants caused by higher power prices together with higher heat demand and sale of ancillary services. Furthermore, the increasing gas prices have a positive impact on earnings from revaluation of gas at storage.

The directional guidance for Onshore is 'Higher', which is unchanged relative to the guidance in the annual report for 2020.

Gross investments

Gross investments in 2021 are expected to increase from DKK 32-34 billion to DKK 39-41 billion due to the acquisition of Brookfield Renewable Ireland in June and the expected acquisition of the fully constructed 302 MW onshore wind project Lincoln Land in the US later this year.

Outlook 2021, DKK billion	2020 realised ¹	2020 realised, excl. RBC ^{1,2}	Guidance 3 Feb 2021 ³	Guidance 29 Apr 2021 ³	Guidance 12 Aug 2021 ³
EBITDA	18.1	17.2	15-16	15-16	15-16
Offshore	14.8	14.8	Lower	Lower	Significantly lower
Onshore	1.1	1.1	Higher	Higher	Higher
Bioenergy & Other	2.1	1.2	Lower	Lower	Higher
Gross investments	27.0		32-34	32-34	39-41



Our EBITDA guidance for the Group is the prevailing guidance, whereas the directional earnings development per business unit serves as a means to support this. Higher/lower indicates the direction of the business unit's earnings relative to the results for 2020 excl. RBC.

¹ Business performance principle. From 2021, we are reporting according to IFRS (see more on page 11).

² Excluding the Danish power distribution, residential customer, and city light businesses (RBC).

³ Excluding new partnerships, relative to 2020, excluding RBC.



Hornsea 2, off the Yorkshire coast, UK

Results Q2

EBITDA

Operating profit (EBITDA) totalled DKK 8.2 billion compared to DKK 3.0 billion in Q2 2020. The increase of DKK 5.2 billion was mainly related to the 50 % farm-down of Borssele 1 & 2 which resulted in a gain from new partnerships of DKK 5.4 billion, but was also due to good performance at our CHP plants and a positive effect from our gas business due to increasing gas prices. This was partly offset by the divestment of our distribution, residential customer, and city light (RBC) businesses, which contributed DKK 0.3 billion to EBITDA in Q2 2020, and lower earnings from our operating wind assets.

Earnings from offshore and onshore wind farms in operation were DKK 0.3 billion lower than in the same period last year and amounted to DKK 2.7 billion. Ramp-up of generation from Borssele 1 & 2, Plum Creek, Willow Creek, and Permian Energy Center combined with the addition of the last 400 MW of Hornsea 1 receiving CfDs in April and a positive effect from ceasing to report according to the business performance principle in 2021 contributed positively to our site earnings. However, this was more than offset by significantly lower wind speeds across especially our offshore portfolio (approx. DKK -0.7 billion compared to Q2 2020 and approx. DKK -0.9 billion compared to a normal wind year), higher TNUoS tariffs following the divestment of the offshore transmission asset at Walney Extension in mid-2020 and Hornsea 1 in Q1 2021, and lastly lower earnings from Horns Rev 2 due to the subsidy period ending in October 2020.

EBITDA from our CHP plants more than doubled relative to the same period last year and amounted to DKK 0.4 billion. The increase was mainly due to higher realised power prices together with higher sales of ancillary services.

Financial income and expenses

Net financial income and expenses amounted to DKK -0.5 billion in Q2 2021 compared to DKK -1.0 billion in Q2 2020. The lower net expenses were mainly due to Q2 2020 being adversely impacted by interest related to potential tax payments and a loss on interest rate swaps in connection with the termination of local project financing and related swaps in the US, and from generally lower net interest expenses in Q2 2021 due to lower net debt.

Tax and tax rate

Tax on profit for the period amounted to DKK 0.2 billion in Q2 2021 compared to DKK 0.9 billion in Q2 2020. The effective tax rate in Q2 2021 was 3 % and was significantly impacted by the tax-exempt gain of DKK 5.4 billion from the 50 % farm-down of Borssele 1 & 2. Tax for Q2 2021 was further positively impacted by DKK 0.9 billion regarding uncertain tax positions (UTP) due to updated management assessments and the increase of the UK tax rate from 19 % to 25 % from 2023. This was partly offset by the recognition of deferred taxes related to an initial tax equity contribution for Permian Energy Center and our US offshore portfolio.

Financial results, DKKm

	Q2 2021	Q2 2020	%
Revenue	13,553	11,625	17 %
EBITDA	8,196	2,956	177 %
Depreciation and amortisation	(1,959)	(1,827)	7 %
Operating profit (loss) (EBIT)	6,237	1,129	452 %
Gain (loss) on divestment of enterprises	(72)	(3)	n.a.
Financial items, net	(466)	(1,010)	(54 %)
Profit before tax	5,698	119	n.a.
Tax on profit (loss) for the period	(154)	(928)	(83 %)
Tax rate	3 %	780 %	(777 %p)
Profit (loss) for the period	5,544	(825)	n.a.

Profit for the period

Profit for the period totalled DKK 5.5 billion, DKK 6.4 billion higher than in Q2 2020. The increase was primarily due to the gain from the 50 % farm-down of Borssele 1 & 2, and from lower net financial expenses and tax expenses.

Cash flows from operating activities

Cash flows from operating activities totalled DKK 3.1 billion in Q2 2021 compared to DKK 8.2 billion in Q2 2020. The decrease of DKK 5.1 billion was mainly driven by lower EBITDA (excluding the farm-down of Borssele 1 & 2, where the cash flow is included in the divestment cash flow), and that Q2 2020 was positively impacted by the divestment of the offshore transmission asset at Walney Extension. Furthermore, we received two large tax equity contributions in Q2 2020 for the on-

shore wind farms Sage Draw and Plum Creek, where we only received an initial tax equity contributions for Permian Energy Center in Q2 2021. Finally, Q2 2021 saw more funds tied up in other net working capital due to increasing trade receivables during Q2 2021 versus decreasing trade receivables during Q2 2020.

Investments and divestments

Gross investments amounted to DKK 12.1 billion against DKK 3.8 billion in Q2 2020. The main investments in Q2 2021 were:

- offshore wind farms (DKK 5.8 billion), including Greater Changhua 1 & 2a in Taiwan, Hornsea 2 in the UK, Ocean Wind 1 in the US, and payments regarding Baltica 2 & 3 in Poland through the 50/50 joint venture with PGE.

- onshore wind and solar PV farms (DKK 6.3 billion), including the acquisition of Brookfield Renewable Ireland, and the construction of Permian Energy Center, Old 300, Muscle Shoals, Western Trail, Helena Energy Center, Haystack, and Kennoxhead 1.

Divestments amounted to DKK 10.6 billion in Q2 2021 and were mainly related to the 50 % farm-down of Borssele 1 & 2 with proceeds (NIBD impact) of DKK 9.3 billion. Furthermore, proceeds from the divestment of a 25 % ownership interest in Ocean Wind 1 to New Jersey's Public Service Enterprise Group (PSEG) and final settlement with Global Infrastructure Partners (GIP) regarding Hornsea 1 were included in divestments.

Cash flow and net debt, DKKm	Q2 2021	Q2 2020	%
Cash flows from operating activities	3,147	8,197	(62 %)
EBITDA	8,196	2,956	177 %
Change in derivatives	336	680	(51 %)
Change in provisions	15	(349)	n.a.
Reversal of gain (loss) on divestments of assets	(5,458)	(71)	n.a.
Other items	15	(43)	n.a.
Interest expense, net	(382)	(634)	(40 %)
Paid tax	(313)	(86)	264 %
Change in work in progress	(857)	(177)	384 %
Change in tax equity partner liabilities	866	3,017	(71 %)
Change in other working capital	729	2,904	(75 %)
Gross investments	(12,133)	(3,757)	223 %
Divestments	10,591	45	n.a.
Free cash flow	1,605	4,485	(64 %)
Net debt, beginning of period	13,190	27,084	(51 %)
Free cash flow from continuing operations	(1,605)	(4,485)	(64 %)
Free cash flow from discontinued operations	-	(102)	n.a.
Dividends and hybrid coupon paid	172	378	(54 %)
Addition of lease obligations	194	138	41 %
Exchange rate adjustments, etc.	116	(752)	n.a.
Net debt, end of period	12,067	22,272	(46 %)



The installation of the 16th turbine at Hornsea 2 which also marked Ørsted's 1,000th offshore wind turbine in UK waters

Results H1

Financial results

Revenue

Power generation from offshore and onshore wind increased by 8 % and totalled 10.7 TWh in H1 2021. Ramp-up of generation from Borssele 1 & 2, Sage Draw, Plum Creek, Willow Creek, and Permian Energy Center was partly offset by significantly lower wind speeds across our offshore portfolio in particular.

Our production-based availability for Offshore amounted to 94 %, up 1 percentage point compared to the same period last year, driven by the addition of Borssele 1 & 2 performing with high availability.

Thermal power generation increased by 53 % and amounted to 3.8 TWh, driven by favourable market conditions for power generation as well as increased demand for ancillary services. Heat generation amounted to 5.0 TWh, up 22 % compared to the same period last

year mainly due to colder weather in January and April.

As a result of the above-mentioned developments in power generation, the share of generation from offshore and onshore wind accounted for 74 % of our total power generation, a decrease of 6 percentage points compared to the same period last year. Our renewable share of generation accounted for 89 % in H1 2021 compared to 88 % in H1 2020.

Revenue amounted to DKK 32.5 billion. The increase of 20 % relative to H1 2020 was primarily due to the divestment of the offshore transmission asset at Hornsea 1 in Q1 2021 and higher gas and power prices across all markets, partly offset by low wind speeds in H1 2021 and the divested LNG and Danish distribution, residential customer, and city light businesses (RBC) in 2020.

Financial results, DKKm

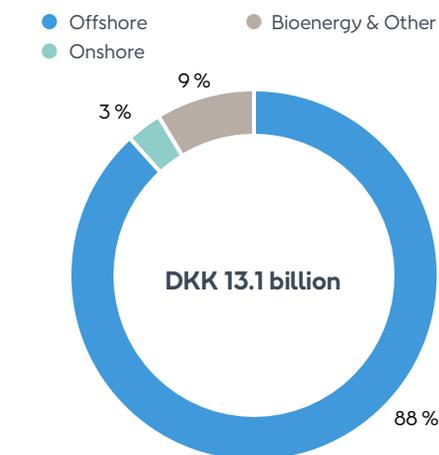
	H1 2021	H1 2020	%
Revenue	32,497	27,001	20 %
EBITDA	13,059	9,761	34 %
Depreciation and amortisation	(3,889)	(3,581)	9 %
Operating profit (loss) (EBIT)	9,170	6,180	48 %
Gain (loss) on divestment of enterprises	(36)	(17)	112 %
Financial items, net	(885)	(1,786)	(50 %)
Profit before tax	8,245	4,383	88 %
Tax on profit (loss) for the period	(1,103)	(1,846)	(40 %)
Tax rate	13 %	42%	(29 %p)
Profit (loss) for the period	7,142	2,493	186 %

EBITDA

Operating profit (EBITDA) totalled DKK 13.1 billion, of which the gain from the 50 % farm-down of Borssele 1 & 2 amounted to DKK 5.4 billion. Thus, EBITDA excluding new partnerships amounted to DKK 7.7 billion, a decrease of DKK 2.1 billion compared to the same period last year.

Earnings from offshore and onshore wind farms in operation amounted to DKK 7.9 billion, a decrease of DKK 0.3 billion compared to the same period last year. Ramp-up of generation from Borssele 1 & 2, Sage Draw, Plum Creek, Willow Creek, and Permian Energy Center combined with the addition of CfDs for the last 400 MW of capacity from Hornsea 1 and a

EBITDA, DKK billion



Ceasing the use of business performance

With the implementation of IFRS 9 in 2018, it has become significantly easier to apply IFRS hedge accounting to our commodity hedges. We have concluded that IFRS 9 can replace our business performance principle, and therefore, we are reporting based on IFRS only from 1 January 2021.

At the end of 2020, the value of our business performance hedges deferred to a future period amounted to DKK -2.7 billion, of which DKK -1.1 billion relates to 2021. This net loss has already been recognised in the income statement under IFRS in previous years, as we have not previously applied hedge accounting for these. Consequently, for the period 2021-2025, EBITDA (according to IFRS) will be higher with a similar amount compared to what the business performance EBITDA would have been in the same period if we had continued to report based on this principle. For H1 2021, EBITDA according to IFRS was DKK 0.6 billion higher than if we had kept reporting according to the business performance principle. The main part of the amount was related to site EBITDA in Offshore and the remaining part was related to our CHP plants and gas activities in Bioenergy & Other.

Throughout the management's review, we will use business performance as comparable numbers for 2020 for a better like-for-like comparison, while our consolidated financial statements will be reported after IFRS only. Read more in note 2 'Business Performance'.

In addition, see more info in the annual report for 2020 in the financial outlook section on page 16, and in notes 1.4 and 1.6 on pages 88 and 90, respectively.

positive effect from ceasing to report according to the business performance principle in 2021 (approx. DKK 0.5 billion) contributed positively to our site earnings. However, this was more than offset by significantly lower wind speeds across our offshore portfolio (approx. DKK -1.8 billion compared to H1 2020 and approx. DKK -1.0 billion compared to a normal wind year), higher TNUoS tariffs following the divestment of the offshore transmission assets at Walney Extension in mid-2020 and Hornsea 1 in Q1 2021 (approx. DKK -0.2 billion), lower earnings from Horns Rev 2 due to the subsidy period ending in October 2020 (approx. DKK -0.1 billion), and lastly lower ROC recycle prices in H1 2021 compared to the same period last year (approx. DKK -0.1 billion).

EBITDA from partnerships amounted to DKK 5.1 billion and was primarily related to the 50 % farm-down of Borssele 1 & 2, whereas earnings from existing partnerships amounted to DKK -0.3 billion, a decrease of DKK 1.8 billion compared to the same period last year, which saw high earnings related to the Hornsea 1 transmission asset. H1 2021 was negatively impacted by a DKK 0.8 billion warranty provision towards our partners related to cable protection system issues at some of our offshore wind farms.

The divested RBC businesses contributed DKK 0.8 billion to EBITDA in H1 2020.

EBITDA from our CHP plants amounted to DKK 1.0 billion, an increase of DKK 0.4 billion compared to the same period last year. The increase was mainly due to higher realised power prices together with higher sales of ancillary services and increased heat generation.

EBITDA from our gas business also contributed

with earnings of DKK 0.3 billion in H1 2021, an increase of DKK 0.4 billion compared to the same period last year.

EBIT

EBIT increased by DKK 3.0 billion to DKK 9.2 billion in H1 2021, primarily as a result of the higher EBITDA, only partly offset by higher depreciation driven by more wind farms in operation.

Financial income and expenses

Net financial income and expenses amounted to DKK -0.9 billion compared to DKK -1.8 billion in H1 2020. The lower net expenses were mainly due to high interest in H1 2020 related to potential tax payments and a loss on interest rate swaps in connection with the termination of local project financing and related swaps in the US, and generally lower net interest expenses in H1 2021 due to lower net debt.

Tax and tax rate

Tax on profit for the period amounted to DKK 1.1 billion, DKK 0.7 billion lower than in the same period last year. The effective tax rate was 13 % and was significantly impacted by the tax-exempt gain of DKK 5.4 billion from the 50 % farm-down of Borssele 1 & 2. Tax for H1 2021 was further reduced by DKK 0.9 billion regarding uncertain tax positions (UTP) due to updated management assessments and the increase of the UK tax rate from 19 % to 25 % from 2023. This was partly offset by the recognition of a deferred tax liability related to an initial tax equity contribution for Permian Energy Center and our US offshore portfolio, and taxable income in onshore entities without tax equity partners following the winter storm in Texas in February.

Cash flow and net debt, DKKm	H1 2021	H1 2020	%
Cash flows from operating activities	11,234	7,769	45 %
EBITDA	13,059	9,761	34 %
Change in derivatives	(475)	(514)	(8 %)
Change in provisions	645	(365)	n.a.
Reversal of gain (loss) on divestments of assets	(5,678)	(1,288)	341 %
Other items	(46)	(7)	557 %
Interest expense, net	(636)	(1,163)	(45 %)
Paid tax	(1,186)	(1,353)	(12 %)
Change in work in progress	3,754	(2,015)	n.a.
Change in tax equity partner liabilities	619	2,892	(79 %)
Change in other working capital	1,178	1,821	(35 %)
Gross investments	(18,798)	(9,065)	107 %
Divestments	10,560	52	n.a.
Free cash flow	2,996	(1,244)	n.a.
Net debt, beginning of period	12,343	17,230	(28 %)
Free cash flow from continuing operations	(2,996)	1,244	n.a.
Free cash flow from discontinued operations	-	44	n.a.
Dividends and hybrid coupon paid	5,254	4,921	7 %
Addition of lease obligations	423	147	188 %
Issuance of hybrid capital, net	(4,356)	-	n.a.
Exchange rate adjustments, etc.	1,399	(1,321)	n.a.
Net debt, end of period	12,067	22,272	(46 %)

Profit for the period

Profit for the period totalled DKK 7.1 billion, DKK 4.6 billion higher than in H1 2020. The increase was primarily due to the gain from the 50 % farm-down of Borssele 1 & 2, and from lower net financial expenses and tax expenses.

Cash flows and net debt

Cash flows from operating activities totalled DKK 11.2 billion in H1 2021 compared to DKK 7.8 billion in H1 2020. The increase of DKK 3.5 billion was mainly driven by a cash inflow

from work in progress in H1 2021 versus a cash outflow in H1 2020. This was partly offset by higher cash flow from tax equity contributions in H1 2020 which was positively impacted by Sage Draw and Plum Creek, while H1 2021 only saw an initial tax equity contribution for Permian Energy Center.

In H1 2021, we had a net cash inflow from work in progress of DKK 3.8 billion, mainly from the divestment of the Hornsea 1 offshore transmission asset (DKK 5.0 billion), partly offset by construction work on the offshore transmission asset at Hornsea 2. In

H1 2020, we had a net cash outflow of DKK 2.0 billion, mainly from supplier payments related to the construction of Hornsea 1 for partners and the offshore transmission asset at Hornsea 2, partly offset by the divestment of the offshore transmission asset at Walney Extension.

Investments and divestments

Gross investments amounted to DKK 18.8 billion against DKK 9.1 billion in H1 2020. The main investments in H1 2021 were:

- offshore wind farms (DKK 10.4 billion), including Greater Changhua 1 & 2a in Taiwan, Hornsea 2 in the UK and our portfolio of US projects as well as payments related to Baltica 2 & 3 in Poland through the 50/50 joint venture with PGE.
- onshore wind and solar PV farms (DKK 8.3 billion), including the acquisition of Brookfield Renewable Ireland, and the construction of Permian Energy Center, Old 300, Muscle Shoals, Western Trail, Helena Energy Center, Haystack, and Kennoxhead 1.

Divestments amounted to DKK 10.6 billion in H1 2021 and were mainly related to the 50 % farm-down of Borssele 1 & 2 with proceeds (NIBD impact) of DKK 9.3 billion.

Furthermore, proceeds from the divestment of a 25 % ownership interest in Ocean Wind 1 to New Jersey's Public Service Enterprise Group (PSEG) and final settlement with Global Infrastructure Partners (GIP) regarding Hornsea 1 were included in divestments.

Interest-bearing net debt

Interest-bearing net debt totalled DKK 12.1

billion at the end of June 2021 against DKK 12.3 billion at the end of 2020. The slight decrease was mainly due to the positive free cash flow of DKK 3.0 billion and the issuance of new hybrid capital, almost offset by dividend and hybrid coupon payments of DKK 5.3 billion and exchange rate adjustments.

Equity

Equity was DKK 96.9 billion at the end of June 2021 against DKK 97.3 billion at the end of 2020.

Capital employed

Capital employed was DKK 109.0 billion at the end of June 2021 against DKK 109.7 billion at the end of 2020.

Financial ratios

Return on capital employed (ROCE)

Return on capital employed (ROCE, last 12 months) was 12.5 % at the end of H1 2021. The increase of 1.7 percentage points compared to the same period last year was attributable to the higher EBIT over the 12-month period.

Credit metric (FFO/adjusted net debt)

The funds from operations (FFO)/adjusted net debt credit metric was 63 % at the end of June 2021 against 43 % in the same period last year.

Non-financial results

Green share of heat and power generation

The green share of heat and power generation amounted to 89 % in H1 2021, up 1 percentage point relative to the same period last year. The slight increase was mainly due to higher generation from our operating offshore and onshore assets due to additional capacity, and

Key ratios, DKKm, %

	H1 2021	H1 2020	%
ROCE ¹	12.5	10.8	2 %p
Adjusted net debt	22,036	30,516	(28 %)
FFO/adjusted net debt ²	62.9	43.4	20 %p

¹See page 89 in the annual report for 2020 for definition.

²Restated number for H1 2020. See note 13 for adjusted definition.

from a higher share of biomass based thermal power generation. This was partly offset by lower wind speeds and increased thermal generation of heat and power driven by higher heat demand (due to colder weather) and regulatory obligations to make all our energy capacities available to the market.

Greenhouse gas emissions

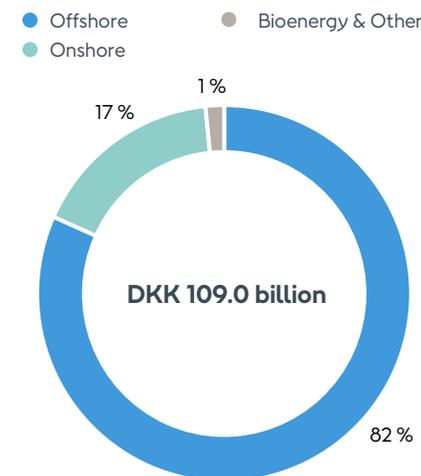
Greenhouse gas intensity from our heat and power generation and other operating activities (scope 1 and 2) decreased to 56 g CO₂ e/kWh in H1 2021 against 64 g CO₂ e/kWh in H1 2020. Emissions per kWh decreased for the same reasons as mentioned above.

Greenhouse gas emissions from our supply chain and sales activities (scope 3) decreased by 25 % to 9.9 million tonnes in H1 2021, driven by lower gas sales volumes.

Safety

In H1 2021, we had 35 total recordable injuries (TRIs), of which 19 injuries were related to contractors' employees. This was a decrease of four injuries compared to the same period last year or a reduction of 10 %. The number of hours worked was 11.4 million hours, an increase of 9 % compared to H1 2020. During H1, the total recordable injury rate (TRIR) decreased from 3.7 in H1 2020 to 3.1 in H1 2021.

Capital employed, %



Offshore

Highlights

- Installed the first turbines at our 1.3 GW offshore wind farm Hornsea 2.
- Ocean Wind 2 awarded 1,148 MW offshore wind contract in New Jersey, fully utilising our Ocean Wind lease area.
- Closed the agreement to enter into a 50/50 joint venture with PGE for the Baltica 2 & 3 projects in Poland.
- Closed the agreement with Norges Bank Investment Management to farm down 50 % of the 752 MW offshore wind farm Borssele 1 & 2.
- Submitted bids in the Maryland auction.
- Submitted bids in the Scotland lease auction.
- Submitted bids in the first-ever Japanese auction for bottom-fixed offshore wind.
- Entered into new strategic partnerships in the Norway, Korea, Scotland, and Japan.

Financial results Q2 2021

Power generation decreased by 4 % relative to Q2 2020, primarily due to significantly lower wind speeds and lower availability. This was partly offset by ramp-up of generation from Borssele 1 & 2.

Wind speeds amounted to a portfolio average of 7.8 m/s, which was lower than in Q2 2020 (8.4 m/s) and the normal wind speeds expected in the second quarter (8.6 m/s). Availability ended at 93 %, which was 2 percentage points lower than in Q2 2020 due to planned outages and maintenance.

Revenue decreased by 5 % to DKK 8.9 billion. Revenue from offshore wind farms in operation

decreased by 8 % to DKK 3.3 billion, mainly driven by the lower power generation. Revenue from power sales increased by DKK 2.2 billion, mainly due to the higher power prices despite lower volumes sold.

There was no significant revenue from construction agreements in Q2 2021. In Q2 2020, revenue was primarily related to the divestment of the offshore transmission asset at Walney Extension, the construction of Virginia Coastal Wind, and the completion of Hornsea 1.

EBITDA increased by DKK 5.2 billion and amounted to DKK 7.5 billion.

EBITDA from Sites, O&M, and PPAs amounted to DKK 2.4 billion in Q2 2021. The 8 % decrease was due to the above-mentioned lower power generation following a second quarter with very low wind (approx. DKK -0.7 billion compared to Q2 2020 and approx. DKK -0.9 billion compared to a normal wind year). Furthermore, higher TNUoS tariffs following the divestment of the offshore transmission assets at Walney Extension in mid-2020 and Hornsea 1 in Q1 2021 as well as lower earnings from Horns Rev 2 due to the subsidy period ending in October 2020 contributed to the lower earnings. This was only partly offset by ramp-up of generation from Borssele 1 & 2 and the addition of the last 400 MW of Hornsea 1 receiving CfDs in April together with a positive effect of ceasing to report according to the business performance principle in 2021.

EBITDA from partnerships increased by DKK 5.3 billion, amounting to DKK 5.6 billion. In Q2 2021, earnings from construction agreements

Financial results

Business drivers

		Q2 2021	Q2 2020	%	H1 2021	H1 2020	%
Decided (FID'ed) and installed capacity ¹	GW	9.8	9.9	(1 %)	9.8	9.9	(1 %)
Installed capacity	GW	7.6	6.8	12 %	7.6	6.8	12 %
Generation capacity	GW	4.0	3.8	5 %	4.0	3.8	5 %
Wind speed ²	m/s	7.8	8.4	(7 %)	9.2	10.4	(12 %)
Load factor	%	29	32	(3 %p)	39	46	(7 %p)
Availability	%	93	95	(2 %p)	94	93	1 %p
Power generation	TWh	2.5	2.6	(4 %)	7.1	7.2	(1 %)
Denmark		0.4	0.4	0 %	0.9	1.1	(18 %)
United Kingdom		1.3	1.7	(24 %)	3.9	4.7	(17 %)
Germany		0.3	0.4	(25 %)	0.9	1.2	(25 %)
The Netherlands		0.5	0.1	400 %	1.3	0.1	n.a.
Other		0.0	0.0	n.a.	0.1	0.0	n.a.
Power sales	TWh	4.5	5.5	(18 %)	11.4	14.3	(20 %)
Power price, LEBA UK	GBP/MWh	86.1	25.4	239 %	82.3	29.5	179 %
British pound	DKK/GBP	8.6	8.4	2 %	8.6	8.5	1 %

Financial performance

		Q2 2021	Q2 2020	%	H1 2021	H1 2020	%
Revenue	DKKm	8,940	9,364	(5 %)	22,225	17,339	28 %
Sites, O&M and PPAs		3,344	3,625	(8 %)	9,029	9,350	(3 %)
Power sales		5,412	3,208	69 %	7,859	4,872	61 %
Construction agreements		34	2,485	(99 %)	5,135	3,049	68 %
Other		150	46	226 %	202	68	197 %
EBITDA	DKKm	7,527	2,361	219 %	11,473	7,993	44 %
Sites, O&M, and PPAs		2,368	2,578	(8 %)	7,254	7,514	(3 %)
Construction agreements and divestment gains		5,648	396	n.a.	5,075	1,495	239 %
Other, incl. project development		(489)	(613)	(20 %)	(856)	(1,016)	(16 %)
Depreciation	DKKm	(1,502)	(1,452)	3 %	(3,049)	(2,860)	7 %
EBIT	DKKm	6,025	909	563 %	8,424	5,133	64 %
Cash flow from operating activities	DKKm	1,301	4,338	(70 %)	6,507	2,785	134 %
Gross investments	DKKm	(5,793)	(2,802)	107 %	(10,360)	(7,094)	46 %
Divestments	DKKm	10,702	(150)	n.a.	10,669	(1,411)	n.a.
Free cash flow	DKKm	6,210	1,386	348 %	6,816	(4,450)	n.a.
Capital employed	DKKm	87,862	84,311	4 %	87,862	84,311	4 %



O&M: Operation and maintenance agreements, PPAs: Power purchase agreements

¹ In Q2 2021, we aligned our definition of installed capacity, hence all assets (installed or FID'ed) are reported using nameplate capacity. Previously a few wind farms were reported using 'power optimised capacity' or 'export cable limit capacity'

² 2020 numbers have been restated. See note 2.5 in our ESG Performance Report.

were primarily related to the 50 % farm-down of Borssele 1 & 2 resulting in a gain from new partnerships of DKK 5.4 billion. The remaining EBITDA in Q2 2021 was related to earnings from finalised construction projects.

EBITDA from other activities, including project development, amounted to DKK -0.5 billion and was slightly lower than in the same period last year.

Cash flow from operating activities amounted to DKK 1.3 billion, which was DKK 3.0 billion lower than in Q2 2020. The decrease was mainly due to the lower EBITDA (excluding the farm-down of Borssele 1 & 2, where the proceeds are included in the divestment cash flow), a change in the value of derivatives and that Q2 2020 was positively impacted by the divestment of the offshore transmission asset at Walney Extension.

Gross investments amounted to DKK 5.8 billion and mainly related to Hornsea 2, Greater Changhua 1 & 2a, and Ocean Wind as well as the acquisition of Baltica 2 & 3.

Financial results H1 2021

Power generation decreased marginally by 0.1 TWh relative to H1 2020, as significantly lower wind speeds and curtailments were offset by high availability, especially at our new sites Hornsea 1 and Borssele 1 & 2, together with ramp-up of generation from Borssele 1 & 2.

Wind speeds amounted to a portfolio average of 9.2 m/s, which was below a normal wind year (9.8 m/s), with low wind in January and especially during Q2 2021. Availability ended at 94 %, which was 1 percentage point above H1 2020. This was mainly due to the addition of Borssele 1 & 2 performing with high availability.

Revenue increased by 28 % to DKK 22.2 billion. Revenue from construction agreements in-

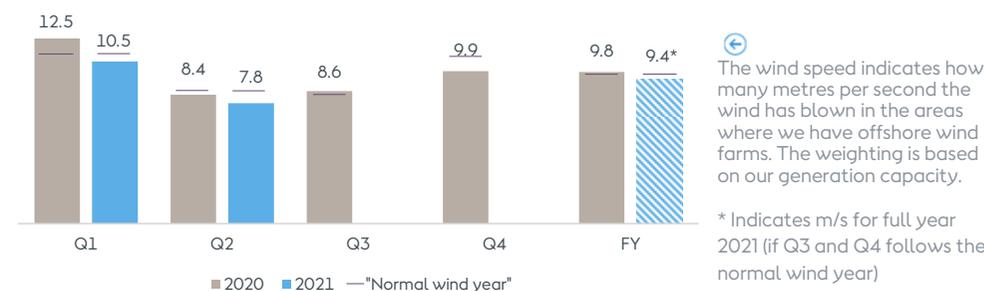
creased by DKK 2.1 billion, primarily due to the divestment of the offshore transmission asset at Hornsea 1 in H1 2021. In H1 2020, revenue was primarily related to the divestment of the offshore transmission asset at Walney Extension, the construction of Virginia Coastal Wind, and the completion of Hornsea 1.

Revenue from offshore wind farms in operation amounted to DKK 9.0 billion, a DKK 0.3 billion decrease compared to the same period last year, due to the above-mentioned lower power generation following a first half year with very low wind. Revenue from power sales increased by DKK 3.0 billion due to significantly higher power prices despite lower volumes sold.

EBITDA increased by 44 % relative to H1 2020 and amounted to DKK 11.5 billion.

EBITDA from Sites, O&M, and PPAs amounted to DKK 7.3 billion in H1 2021. The 3 % decrease was due to the above-mentioned lower power generation following a first half year with low wind (approx. DKK -1.8 billion compared to H1 2020 and approx. DKK -1.0 billion compared to a normal wind year). Furthermore, higher TNUoS tariffs following the divestment of the offshore transmission asset at Walney Extension in mid-2020 and Hornsea 1 in Q1 2021 (approx. DKK -0.2 billion) as well as lower earnings from Horns Rev 2 due to the subsidy period ending in October 2020 (approx. -DKK 0.1 billion) contributed to the lower earnings. Finally, H1 2021 saw lower ROC recycle prices than H1 2020 (approx. DKK -0.1 billion). This was only partly offset by ramp-up of generation from Borssele 1 & 2 and the addition of CfDs for the last 400 MW of generation from Hornsea 1 respectively, together with a positive effect of ceasing to report according to the business performance principle in 2021.

Wind speed, (m/s) for our offshore wind farms



2020 numbers have been restated. See note 2.5 in our ESG Performance Report.

EBITDA from partnerships amounted to DKK 5.1 billion and was primarily related to the 50 % farm-down of Borssele 1 & 2, resulting in a gain from new partnerships of DKK 5.4 billion and earnings from finalised construction projects. This was partly offset by a DKK 0.8 billion warranty provision towards our partners related to cable protection system issues at some of our offshore wind farms in Q1 2021.

EBITDA from other activities, including project development, amounted to DKK -0.9 billion, slightly lower than in the same period last year, and was mainly related to expensed project development costs.

Depreciation increased by 7 % and amounted to DKK 3.0 billion. The increase was mainly due to the commissioning of Borssele 1 & 2.

Cash flow from operating activities amounted to DKK 6.5 billion, which was DKK 3.7 billion higher than in H1 2020. The significant increase was mainly driven by the divestment of the Hornsea 1 offshore transmission assets in March 2021. In H1 2021, we had a net cash inflow from work in progress of DKK 3.8 billion, mainly from the above-mentioned

divestment. In H1 2020, we had a net cash outflow of DKK 2.0 billion, mainly from supplier payments related to the construction of Hornsea 1 for partners, the offshore transmission assets at Hornsea 2, and from the divestment of the offshore transmission asset at Walney Extension.

Gross investments amounted to DKK 10.4 billion and were mainly related to Greater Changhua 1 & 2a, Hornsea 2, our US portfolio as well as Baltica 2 & 3.

Divestments amounted to DKK 10.7 billion in H1 2021 and were mainly related to the 50 % farm-down of Borssele 1 & 2 with proceeds (NIBD impact) of DKK 9.3 billion. Furthermore, proceeds from the divestment of a 25 % ownership interest in Ocean Wind 1 to New Jersey's Public Service Enterprise Group (PSEG) and final settlement with Global Infrastructure Partners (GIP) regarding Hornsea 1 were included in divestments.

Onshore

Highlights

- Commissioned Permian Energy Center in Texas, our first combined solar PV and storage facility.
- Western Trail wind farm in Texas was commissioned in August.
- Closed the agreement to acquire Brookfield Renewable Ireland, a European onshore wind platform.
- Signed PPAs with NIMECA, Microsoft Corporation, and Royal DSM.

Financial results Q2 2021

Power generation from our operating onshore assets increased by 25 % relative to Q2 2020. The increase was due to the commissioning of the wind farms Plum Creek and Willow Creek, and the solar PV farm Permian Energy Center. In Q2 2021, the wind speed across the portfolio was 7.3 m/s, which was significantly lower than both last year (8.0 m/s) and in a normal wind year in Q2 (8.1 m/s).

Revenue was down DKK 0.1 billion relative to Q2 2020 and amounted to DKK 0.1 billion. The decrease was mainly due to a minor subsequent credit loss in Q2 2021 regarding the winter storm period in February 2021, negative effects from ceasing to report according to the business performance principle in 2021, and lower wind speeds. This was only partly offset by higher power generation and higher realised prices together with more assets in operation.

EBITDA for Q2 2021 amounted to DKK 0.2 billion, DKK 0.1 billion lower than in the same period last year. The decrease was caused by

the lower revenue as described above and higher fixed costs due to the acquisition of Brookfield Renewable Ireland (BRI) in June. Additionally, Q2 2020 was positively impacted by a gain from the divestment of Oak Solar.

Cash flow from operating activities decreased by DKK 2.4 billion compared to the same period last year. The decrease was mainly due to large tax equity contributions in Q2 2020 for Sage Draw and Plum Creek, only partly offset by an initial tax equity contribution for Permian Energy Center in Q2 2021.

Gross investments amounted to DKK 6.3 billion in Q2 2021 and were related to the acquisition of BRI as well as the construction of Permian Energy Center, Old 300, Muscle Shoals, Western Trail, Helena Energy Center, Haystack, and Kennoxhead 1.

Financial results H1 2021

In H1 2021, power generation from our operating onshore assets increased by 33 % compared to H1 2020, amounting to 3.6 TWh. The increase was driven by the commissioning of our wind farms Sage Draw, Plum Creek, and Willow Creek, and the solar PV farm Permian Energy Center. Wind speeds across the portfolio amounted to 7.5 m/s, which was both lower than in the same period last year (7.8 m/s), and in a normal wind year (8.0 m/s).

Availability for our wind assets ended at 95 %, down 1 percentage point compared to the same period last year. The decrease was driven

		Q2 2021	Q2 2020	%	H1 2021	H1 2020	%
Financial results							
Business drivers							
Decided (FID'ed) and installed capacity	GW	4.6	2.1	119 %	4.6	2.1	119 %
Installed capacity	GW	2.5	1.6	56 %	2.5	1.6	56 %
Wind speed ¹	m/s	7.3	8.0	(9 %)	7.5	7.8	(4 %)
Load factor, wind ¹	%	45	49	(4 %p)	45	47	(2 %p)
Load factor, solar PV	%	29	31	(2 %p)	29	20	9 %p
Availability, wind ¹	%	97	96	1 %p	95	96	(1 %p)
Availability, solar PV	%	90	-	n.a.	90	-	n.a.
Power generation	TWh	2.0	1.6	25 %	3.6	2.7	33 %
US, wind		1.6	1.6	0 %	3.2	2.7	19 %
US, solar PV		0.4	0.0	n.a.	0.4	0.0	n.a.
Europe		0.0	0.0	n.a.	0.0	0.0	n.a.
US dollar	DKK/USD	6.2	6.8	(9 %)	6.2	6.8	(9 %)
Financial performance							
Revenue	DKKm	107	160	(33 %)	227	297	(24 %)
EBITDA	DKKm	178	312	(43 %)	406	499	(19 %)
Sites		(5)	103	n.a.	39	176	(78 %)
Production tax credits and tax attributes		312	268	16 %	595	477	25 %
Other, incl. project development		(129)	(59)	119 %	(228)	(154)	48 %
Depreciation	DKKm	(201)	(109)	84 %	(329)	(207)	59 %
EBIT	DKKm	(23)	203	n.a.	77	292	(74 %)
Cash flow from operating activities	DKKm	857	3,209	(73 %)	411	3,162	(87 %)
Gross investments	DKKm	(6,275)	(733)	756 %	(8,280)	(1,481)	459 %
Divestments	DKKm	(1)	114	n.a.	-	114	n.a.
Free cash flow	DKKm	(5,419)	2,590	n.a.	(7,869)	1,795	n.a.
Capital employed	DKKm	17,968	8,608	109 %	17,968	8,608	109 %

¹ US only.

en by the unprecedented winter storm in February in Texas. In H1 2021, availability for our solar asset was 90 %, adversely impacted by substation outages and testing at Permian Energy Center.

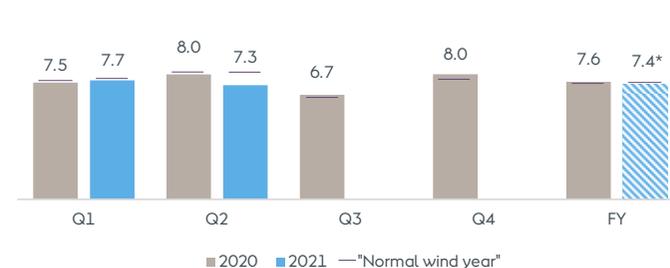
Revenue was down DKK 0.1 billion relative to H1 2020 and amounted to DKK 0.2 billion. The decrease was due to lower prices for the part of the portfolio not covered by PPAs and the winter storm period in Q1 2021. Furthermore, a negative effect from ceasing to report according to the business performance principle in 2021, and lower wind speeds contributed to the lower revenue. This was partly offset by more assets in operation and generally higher realised prices.

EBITDA for H1 2021 decreased by DKK 0.1 billion compared to the same period last year and amounted to DKK 0.4 billion. The decrease was caused by the lower revenue as described above and higher fixed costs due to the acquisition of BRI. Additionally, H1 2020 was positively impacted by a gain from the divestment of Oak Solar.

Cash flow from operating activities decreased by DKK 2.8 billion compared to the same period last year. The decrease was mainly due to large tax equity contributions for Sage Draw and Plum Creek in H1 2020 as well as more funds tied up in net working capital, only partly offset by a tax equity contribution for Permian Energy Center in H1 2021.

Gross investments amounted to DKK 8.3 billion in H1 2021 and were related to the acquisition of BRI as well as the construction of Permian Energy Center, Old 300, Muscle Shoals, Western Trail, Helena Energy Center, Haystack, and Kennoxhead 1.

Wind speed, (m/s) for our onshore wind farms



The wind speed indicates how many metres per second the wind has blown in the areas where we have onshore wind farms. The weighting is based on our generation capacity.

* Indicates m/s for full year 2021 (if Q3 and Q4 follows the normal wind year)



Willow Creek, Butte County, South Dakota, US

Bioenergy & Other

Financial results Q2 2021

Power generation was 67 % higher than in Q2 2020, primarily driven by higher realised prices and higher sales of ancillary services. Heat generation increased by 10 % in Q2 2021, mainly due to colder weather in the beginning of the quarter.

Revenue increased by 43 % compared to Q2 2020 and amounted to DKK 5.6 billion. The increase was driven by significantly higher gas prices, which led to higher revenue in our gas business despite lower volumes sold, mainly due to the divestment of our LNG activities. Furthermore, we had higher revenue from our CHP plants due to the higher power generation and higher Danish power prices. This was partly offset by the divestment of our RBC businesses in August 2020.

EBITDA amounted to DKK 0.5 billion compared to DKK 0.2 billion in Q2 2020.

EBITDA from CHP plants was DKK 0.2 billion higher than in the same period last year, totalling DKK 0.4 billion in Q2 2021. The increase was mainly due to higher power prices in Denmark combined with higher earnings from the sale of ancillary services.

EBITDA from Gas Markets & Infrastructure increased by DKK 0.4 billion relative to the same period last year, amounting to DKK 0.2 billion in Q2 2021. The positive effect was driven by significant increases in gas prices throughout Q2 2021, whereas gas prices fell during Q2 2020. This led to a net positive effect from

revaluating our gas at storage and storage hedges.

EBITDA from our distribution, residential customer, and city light businesses amounted to DKK 0.3 billion in Q2 2020, which has not been repeated due to the divestment in August 2020 to Anedel.

Cash flow from operating activities amounted to DKK 1.3 billion in Q2 2021. The increase of DKK 0.5 billion was mainly due to a significant change in the value of derivatives and the higher EBITDA. This was partly offset by more funds tied up in net working capital due to increasing trade receivables during Q2 2021 versus decreasing trade receivables during Q2 2020.

Financial results H1 2021

Power generation was 53 % higher than in H1 2020, driven by higher realised prices as well as increased demand for ancillary services. Heat generation increased by 22 % in H1 2021 mainly due to colder weather in January and April.

Revenue increased by 10 % compared to H1 2020 and amounted to DKK 12.6 billion. The increase was driven by a significant increase in the average gas price leading to higher revenue in our gas business, partly offset by lower gas volumes sold, mainly due to the divestment of our LNG activities. Further, we saw higher revenue from our CHP plants due to higher power prices in Denmark, which was partly offset by the divestment of our distribu-

Financial results		Q2 2021	Q2 2020	%	H1 2021	H1 2020	%
Business drivers							
Degree days	Number	487	436	12 %	1,812	1,501	21 %
Heat generation	TWh	1.1	1.0	10 %	5.0	4.1	22 %
Power generation	TWh	1.5	0.9	67 %	3.8	2.5	53 %
Gas sales	TWh	15.1	20.1	(25 %)	34.0	46.7	(27 %)
Power sales	TWh	2.2	3.0	(27 %)	4.5	6.6	(32 %)
Gas price, TTF	EUR/MWh	24.8	5.3	368 %	21.6	7.5	187 %
Power price, DK	EUR/MWh	58.8	20.5	187 %	53.9	20.8	159 %
Green dark spread, DK	EUR/MWh	(8.3)	(12.2)	(32 %)	(6.3)	(13.7)	(54 %)
Green spark spread, DK	EUR/MWh	(9.4)	1.2	n.a.	(5.6)	(3.2)	71 %
Financial performance							
Revenue	DKKm	5,567	3,895	43 %	12,587	11,404	10 %
EBITDA	DKKm	503	185	172 %	1,125	1,118	1 %
CHP plants		351	152	131 %	1,027	672	53 %
Gas Markets & Infrastructure		232	(190)	n.a.	251	(179)	n.a.
Distribution, B2C, and city light		-	305	n.a.	-	781	n.a.
Other, incl. project development		(80)	(82)	(2 %)	(153)	(156)	(2 %)
Depreciation	DKKm	(194)	(208)	(7 %)	(394)	(400)	(2 %)
EBIT	DKKm	309	(23)	n.a.	731	718	2 %
Cash flow from operating activities	DKKm	1,275	817	56 %	4,293	2,374	81 %
Gross investments	DKKm	(30)	(179)	(83 %)	(89)	(423)	(79 %)
Divestments	DKKm	(174)	81	n.a.	(203)	80	n.a.
Free cash flow	DKKm	1,071	719	49 %	4,001	2,031	97 %
Capital employed	DKKm	1,727	13,670	(87 %)	1,727	13,670	(87 %)

tion, residential customer, and city light businesses in August 2020 and part of our B2B business on 1 March 2021.

EBITDA amounted to DKK 1.1 billion, in line with H1 2020.

EBITDA from CHP plants was DKK 0.4 billion higher than in the same period last year, totalling DKK 1.0 billion in H1 2021. The increase was mainly due to higher power prices in Denmark combined with higher earnings from ancillary services and a positive effect from ceasing to report according to the business performance principle in 2021.

EBITDA from Gas Markets & Infrastructure amounted to DKK 0.3 billion in H1 2021, a DKK 0.4 billion increase relative to the same period last year. This was a result of a higher net positive effect from revaluating our gas at storage and storage hedges as prices in Q2 2021 saw a steep increase versus a decrease in Q2 2020. This was combined with a provision for bad debt in our B2B business in Q1 2020 to cover the COVID-19-related default risk among our customers as well as a positive effect from ceasing to report according to the business performance principle in 2021.

EBITDA from our RBC businesses amounted to DKK 0.8 billion in H1 2020, which has not been repeated due to the divestment in August 2020 to Anel.

Cash flow from operating activities amounted to DKK 4.3 billion in H1 2021. The increase of DKK 1.9 billion was mainly due to a positive effect from the change in the value of derivatives. This was partly offset by on-account taxes paid in H1 2021 versus receipt of on-account taxes in H1 2020 and generally more

funds tied up in net working capital.

Gross investments amounted to DKK 0.1 billion in H1 2021 and mainly related to reinvestments at our CHP plants.

 Asnæs bioplant, Kalundborg, Denmark



Performance highlights

Financials, DKKm	HI 2021	HI 2020	Q2 2021	Q2 2020	2020
Income statement (BP¹ comparables)					
Revenue	32,497	27,001	13,553	11,625	52,601
EBITDA	13,059	9,761	8,196	2,956	18,124
Offshore	11,473	7,993	7,527	2,361	14,750
Sites, O&M and PPAs	7,254	7,514	2,368	2,578	15,476
Construction agreements and divestment gains	5,075	1,495	5,648	396	1,593
Other, incl. project development	(856)	(1,016)	(489)	(613)	(2,319)
Onshore	406	499	178	312	1,131
Bioenergy & Other	1,125	1,118	503	185	2,136
Other activities	55	151	(12)	98	107
Operating profit (loss) (EBIT)	9,170	6,180	6,237	1,129	10,536
Profit (loss) for the period	7,142	2,493	5,544	(825)	16,716
Income statement (IFRS comparables)					
Revenue	32,497	28,194	13,553	9,962	50,151
EBITDA	13,059	11,041	8,196	1,592	16,598
Depreciation and amortisation	(3,889)	(3,581)	(1,959)	(1,827)	(7,588)
Operating profit (loss) (EBIT)	9,170	7,460	6,237	(235)	9,010
Gain (loss) on divestment of enterprises	(36)	(17)	(72)	(3)	10,831
Net financial income and expenses	(885)	(1,786)	(466)	(1,010)	(2,524)
Profit (loss) before tax	8,245	5,663	5,698	(1,245)	17,324
Tax	(1,103)	(2,126)	(154)	(625)	(1,776)
Profit (loss) for the period	7,142	3,493	5,544	(1,886)	15,537
Balance sheet					
Assets	223,791	193,124	223,791	193,124	196,719
Equity	96,910	85,930	96,910	85,930	97,329
Shareholders in Ørsted A/S	75,842	69,789	75,842	69,789	81,376
Non-controlling interests	3,084	2,909	3,084	2,909	2,721
Hybrid capital	17,984	13,232	17,984	13,232	13,232
Interest-bearing net debt	12,067	22,272	12,067	22,272	12,343
Capital employed	108,977	108,203	108,977	108,203	109,672
Additions to property, plant, and equipment	15,423	14,844	8,954	10,011	28,442
Cash flow					
Cash flow from operating activities	11,234	7,769	3,147	8,197	16,466
Gross investments	(18,798)	(9,065)	(12,133)	(3,757)	(26,967)
Divestments	10,560	52	10,591	45	19,039
Free cash flow	2,996	(1,244)	1,605	4,485	8,538
Financial ratios					
Return on capital employed (ROCE) ² , %	12.5	10.8	12.5	10.8	9.7
FFO/adjusted net debt ³ , %	62.9	43.4	62.9	43.4	65.0
Number of outstanding shares, end of period, '000	420,175	419,985	420,175	419,985	420,068
Share price, end of period, DKK	880	765	880	765	1,244
Market capitalisation, end of period, DKK billion	370	321	370	321	522
Earnings per share (EPS) (BP ¹), DKK	15.7	5.2	12.9	(2.7)	38.8
Dividend yield, %					0.9

Business drivers	HI 2021	HI 2020	Q2 2021	Q2 2020	2020
Offshore					
Decided (FID'ed) and installed capacity ⁴ , GW	9.8	9.9	9.8	9.9	9.9
Installed capacity, GW	7.6	6.8	7.6	6.8	7.6
Generation capacity, GW	4.0	3.8	4.0	3.8	4.4
Wind speed ⁵ , m/s	9.2	10.4	7.8	8.4	9.8
Load factor, %	39	46	29	32	45
Availability, %	94	93	93	95	94
Power generation, TWh	7.1	7.2	2.5	2.6	15.2
Power sales, TWh	11.4	14.3	4.5	5.5	29.2
Onshore					
Decided (FID'ed) and installed capacity, GW	4.6	2.1	4.6	2.1	3.4
Installed capacity, GW	2.5	1.6	2.5	1.6	1.7
Wind speed ⁶ , m/s	7.5	7.8	7.3	8.0	7.6
Load factor, wind ⁶ , %	45	47	45	49	45
Load factor, solar PV, %	29	20	29	31	20
Availability, wind ⁶ , %	95	96	97	96	96
Availability, solar PV, %	90	0	90	0	0
Power generation, TWh	3.6	2.7	2.0	1.6	5.7
Bioenergy & Other					
Degree days, number	1,812	1,501	487	436	2,432
Heat generation, TWh	5.0	4.1	1.1	1.0	6.7
Power generation, TWh	3.8	2.5	1.5	0.9	4.4
Power sales, TWh	4.5	6.6	2.2	3.0	11.6
Gas sales, TWh	34.0	46.7	15.1	20.1	90.3
People and environment					
Employees (FTE), end of period number	6,472	6,731	6,472	6,731	6,179
Total recordable injury rate (TRIR) ⁷	3.1	3.7	3.1	3.7	3.6
Fatalities, number	0	0	0	0	0
Green share of heat and power generation, %	89	88	93	86	90
GHG intensity, g CO ₂ e/kWh (scopes 1 & 2)	56	64	51	84	58
GHG emissions, Mtonnes (scope 3)	9.9	13.1	4.6	5.5	25.3

¹ Business performance.

² EBIT (last 12 months)/average capital employed.

³ FFO last 12 months. Net debt including 50% of hybrid capital and cash and securities not available for use (with the exception of repo transactions). Numbers for 2020 and 2021 have been restated. See note 13 for adjusted definition.

⁴ Nameplate capacity from Q2 2021.

⁵ 2020 numbers restated. See note 2.5 in our ESG Performance Report.

⁶ US only.

⁷ YTD.



Income statement

The income statement (BP¹ comparables) shows business performance numbers for 2020 to form a better like-for-like comparison, in line with the comparison numbers used throughout the management's review.

Quarterly overview

Financials, DKKm	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Income statement (BP¹ comparables)								
Revenue	13,553	18,944	15,559	10,041	11,625	15,376	18,679	15,481
EBITDA	8,196	4,863	5,003	3,360	2,956	6,805	4,613	4,116
Offshore	7,527	3,946	4,128	2,629	2,361	5,632	4,048	3,223
Sites, O&M and PPAs	2,368	4,886	4,950	3,012	2,578	4,936	4,626	2,612
Construction agreements and divestment gains	5,648	(573)	(149)	247	396	1,099	51	1,188
Other incl. project development	(489)	(367)	(673)	(630)	(613)	(403)	(629)	(577)
Onshore	178	228	324	308	312	187	165	308
Bioenergy & Other	503	622	643	375	185	933	490	436
Other activities	(12)	67	(92)	48	98	53	(90)	149
Operating profit (loss) (EBIT)	6,237	2,933	3,091	1,265	1,129	5,051	2,169	2,435
Profit (loss) for the period	5,544	1,598	2,189	12,034	(825)	3,318	896	1,477
Income statement (IFRS comparables)								
Revenue	13,553	18,944	13,195	8,762	9,962	18,232	19,815	14,543
EBITDA	8,196	4,863	3,102	2,455	1,592	9,449	5,260	3,328
Depreciation and amortisation	(1,959)	(1,930)	(1,912)	(2,095)	(1,827)	(1,754)	(1,876)	(1,681)
Impairment losses	-	-	-	-	-	-	(568)	-
Operating profit (loss) (EBIT)	6,237	2,933	1,190	360	(235)	7,695	2,816	1,647
Gain (loss) on divestment of enterprises	(72)	36	(291)	11,139	(3)	(14)	(13)	(15)
Net financial income and expenses	(466)	(419)	(456)	(282)	(1,010)	(776)	(644)	(47)
Profit (loss) before tax	5,698	2,547	442	11,219	(1,245)	6,908	2,162	1,580
Tax	(154)	(949)	258	92	(625)	(1,501)	(733)	(758)
Profit (loss) for the period	5,544	1,598	715	11,329	(1,886)	5,379	1,400	856
Balance sheet								
Assets	223,791	210,972	196,719	194,567	193,124	193,636	192,860	194,521
Equity	96,910	96,541	97,329	96,472	85,930	89,015	89,562	87,369
Shareholders in Ørsted A/S	75,842	75,835	81,376	80,450	69,789	72,728	73,082	70,977
Non-controlling interests	3,084	2,722	2,721	2,790	2,909	3,055	3,248	3,153
Hybrid capital	17,984	17,984	13,232	13,232	13,232	13,232	13,232	13,239
Interest-bearing net debt	12,067	13,190	12,343	8,216	22,272	27,084	17,230	12,082
Capital employed	108,977	109,731	109,672	104,688	108,203	116,098	106,792	99,451
Additions to property, plant, equipment	8,954	6,469	8,121	5,477	10,011	4,833	6,560	8,449
Cash flow								
Cash flow from operating activities	3,147	8,087	6,756	1,941	8,197	(428)	4,816	871
Gross investments	(12,133)	(6,665)	(8,639)	(9,263)	(3,757)	(5,308)	(8,816)	(7,222)
Divestments	10,591	(31)	(1,519)	20,506	45	7	402	260
Free cash flow	1,605	1,391	(3,402)	13,184	4,485	(5,729)	(3,598)	(6,091)
Financial ratios								
Return on capital employed (ROCE) ² , %	12.5	7.5	9.7	9.4	10.8	11.0	10.6	29.3
FFO/adjusted net debt ³ , %	62.9	59.4	65.0	35.6	43.4	37.8	31.0	47.4
Number of outstanding shares, end of period, '000	420,175	420,068	420,068	420,066	419,985	419,985	419,985	419,985
Share price, end of period, DKK	880	1,025	1,244	875	765	666	689	637
Market capitalisation, end of period, DKK billion	370	430	522	368	321	280	290	267
Earnings per share (EPS) (BP ¹), DKK	12.9	2.8	4.9	28.6	(2.7)	8.0	1.1	3.5

Business drivers	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Offshore								
Decided (FID'ed) and installed capacity ⁴ , GW	9.8	9.9	9.9	9.9	9.9	9.9	9.9	9.9
Installed capacity, GW	7.6	7.6	7.6	6.8	6.8	6.8	6.8	5.6
Generation capacity, GW	4.0	4.4	4.4	4.1	3.8	3.6	3.6	3.6
Wind speed ⁵ , m/s	7.8	10.5	9.9	8.6	8.4	12.5	10.0	8.5
Load factor, %	29	50	53	35	32	60	50	37
Availability, %	93	95	94	94	95	93	93	93
Power generation, TWh	2.5	4.5	4.8	3.2	2.6	4.6	3.9	2.8
Power sales, TWh	4.5	6.9	8.6	6.3	5.5	8.8	7.7	7.0
Onshore								
Decided (FID'ed) and installed capacity, GW	4.6	3.9	3.4	2.7	2.1	2.1	2.1	1.7
Installed capacity, GW	2.5	1.7	1.7	1.7	1.6	1.3	1.0	1.0
Wind speed ⁶ , m/s	7.3	7.7	8.0	6.7	8.0	7.5	7.3	6.6
Load factor, wind ⁶ , %	45	45	50	36	49	44	46	39
Load factor, solar PV, %	29	-	-	-	-	-	-	-
Availability, wind ⁶ , %	97	93	95	97	96	95	98	98
Availability, solar PV, %	90	-	-	-	-	-	-	-
Power generation, TWh	2.0	1.6	1.8	1.2	1.6	1.1	1.0	0.9
Bioenergy & Other								
Degree days, number	487	1,325	825	106	436	1,065	882	108
Heat generation, TWh	1.1	3.9	2.3	0.3	1.0	3.1	3.0	0.5
Power generation, TWh	1.5	2.3	1.3	0.6	0.9	1.6	1.6	0.4
Power sales, TWh	2.2	2.3	2.6	2.4	3.0	3.6	4.1	3.3
Gas sales, TWh	15.1	18.9	20.3	23.2	20.1	26.7	36.7	30.8
People and environment								
Employees (FTE) end of period, number	6,472	6,311	6,179	6,120	6,731	6,608	6,526	6,454
Total recordable injury rate (TRIR) ⁷	3.1	3.0	3.6	3.8	3.7	3.6	4.9	4.7
Fatalities, number	0	0	0	0	0	0	0	0
Green share of heat and power generation, %	93	87	93	90	86	90	90	87
GHG intensity, g CO ₂ e/kWh (scopes 1 & 2)	51	59	34	83	84	53	44	62
GHG emissions, Mtonnes (scope 3)	4.6	5.3	5.9	6.3	5.5	7.6	10.7	8.2

¹ Business performance.

² EBIT (last 12 months)/average capital employed.

³ FFO last 12 months. Net debt including 50% of hybrid capital and cash and securities not available for use (with the exception of repo transactions). Numbers for 2020 and 2021 have been restated. See note 13 for adjusted definition.

⁴ Nameplate capacity from Q2 2021.

⁵ 2020 numbers restated. See note 2.5 in our ESG Performance Report.

⁶ US only.

⁷ YTD.



Income statement

The income statement (BP¹ comparables) shows business performance numbers for 2020 to form a better like-for-like comparison, in line with the comparison numbers used throughout the management's review.

Consolidated financial statements

First half 2021

1 January – 30 June

Consolidated statements of income

1 January – 30 June

Note	Income statement, DKKm	H1 2021	H1 2020
4	Revenue	32,497	28,194
	Cost of sales	(21,754)	(14,536)
	Other external expenses	(2,106)	(2,467)
	Employee costs	(2,215)	(2,115)
	Share of profit (loss) in associates and joint ventures	59	11
5	Other operating income	6,730	2,101
5	Other operating expenses	(152)	(147)
	Operating profit (loss) before depreciation, amortisation, and impairment losses (EBITDA)	13,059	11,041
	Amortisation, depreciation, and impairment losses on intangible assets, and property, plant, and equipment	(3,889)	(3,581)
	Operating profit (loss) (EBIT)	9,170	7,460
	Gain (loss) on divestment of enterprises	(36)	(17)
	Share of profit (loss) in associates and joint ventures	(4)	6
6	Financial income	1,970	1,357
6	Financial expenses	(2,855)	(3,143)
	Profit (loss) before tax	8,245	5,663
10	Tax on profit (loss) for the period	(1,103)	(2,126)
	Profit (loss) for the period from continuing operations	7,142	3,537
	Profit (loss) for the period from discontinued operations	-	(44)
	Profit (loss) for the period	7,142	3,493
	Profit (loss) for the period is attributable to:		
	Shareholders in Ørsted A/S	6,584	3,178
	Interests and costs, hybrid capital owners of Ørsted A/S	575	326
	Non-controlling interests	(17)	(11)
	Profit (loss) per share¹, DKK:		
	From continuing operations	15.7	7.7
	From discontinued operations	-	(0.1)
	Total profit (loss) per share	15.7	7.6

¹ Diluted profit (loss) per share corresponds to profit (loss) per share, as the dilutive effect of the share incentive programme is less than 0.1% of the share capital.



Discontinued operations related to our Oil & Gas business which was sold to INEOS in 2017. We ended the reporting on discontinued operations as of

31 December 2020. Provisions regarding tax indemnifications and payments related to the Fredericia stabilisation plant (DKK 705 million) were transferred to continuing operations at 31 December 2020.

1 January – 30 June

Statement of comprehensive income, DKKm	H1 2021	H1 2020
Profit (loss) for the period	7,142	3,493
Other comprehensive income:		
Cash flow hedging:		
Value adjustments for the period	(12,759)	(1,081)
Value adjustments transferred to income statement	2,383	514
Value adjustments transferred to balance sheet	(48)	-
Exchange rate adjustments:		
Exchange rate adjustments relating to net investments in foreign enterprises	3,357	(4,260)
Value adjustment of net investment hedges	(1,977)	2,111
Tax:		
Tax on hedging instruments	1,846	97
Tax on exchange rate adjustments	(84)	476
Other:		
Share of other comprehensive income of associated companies, after tax	9	(7)
Other comprehensive income	(7,273)	(2,150)
Total comprehensive income	(131)	1,343
Comprehensive income for the period is attributable to:		
Shareholders in Ørsted A/S	(800)	1,173
Interest payments and costs, hybrid capital owners of Ørsted A/S	575	326
Non-controlling interests	94	(156)
Total comprehensive income	(131)	1,343



Value adjustments for the period in H1 2021 are mainly due to losses on power hedges due to the increase in power prices and to a lesser extent losses on currency and inflation hedges.

columns are no longer included in our financial reporting.

Compared with the business performance principle, the H1 2021 IFRS EBITDA was positively impacted by DKK 645 million from hedge values that would have been recognised as a loss under business performance. However, as this loss has already been recognised in prior periods under IFRS, H1 2021 was not impacted.

Accounting policies

Cease the use of business performance as of 1 January 2021

From 1 January 2021, we only report IFRS numbers. Thus, the business performance and adjustment

See note 2 'Business performance' for more information.

Consolidated statements of income

1 April – 30 June

Note	Income statement, DKKm	Q2 2021	Q2 2020
4	Revenue	13,553	9,962
	Cost of sales	(8,843)	(6,517)
	Other external expenses	(1,175)	(1,208)
	Employee costs	(1,176)	(1,092)
	Share of profit (loss) in associates and joint ventures	21	7
5	Other operating income	5,907	514
5	Other operating expenses	(91)	(74)
	Operating profit (loss) before depreciation, amortisation, and impairment losses (EBITDA)	8,196	1,592
	Amortisation, depreciation, and impairment losses on intangible assets, and property, plant, and equipment	(1,959)	(1,827)
	Operating profit (loss) (EBIT)	6,237	(235)
	Gain (loss) on divestment of enterprises	(72)	(3)
	Share of profit (loss) in associates and joint ventures	(1)	3
6	Financial income	1,485	552
6	Financial expenses	(1,951)	(1,562)
	Profit (loss) before tax	5,698	(1,245)
10	Tax on profit (loss) for the period	(154)	(625)
	Profit (loss) for the period from continuing operations	5,544	(1,870)
	Profit (loss) for the period from discontinued operations	-	(16)
	Profit (loss) for the period	5,544	(1,886)
	Profit (loss) for the period is attributable to:		
	Shareholders in Ørsted A/S	5,410	(2,201)
	Interests and costs, hybrid capital owners of Ørsted A/S	160	326
	Non-controlling interests	(26)	(11)
	Profit (loss) per share, DKK:		
	From continuing operations	12.9	(5.2)
	From discontinued operations	0.0	0.0
	Total profit (loss) per share	12.9	(5.2)

1 April – 30 June

Statement of comprehensive income, DKKm	Q2 2021	Q2 2020
Profit (loss) for the period	5,544	(1,886)
Other comprehensive income:		
Cash flow hedging:		
Value adjustments for the period	(6,903)	(471)
Value adjustments transferred to income statement	365	448
Value adjustments transferred to balance sheet	(4)	-
Exchange rate adjustments:		
Exchange rate adjustments relating to net investment in foreign enterprises	(417)	(1,991)
Value adjustment of net investment hedges	159	963
Tax:		
Tax on hedging instruments	1,222	85
Tax on exchange rate adjustments	61	203
Other:		
Share of other comprehensive income of associated companies, after tax	-	3
Other comprehensive income	(5,517)	(760)
Total comprehensive income	27	(2,646)
Comprehensive income for the period is attributable to:		
Shareholders in Ørsted A/S	(83)	(2,877)
Interest payments and costs after tax, hybrid capital owners of Ørsted A/S	160	326
Non-controlling interests	(50)	(95)
Total comprehensive income	27	(2,646)

Consolidated balance sheet

Note	Assets, DKKm	30 June 2021	31 December 2020	30 June 2020
	Intangible assets	1,037	639	504
	Land and buildings	6,095	5,574	5,073
	Production assets	86,533	86,184	80,463
	Fixtures and fittings, tools, and equipment	529	507	588
	Property, plant, and equipment under construction	44,265	29,345	27,868
	Property, plant, and equipment	137,422	121,610	113,992
	Investments in associates and joint ventures	668	555	542
	Other securities and equity investments	222	209	227
	Deferred tax	6,437	6,784	8,441
	Other receivables	2,416	1,925	3,019
	Other non-current assets	9,743	9,473	12,229
	Non-current assets	148,202	131,722	126,725
	Inventories	10,091	14,739	11,417
12	Derivatives	11,794	6,109	7,841
	Contract assets	2	30	1,216
	Trade receivables	6,073	6,732	4,723
	Other receivables	5,073	3,720	4,294
	Income tax	3,104	852	1,176
12	Securities	30,401	25,173	12,327
	Cash	7,724	6,178	6,754
	Current assets	74,262	63,533	49,748
	Assets classified as held for sale	1,327	1,464	16,651
	Assets	223,791	196,719	193,124



Assets and liabilities classified as held for sale

Assets classified as held for sale at 30 June 2021 comprised our oil pipe system in Denmark.

Note	Equity and liabilities, DKKm	30 June 2021	31 December 2020	30 June 2020
	Share capital	4,204	4,204	4,204
9	Reserves	(9,349)	(1,956)	(1,585)
	Retained earnings	80,987	74,294	67,170
	Proposed dividends	-	4,834	-
	Equity attributable to shareholders in Ørsted A/S	75,842	81,376	69,789
	Hybrid capital	17,984	13,232	13,232
	Non-controlling interests	3,084	2,721	2,909
	Equity	96,910	97,329	85,930
	Deferred tax	3,581	2,187	3,903
	Provisions	14,002	12,475	12,203
	Lease liabilities	4,885	4,455	4,444
13	Bond and bank debt	34,565	34,374	32,975
	Contract liabilities	3,317	3,650	3,703
	Tax equity liabilities	7,876	6,780	7,595
	Other payables	763	374	463
	Non-current liabilities	68,989	64,295	65,286
	Provisions	577	1,388	455
	Lease liabilities	653	599	653
13	Bond and bank debt	9,884	2,392	2,052
12	Derivatives	23,260	6,318	5,387
	Contract liabilities	386	480	435
	Trade payables	10,943	9,742	12,933
	Tax equity liabilities	1,298	1,187	630
	Other payables	4,694	6,082	4,846
	Income tax	5,509	6,220	6,048
	Current liabilities	57,204	34,408	33,439
	Liabilities	126,193	98,703	98,725
	Liabilities relating to assets classified as held for sale	688	687	8,469
	Equity and liabilities	223,791	196,719	193,124

Consolidated statement of shareholders equity

DKKm	2021								2020							
	Share capital	Reserves*	Retained earnings	Proposed dividends	Shareholders in Ørsted A/S	Hybrid capital	Non-controlling interests	Total Group	Share capital	Reserves*	Retained earnings	Proposed dividends	Shareholders in Ørsted A/S	Hybrid capital	Non-controlling interests	Total Group
Equity at 1 January	4,204	(1,956)	74,294	4,834	81,376	13,232	2,721	97,329	4,204	413	64,051	4,414	73,082	13,232	3,248	89,562
Comprehensive income for the period:																
Profit (loss) for the period	-	-	6,584	-	6,584	575	(17)	7,142	-	-	3,178	-	3,178	326	(11)	3,493
Other comprehensive income:																
Cash-flow hedging	-	(10,424)	-	-	(10,424)	-	-	(10,424)	-	(567)	-	-	(567)	-	-	(567)
Exchange rate adjustments	-	1,269	-	-	1,269	-	111	1,380	-	(2,004)	-	-	(2,004)	-	(145)	(2,149)
Tax on other comprehensive income	-	1,762	-	-	1,762	-	-	1,762	-	573	-	-	573	-	-	573
Share of other comprehensive income of associated companies, after tax	-	-	9	-	9	-	-	9	-	-	(7)	-	(7)	-	-	(7)
Total comprehensive income	-	(7,393)	6,593	-	(800)	575	94	(131)	-	(1,998)	3,171	-	1,173	326	(156)	1,343
Coupon payments, hybrid capital	-	-	-	-	-	(268)	-	(268)	-	-	-	-	-	(326)	-	(326)
Tax, hybrid capital	-	-	-	-	-	89	-	89	-	-	-	-	-	-	-	-
Additions, hybrid capital	-	-	-	-	-	7,327	-	7,327	-	-	-	-	-	-	-	-
Disposals, hybrid capital	-	-	-	-	-	(2,971)	-	(2,971)	-	-	-	-	-	-	-	-
Dividends paid	-	-	4	(4,834)	(4,830)	-	(183)	(5,013)	-	-	4	(4,414)	(4,410)	-	(185)	(4,595)
Purchases of treasury shares	-	-	-	-	-	-	-	-	-	-	(58)	-	(58)	-	-	(58)
Additions, non-controlling interests	-	-	83	-	83	-	450	533	-	-	-	-	-	-	-	-
Other changes	-	-	13	-	13	-	2	15	-	-	2	-	2	-	2	4
Equity at 30 June	4,204	(9,349)	80,987	-	75,842	17,984	3,084	96,910	4,204	(1,585)	67,170	-	69,789	13,232	2,909	85,930

* See note 9 'Reserves' for more information about reserves.



In February 2021, we issued two new hybrid capital bonds with a nominal amount of EUR 500 million and GBP 425 million with a fixed annual coupon of 1.50 % (until 2031) and 2.50 % (until 2033), respectively. Both maturing in 3021.

In addition, we redeemed EUR 350 million of our 3013 hybrid capital bond in February 2021.

Consolidated statement of cash flows

Note	Statement of cash flows, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
	Operating profit (loss) before depreciation, amortisation, and impairment losses (EBITDA), IFRS	13,059	11,041	8,196	1,592
2	Change in derivatives, business performance adjustments	-	(1,280)	-	1,364
	Change in derivatives, other adjustments	(475)	(514)	336	680
	Change in provisions	645	(365)	15	(349)
	Reversal of gain (loss) on divestment of assets	(5,678)	(1,288)	(5,458)	(71)
	Other items	(46)	(7)	15	(43)
	Change in work in progress	3,754	(2,015)	(857)	(177)
	Change in tax equity partner liabilities	619	2,892	866	3,017
	Change in other working capital	1,178	1,821	729	2,904
	Interest received and similar items	933	2,326	610	694
	Interest paid and similar items	(1,569)	(3,489)	(992)	(1,328)
	Income tax paid	(1,186)	(1,353)	(313)	(86)
	Cash flows from operating activities	11,234	7,769	3,147	8,197
	Purchase of intangible assets, and property, plant, and equipment	(14,129)	(9,008)	(7,481)	(3,770)
	Sale of intangible assets, and property, plant, and equipment	10,177	80	10,202	57
7	Acquisition of enterprises	(2,359)	1	(2,348)	(3)
	Divestment of enterprises	(145)	(22)	(114)	(5)
	Purchase of other equity investments	(15)	(11)	(11)	(2)
	Purchase of securities	(7,065)	(4,133)	(1,025)	(593)
	Sale/maturation of securities	1,646	8,250	663	1,373
	Change in other non-current assets	25	-	2	-
	Transactions with associates and joint ventures	(26)	(47)	(26)	18
	Dividends received and capital reduction	28	-	28	-
	Cash flows from investing activities	(11,863)	(4,890)	(110)	(2,925)

Note	Statement of cash flows, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
	Proceeds from raising of loans	6,865	328	(952)	(3,311)
	Instalments on loans	(1,329)	(977)	(1,713)	(407)
	Instalments on leases	(184)	(226)	(111)	(112)
	Coupon payments on hybrid capital	(268)	(326)	(162)	(326)
	Repurchase of hybrid capital	(2,971)	-	-	-
	Proceeds from issuance of hybrid capital	7,327	-	-	-
	Dividends paid to shareholders in Ørsted A/S	(4,830)	(4,410)	-	-
	Purchase of own shares	-	(58)	-	(58)
	Transactions with non-controlling interests	330	(228)	471	(89)
	Net proceeds from tax equity partners	25	3	(95)	23
	Change in collateral related to derivatives	(2,177)	2,376	(408)	586
	Cash flows from financing activities	2,788	(3,518)	(2,970)	(3,694)
	Cash flows from continuing operations	2,159	(639)	67	1,578
	Cash flows from discontinued operations	-	(44)	-	102
	Total net change in cash and cash equivalents for the period	2,159	(683)	67	1,680
	Cash and cash equivalents at the beginning of the period	5,210	6,459	7,478	4,223
	Total net change in cash and cash equivalents	2,159	(683)	67	1,680
	Exchange rate adjustments of cash and cash equivalents	182	103	6	(24)
	Cash and cash equivalents at 30 June	7,551	5,879	7,551	5,879



Change in work in progress

'Change in work in progress' consists of elements in contract assets, contract liabilities, and construction management agreements related to construction of offshore wind farms and construction of offshore transmission assets as well as the related trade payables.



Statement of cash flows

Our supplementary statement of gross and net investments appears from note 8 'Gross and net investments' and free cash flows (FCF) from note 3 'Segment information'.

'Cash' according to the balance sheet as at 30 June 2021 includes 'Cash, not available for use', amounting to DKK 164 million and 'Bank overdrafts that are part of the ongoing cash management' amounting to DKK 9 million.

1. Basis of reporting

This section provides an overall description of our accounting policies as well as an overview of the impact of new and amended accounting standards and interpretations.

Accounting policies

Ørsted is a listed public company, headquartered in Denmark.

This interim financial report for the first half-year of 2021 comprises the interim financial statements of Ørsted A/S (the parent company) and any subsidiaries controlled by Ørsted A/S.

The interim financial report has been prepared in accordance with the International Financial Reporting Standards (IFRS), IAS 34 'Interim Financial Reporting' as adopted by the EU, and further requirements in the Danish Financial Statements Act (Årsregnskabsloven) for the presentation of quarterly interim reports by listed companies.

The interim financial report for the first half year of 2021 follows the same accounting policies as the annual report for 2020, except for any new, amended, or revised accounting standards and interpretations (IFRSs) endorsed by the EU, effective for the accounting period beginning on 1 January 2021.

Any new or amended standards and interpretations that may impact Ørsted are presented in the section below.

Definitions of alternative performance measures can be found on page 89 of the annual report for 2020.

This interim financial report contains selected accounting policies and should therefore be read in conjunction with the annual report for 2020.

Cease the use of business performance as of 1 January 2021

From 1 January 2021, we only report IFRS numbers. Thus, the business performance and adjustment columns are no longer included in our financial reporting. This will simplify our reporting and avoid potential conflicts with future reporting requirements for alternative performance measures.

See note 2 'Business performance' for more information.

Implementation of new or changed accounting standards and interpretations

Effective from 1 January 2021, we implemented the following changed accounting standard (IAS and IFRS) and interpretations:

- Amendments to IFRS 9 and IFRS 7: Interest Rate Benchmark Reform — phase 2.

The adoption of the changed accounting standard has not impacted our interim financial report and is not expected to impact the consolidated financial statements for 2021.

Key accounting estimates and judgements

On 9 June 2021, we acquired all of the membership interests in Brookfield Renewable Ireland, effectively gaining control of the company, which has been incorporated in our Onshore business area.

We have made a number of estimates and judgements when we recognised the assets and liabilities as a result of the acquisition. The accounting estimates and judgements, which may entail a risk of material adjustments in subsequent years, are listed below. Except for the below mentioned accounting estimate for purchase price allocations in business combinations, the assessment of the key accounting estimates and judgements are the same as in the annual report for 2020.

Purchase price allocations in business combinations

When we apply the acquisition method for business combinations, by nature this involves judgement in assessing the fair value of identifiable assets and liabilities. Fair value calculations are based on a number of estimates regarding WACC and expected future cash flows from financial budgets and forecasts which include a number of assumptions and estimates. These assumptions include future market conditions, market prices of power, estimated discount rates, estimated useful lives of the projects,

etc. The market prices applied are based on available forward prices for a period of up to five years and our best estimate of long-term prices for the remainder of the period.

2. Business performance

DKKm	H1 2020		
	Business performance	Adjustments	IFRS
Revenue	27,001	1,193	28,194
Cost of sales	(14,623)	87	(14,536)
Operating profit (loss) before depreciation, amortisation, and impairment losses (EBITDA)	9,761	1,280	11,041
EBIT	6,180	1,280	7,460
Tax on profit (loss) for the period	(1,846)	(280)	(2,126)
Profit for the year	2,493	1,000	3,493

With the implementation of IFRS 9 in 2018, it has become significantly easier to apply IFRS hedge accounting to our commodity hedges. We have concluded that IFRS 9 can replace our business performance principle, and we have therefore reported based on IFRS only from 1 January 2021.

Among other things, IFRS 9 has made it easier to apply hedge accounting by the removal of the 80-125 % effectiveness requirement, as compliance can be difficult in connection with proxy hedging. For example, we use proxy hedging to hedge our power exposure 4-5 years into the future with gas hedges due to illiquidity in the market for power hedges with this time horizon.

Since we did not apply IFRS hedge accounting in 2020, the IFRS 2021 numbers are not fully comparable to the IFRS 2020 numbers. Therefore, we use EBITDA according to the business performance principle in 2020 as comparable for EBITDA in the 'Management's review' for 2021.

At the end of 2020, the value of our business performance hedges deferred to a future period was DKK -2.7 billion, of which DKK -1.1 billion relate to 2021. This net loss was recognised in the income statement under IFRS in previous years, as we have not previously applied hedge accounting. Consequently, for the period 2021-2025, EBITDA (according to IFRS) will be higher by a similar amount compared to what the business performance EBITDA would have been if we had continued to report based on this principle. For H1 2021, EBITDA according to IFRS was DKK 645 million higher than if we had kept reporting according to the business performance principle. This amount primarily related to site EBITDA in Offshore and the remaining part related to our CHP plants and gas activities in Bioenergy & Other.



The installation of the 16th turbine at Hornsea 2 which also marked Ørsted's 1,000th offshore wind turbine in UK waters, UK.

3. Segment information

						
H1 2021	Offshore	Onshore	Bioenergy & Other	Reportable segments	Other activities/eliminations	Total
Income statement, DKKm						
External revenue	19,284	227	12,992	32,503	(6)	32,497
Intra-group revenue	2,941	-	(405)	2,536	(2,536) ¹	-
Revenue	22,225	227	12,587	35,039	(2,542)	32,497
Cost of sales	(13,801)	(9)	(10,438)	(24,248)	2,494	(21,754)
Employee costs and other external expenses	(2,978)	(422)	(1,026)	(4,426)	105	(4,321)
Gain (loss) on disposal of non-current assets	5,678	-	-	5,678	-	5,678
Additional other operating income and expenses	291	610	1	902	(2)	900
Share of profit (loss) in associates and joint ventures	58	-	1	59	-	59
EBITDA	11,473	406	1,125	13,004	55	13,059
Depreciation and amortisation	(3,049)	(329)	(394)	(3,772)	(117)	(3,889)
Impairment losses	-	-	-	-	-	-
Operating profit (loss) (EBIT)	8,424	77	731	9,232	(62)	9,170
Key ratios						
Intangible assets, and property, plant, and equipment	94,777	34,380	7,901	137,058	1,401	138,459
Equity investments and non-current receivables	543	35	157	735	167	902
Net working capital, work in progress	6,463	-	-	6,463	-	6,463
Net working capital, tax equity	-	(8,338)	-	(8,338)	-	(8,338)
Net working capital, capital expenditures	(3,764)	(1,203)	(24)	(4,991)	-	(4,991)
Net working capital, other items	3,161	367	(2,008)	1,520	179	1,699
Derivatives, net	(6,594)	(3,223)	(2,790)	(12,607)	1,141	(11,466)
Assets classified as held for sale, net	-	-	654	654	-	654
Decommissioning obligations	(5,482)	(1,003)	(1,283)	(7,768)	-	(7,768)
Other provisions	(3,928)	(105)	(1,946)	(5,979)	(832)	(6,811)
Tax, net	2,347	(2,902)	1,064	509	(58)	451
Other receivables and other payables, net	339	(40)	2	301	(578)	(277)
Capital employed at 30 June	87,862	17,968	1,727	107,557	1,420	108,977
Return on capital employed (ROCE), %	-	-	-	-	-	12.5
Cash flow from operating activities	6,507	411	4,293	11,211	23	11,234
Gross investments	(10,360)	(8,280)	(89)	(18,729)	(69)	(18,798)
Divestments	10,669	-	(203)	10,466	94	10,560
Free cash flow (FCF)	6,816	(7,869)	4,001	2,948	48	2,996

New corporate structure

On 28 January 2021, we announced a change to our organisational structure effective from 4 February 2021. The change entails moving from a business unit structure to a more functional structure where the commercially focused functions from the former business units Offshore and Markets & Bioenergy will be brought together. Onshore will remain a separate business unit. We are making these changes in our organisation to establish an even stronger customer and market focus, to further strengthen the focus on EPC and operations, and to support the scaling of our organisation as we continue our strong growth trajectory.

Externally, we will continue to report Offshore and Onshore financials as we have done previously. Our former Markets & Bioenergy will be named 'Bioenergy & Other' going forward and will, as previously, include our CHP plants, legacy gas activities, B2B activities and Renaissance activities.



The column 'Other activities/eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handled at Group level.

¹Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 3,824 million, which primarily relates to our Shared Functions services as well as our B2B business activities.

3. Segment information (continued)



H1 2020 Income statement, DKKm	Offshore	Onshore	Bioenergy & Other	Reportable segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	15,066	302	11,627	26,995	6	27,001	1,193	28,194
Intra-group revenue	2,273	(5)	(223)	2,045	(2,045) ¹	-	-	-
Revenue	17,339	297	11,404	29,040	(2,039)	27,001	1,193	28,194
Cost of sales	(7,853)	5	(8,706)	(16,554)	1,931	(14,623)	87	(14,536)
Employee costs and other external expenses	(2,892)	(315)	(1,635)	(4,842)	260	(4,582)	-	(4,582)
Gain (loss) on disposal of non-current assets	1,217	34	37	1,288	-	1,288	-	1,288
Additional other operating income and expenses	171	478	18	667	(1)	666	-	666
Share of profit (loss) in associates and joint ventures	11	-	-	11	-	11	-	11
EBITDA	7,993	499	1,118	9,610	151	9,761	1,280	11,041
Depreciation and amortisation	(2,860)	(207)	(400)	(3,467)	(114)	(3,581)	-	(3,581)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	5,133	292	718	6,143	37	6,180	1,280	7,460
Key ratios								
Intangible assets, and property, plant, and equipment	85,620	18,819	8,306	112,745	1,751	114,496	-	114,496
Equity investments and non-current receivables	1,849	-	239	2,088	153	2,241	-	2,241
Net working capital, work in progress	10,029	-	1	10,030	-	10,030	-	10,030
Net working capital, tax equity	-	(7,588)	-	(7,588)	-	(7,588)	-	(7,588)
Net working capital, capital expenditures	(9,006)	(89)	(26)	(9,121)	-	(9,121)	-	(9,121)
Net working capital, other items	3,777	80	(2,964)	893	199	1,092	-	1,092
Derivatives, net	552	(241)	2,007	2,318	136	2,454	-	2,454
Assets classified as held for sale, net	-	-	8,182	8,182	-	8,182	-	8,182
Decommissioning obligations	(4,797)	(383)	(1,310)	(6,490)	-	(6,490)	-	(6,490)
Other provisions	(3,797)	-	(1,639)	(5,436)	(732)	(6,168)	-	(6,168)
Tax, net	717	(1,990)	856	(417)	83	(334)	-	(334)
Other receivables and other payables, net	(633)	-	18	(615)	24	(591)	-	(591)
Capital employed at 30 June	84,311	8,608	13,670	106,589	1,614	108,203	-	108,203
Of which, capital employed for discontinued operations						(34)	-	(34)
Of which, capital employed for continuing operations						108,237	-	108,237
Return on capital employed (ROCE), %	-	-	-	-	-	10.8	-	-
Cash flow from operating activities	2,785	3,162	2,374	8,321	(552)	7,769	-	7,769
Gross investments	(7,094)	(1,481)	(423)	(8,998)	(67)	(9,065)	-	(9,065)
Divestments	(141)	114	80	53	(1)	52	-	52
Free cash flow (FCF)	(4,450)	1,795	2,031	(624)	(620)	(1,244)	-	(1,244)



Profit (loss) and cash flows are shown only for continuing operations.

The column 'Other activities/eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handled at Group level.

¹Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 3,440 million, which primarily relates to our Shared Functions services as well as our B2B, B2C, and power distribution businesses activities.

3. Segment information (continued)



Q2 2021, Income statement and FCF, DKKm	Offshore	Onshore	Bioenergy & Other	Reporting segments	Other activities/ eliminations	Business performance	Adjustments	IFRS
External revenue	7,565	93	5,709	13,367	186			13,553
Intra-group revenue	1,375	14	(142)	1,247	(1,247) ¹			-
Revenue	8,940	107	5,567	14,614	(1,061)			13,553
Cost of sales	(5,306)	(4)	(4,556)	(9,866)	1,023			(8,843)
Employee costs and other external expenses	(1,618)	(249)	(512)	(2,379)	28			(2,351)
Gain (loss) on disposal of non-current assets	5,458	-	-	5,458	-			5,458
Additional other operating income and expenses	33	324	3	360	(2)			358
Share of profit (loss) in associates and joint ventures	20	-	1	21	-			21
EBITDA	7,527	178	503	8,208	(12)			8,196
Depreciation and amortisation	(1,502)	(201)	(194)	(1,897)	(62)			(1,959)
Impairment losses	-	-	-	-	-			-
Operating profit (loss) (EBIT)	6,025	(23)	309	6,311	(74)			6,237
Cash flow from operating activities	1,301	857	1,275	3,433	(286)			3,147
Gross investments	(5,793)	(6,275)	(30)	(12,098)	(35)			(12,133)
Divestments	10,702	(1)	(174)	10,527	64			10,591
Free cash flow (FCF)	6,210	(5,419)	1,071	1,862	(257)			1,605
Q2 2020, Income statement and FCF, DKKm								
External revenue	8,377	165	4,003	12,545	(920)	11,625	(1,663)	9,962
Intra-group revenue	987	(5)	(108)	874	(874) ¹	-	-	-
Revenue	9,364	160	3,895	13,419	(1,794)	11,625	(1,663)	9,962
Cost of sales	(5,594)	5	(2,985)	(8,574)	1,758	(6,816)	299	(6,517)
Employee costs and other external expenses	(1,512)	(157)	(767)	(2,436)	136	(2,300)	-	(2,300)
Gain (loss) on disposal of non-current assets	-	34	37	71	-	71	-	71
Additional other operating income and expenses	95	270	6	371	(2)	369	-	369
Share of profit (loss) in associates and joint ventures	8	-	(1)	7	-	7	-	7
EBITDA	2,361	312	185	2,858	98	2,956	(1,364)	1,592
Depreciation and amortisation	(1,452)	(109)	(208)	(1,769)	(58)	(1,827)	-	(1,827)
Impairment losses	-	-	-	-	-	-	-	-
Operating profit (loss) (EBIT)	909	203	(23)	1,089	40	1,129	(1,364)	(235)
Cash flow from operating activities	4,338	3,209	817	8,364	(167)	8,197	-	8,197
Gross investments	(2,802)	(733)	(179)	(3,714)	(43)	(3,757)	-	(3,757)
Divestments	(150)	114	81	45	-	45	-	45
Free cash flow (FCF)	1,386	2,590	719	4,695	(210)	4,485	-	4,485



Profit (loss) and cash flows are shown only for continuing operations.

The column 'Other activities/ eliminations' primarily covers the elimination of inter-segment transactions. It also includes income and costs, assets and liabilities, investment activity, taxes, etc., handled at Group level.

¹Including the elimination of other activities, the total elimination of intra-group revenue amounts to DKK 1,892 million (Q2 2020: DKK 1,560 million), which primarily relates to our Shared Functions services as well as our B2B businesses and for Q2 2020 our B2C, and power distribution business activities as well.

4. Revenue

				Other activities/ eliminations	H1 2021 total				Other activities/ eliminations	H1 2020 total
Revenue, DKKm	Offshore	Onshore	Bioenergy & Other			Offshore	Onshore	Bioenergy & Other		
Sale of gas	-	-	5,424	4	5,428	-	-	3,915	5	3,920
Generation of power	3,376	349	2,306	-	6,031	2,023	222	840	-	3,085
Sale of power	7,540	-	2,521	(2,398)	7,663	4,684	-	3,059	(2,070)	5,673
Revenue from construction of offshore wind farms	5,135	-	-	-	5,135	3,049	-	-	-	3,049
Generation and sale of heat and steam	-	-	1,609	-	1,609	-	-	1,602	-	1,602
Distribution and transmission	-	-	157	(1)	156	-	-	1,128	(2)	1,126
Other revenue	1,193	-	111	(23)	1,281	931	26	453	(39)	1,371
Total revenue from customers, IFRS	17,244	349	12,128	(2,418)	27,303	10,687	248	10,997	(2,106)	19,826
Government grants	4,661	5	393	-	5,059	6,121	17	204	-	6,342
Economic hedging	-	-	-	-	-	2,307	32	(280)	216	2,275
Miscellaneous revenue	320	(127)	66	(124)	135	(12)	(24)	(329)	116	(249)
Total revenue, IFRS	22,225	227	12,587	(2,542)	32,497	19,103	273	10,592	(1,774)	28,194
Adjustments						(1,764)	24	812	(265)	(1,193)
Total revenue, business performance						17,339	297	11,404	(2,039)	27,001
Timing of revenue recognition from customers, IFRS										
At a point in time	13,123	349	4,160	(2,418)	15,214	5,576	248	1,635	(2,106)	5,353
Over time	4,121	-	7,968	-	12,089	5,111	-	9,362	-	14,473
Total revenue from customers, IFRS	17,244	349	12,128	(2,418)	27,303	10,687	248	10,997	(2,106)	19,826

Revenue increased by 15 % relative to H1 2020 and was DKK 32,497 million in H1 2021. The increase was mainly due to the divestment of the offshore transmission asset at Hornsea 1 in H1 2021 and higher gas and power prices across all markets. This was

partly offset by lower wind speeds in H1 2021, the divestments of the LNG business, the Danish distribution, residential customer, and city light businesses in 2020, and the divestment of the offshore transmission asset for Walney Extension in H1 2020.



On 1 January 2021, we implemented hedge accounting on our commodity and related currency hedges. Accordingly, our hedges are presented in the same line item as the hedged exposure. For example, when we hedge generation of power, any gain (loss) related to the hedges is presented in the line item 'Generation of power'.

4. Revenue (continued)

				Other activities/ eliminations	Q2 2021 total				Other activities/ eliminations	Q2 2020 total
Revenue, DKKm	Offshore	Onshore	Bioenergy & Other			Offshore	Onshore	Bioenergy & Other		
Sale of gas	-	-	2,456	97	2,553	-	-	1,245	(2)	1,243
Generation of power	1,207	104	1,172	-	2,483	687	123	323	-	1,133
Sale of power	5,186	-	1,104	(1,049)	5,241	3,146	-	1,365	(1,848)	2,663
Revenue from construction of offshore wind farms	34	-	-	-	34	2,486	-	-	-	2,486
Generation and sale of heat and steam	-	-	416	-	416	-	-	454	-	454
Distribution and transmission	-	-	76	-	76	-	-	468	(1)	467
Other revenue	623	-	74	(16)	681	511	13	164	(31)	657
Total revenue from customers, IFRS	7,050	104	5,298	(968)	11,484	6,830	136	4,019	(1,882)	9,103
Government grants	1,663	3	166	-	1,832	2,296	6	40	-	2,342
Economic hedging	-	-	-	-	-	(636)	8	(329)	489	(468)
Miscellaneous revenue	227	-	103	(93)	237	(19)	(16)	(1,068)	88	(1,015)
Total revenue, IFRS	8,940	107	5,567	(1,061)	13,553	8,471	134	2,662	(1,305)	9,962
Adjustments						893	26	1,233	(489)	1,663
Total revenue, business performance						9,364	160	3,895	(1,794)	11,625
Timing of revenue recognition from customers, IFRS										
At a point in time	3,334	104	2,093	(968)	4,563	2,696	136	(529)	(1,882)	421
Over time	3,716	-	3,205	-	6,921	4,134	-	4,548	-	8,682
Total revenue from customers, IFRS	7,050	104	5,298	(968)	11,484	6,830	136	4,019	(1,882)	9,103

5. Other operating income and expenses

Other operating income, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
Gain on divestment of assets	5,754	1,332	5,499	99
Other compensation	229	127	66	10
US tax credits and tax equity income	595	477	312	269
Miscellaneous operating income	152	165	30	136
Total other operating income	6,730	2,101	5,907	514

Other operating expenses, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
Loss on divestment of assets	76	44	41	28
Miscellaneous operating expenses	76	103	50	46
Total other operating expenses	152	147	91	74

Gain on divestment of assets in H1 2021 primarily relates to the 50 % farm-down of Borssele 1 & 2 in May, resulting in a gain from new partnerships of DKK 5.4 billion. Remaining gains in H1 2021 were related to earnings from finalised construction projects.

In H1 2020, gain on divestment of assets was mainly related to the Hornsea 1 offshore transmission asset where we lowered our assumption regarding the preferred bidder's expected return requirement.

Other compensation is primarily compensations regarding outages and curtailments from TenneT, the German grid operator.

US tax credits and tax equity income originate from our US onshore wind farms in operation and correspond to the tax credits and other tax attributes provided to Ørsted and our tax equity partners for generated power. The increase was mainly due to commissioning of new onshore wind farms in 2020 which have had full impact in H1 2021.

6. Financial income and expenses

Net financial income and expenses, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
Interest expenses, net	(409)	(886)	(139)	(508)
Interest expenses, leasing	(101)	(97)	(51)	(53)
Interest element of provisions, etc.	(201)	(221)	(101)	(108)
Tax equity partner's contractual return	(309)	(209)	(161)	(118)
Capital losses on early repayment of loans and interest rate swaps	-	(369)	-	(369)
Value adjustments of derivatives, net	117	(72)	26	(30)
Exchange rate adjustments, net	290	195	59	(3)
Value adjustments of securities, net	(378)	(131)	(115)	191
Other financial income and expenses	106	4	16	(12)
Net financial income and expenses	(885)	(1,786)	(466)	(1,010)



The table shows net financial income and expenses corresponding to our internal control.

Exchange rate adjustments and hedging contracts entered into to hedge currency risks are presented net under the item 'Exchange rate adjustments, net'.

7. Acquisition of enterprises

Cash flows used for acquisitions, DKKm	BRI	Other	H1 2021	H1 2020	Q2 2021	Q2 2020
Fair value at time of acquisition:						
Other intangible assets than goodwill	452	-	452	-	452	-
Property, plant, and equipment	5,182	-	5,182	-	5,182	-
Joint ventures	33	-	33	-	33	-
Trade receivables	236	-	236	-	236	-
Other receivables	163	-	163	-	163	-
Cash	146	-	146	-	146	-
Interest-bearing debt	(2,273)	-	(2,273)	-	(2,273)	-
Provisions	(47)	-	(47)	-	(47)	-
Derivatives	(456)	-	(456)	-	(456)	-
Deferred tax	(634)	-	(634)	-	(634)	-
Other liabilities	(312)	-	(312)	-	(312)	-
Net assets acquired	2,490	-	2,490	-	2,490	-
Goodwill	-	-	-	-	-	-
Purchase price	2,490	-	2,490	-	2,490	-
Cash, available and acquired	(142)	-	(142)	-	(142)	-
Contingent consideration	-	11	11	(1)	-	3
Cash flow used for acquisition of enterprises	2,348	11	2,359	(1)	2,348	3
Purchase price	2,490	-	2,490	-	2,490	-
Adjustments for cash	(146)	-	(146)	-	(146)	-
Adjustments for interest-bearing debt	2,273	-	2,273	-	2,273	-
Enterprise value	4,617	-	4,617	-	4,617	-

On 9 June 2021, we acquired all of the membership interests in Brookfield Renewable Ireland (BRI), Brookfield Renewable's onshore wind business in Ireland and UK, at an enterprise value of DKK 4,617 million. With the acquisition of BRI, Ørsted enters the European onshore market. BRI's management team continue to run the business, which will be incorporated into our Onshore business unit over time.

Since the acquisition date, BRI has contributed with a revenue of DKK 25 million and a loss after tax of DKK 54 million. If the acquisition had been made on 1 January 2021, the half-year revenue would have been DKK 438 million, and loss after tax would have been DKK 75 million.

As part of the acquisition process, we have incurred costs of DKK 49 million which have

been expensed in our income statement in the Onshore segment.

The fair values of the assets and liabilities acquired are not considered final until 12 months after acquisition date.

We made no acquisitions in H1 2020.

8. Gross and net investments

Gross and net investments, DKKm	H1 2021	H1 2020	Q2 2021	Q2 2020
Cash flow from investing activities	(11,863)	(4,890)	(110)	(2,925)
Dividends received and capital reductions reversed	(28)	-	(28)	-
Purchase and sale of securities, reversed	5,419	(4,117)	362	(780)
Sale of non-current assets, reversed	(10,057)	(58)	(10,088)	(52)
Interest-bearing debt in acquired enterprises	(2,273)	-	(2,273)	-
Restricted cash in acquired enterprises	4	-	4	-
Gross investments	(18,798)	(9,065)	(12,133)	(3,757)
Transactions with non-controlling interests in connection with divestments	503	(6)	503	(7)
Sale of non-current assets	10,057	58	10,088	52
Divestments	10,560	52	10,591	45
Net investments	(8,238)	(9,013)	(1,542)	(3,712)



← Amazon Wind, Scurry County, Texas US.

9. Reserves

Reserves 2021, DKKm	Foreign currency translation reserve	Hedging reserve	Total reserves
Reserves at 1 January 2021	(3,829)	1,873	(1,956)
Exchange rate adjustments	3,246	-	3,246
Value adjustments of hedging reserve	-	(14,736)	(14,736)
Value adjustments transferred to:			
Revenue	-	2,364	2,364
Financial income and expenses	-	19	19
Property, plant, and equipment	-	(48)	(48)
Tax:			
Tax on hedging and currency adjustments	(519)	2,281	1,762
Movement in comprehensive income for the period	2,727	(10,120)	(7,393)
Total reserves at 30 June	(1,102)	(8,247)	(9,349)



'Value adjustments of hedging reserve' in H1 2021 are mainly due to losses on power hedges due to the increase in power prices and to a lesser extent losses on currency and inflation hedges.

Reserves 2020, DKKm	Foreign currency translation reserve	Hedging reserve	Total reserves
Reserves at 1 January 2020	168	245	413
Exchange rate adjustments	(4,115)	-	(4,115)
Value adjustments of hedging reserve	-	1,030	1,030
Value adjustments transferred to:			
Revenue	-	53	53
Financial income and expenses	-	461	461
Tax:			
Tax on hedging and currency adjustments	940	(367)	573
Movement in comprehensive income for the period	(3,175)	1,177	(1,998)
Total reserves at 30 June	(3,007)	1,422	(1,585)

10. Tax on profit (loss) for the period

	H1 2021			H1 2020		
	Profit (loss) before tax	Tax	Tax in %	Profit (loss) before tax	Tax	Tax in %
Tax for the period, DKK						
Deferred tax liability, new tax equity contributions		(788)	n.a.		(885)	n.a.
Gain (loss) on divestment of enterprises	5,355	-	0 %	-	-	n.a.
Other adjustments		319	n.a.		(23)	n.a.
Remaining Ørsted business activities	2,890	(634)	22 %	5,663	(1,218)	22 %
Effective tax for the period	8,245	(1,103)	13 %	5,663	(2,126)	38 %

Tax on profit (loss) for the period

Tax on profit (loss) was DKK 1,103 million in H1 2021 compared to DKK 2,126 million in H1 2020. The effective tax rate for the first half year of 2021 was 13 %.

The effective tax rate was affected by the farm-down of Borssele and recognition of deferred tax liabilities in the US related to tax equity partnerships for offshore wind farms in our north-east cluster, for Ocean Wind, and for Permian Energy Center. The deferred tax liabilities will increase until COD.

Also, the effective tax rate was affected by an updated management assessment on uncertain tax positions, the enacted increase of the UK tax rate from 19 % to 25 %, and the winter storm in Texas in February 2021 as we incurred hedge income in entities with no tax equity partnership agreements in place.

Tax controversies

On 28 April 2021, Ørsted received a draft administrative decision from the Danish Tax Agency in relation to the development of the offshore wind farm Race Bank. In line with its

administrative decision from 1 December 2020 regarding the Walney Extension and Hornsea 1 offshore wind farms, the Danish Tax Agency claims that Ørsted Wind Power A/S has not acted at arm's length terms when charging fees for technical development services provided to the Race Bank project company. If the draft decision is finalised, it entails an additional Danish tax payment of DKK 2.5 billion plus interest for the income year 2015. As part of the process, Ørsted is given time and the opportunity to make submissions before the Danish Tax Agency makes a final decision in the matter.

In response to the tax risks connected to cross-border activities, including the current controversy regarding the pricing of technical development service fees, we have made tax-related provisions in accordance with IAS 12 and IAS 37 as well as relevant interpretation, such as IFRIC 23. The provisions have been calculated on the basis of differences in tax rates and statistical risks of suffering economic or legal double taxation.

Accounting policies

Effective tax rate

The estimated average annual tax rate is separated based on regions and into two different categories: a) ordinary business activities and b) gain (loss) on divestments and impacts from tax equity contributions.



Effective tax rate

The estimated average annual tax rate for the 'Remaining Ørsted business activities' is 21 % compared to 22 % for the full-year of 2020. 'Other adjustments' include changes in tax rates, movements in uncertain tax positions, tax concerning previous years, and other non-taxable income and non-deductible costs.

The effective tax is calculated on the basis of the profit (loss) before tax from continuing operations.

11. Market risks

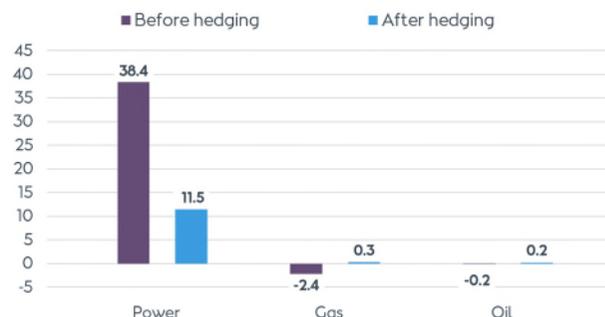
Currency exposure 1 July 2021 - 30 June 2026, DKKbn



For USD and NTD, we manage our risk to a natural time spread between front-end capital expenditures and long-term revenue. In the five-year horizon, we are therefore seeing that our hedges increase our net exposure to USD, but in the longer horizon, our hedges reduce the USD risk.

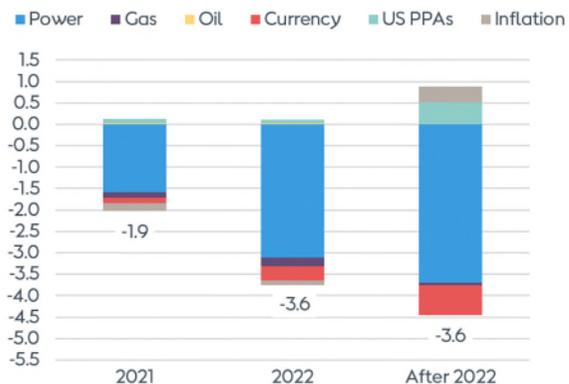
We do not deem EUR to constitute a risk, as we expect Denmark to maintain its fixed exchange-rate policy.

Energy exposure 1 July 2021 - 30 June 2026, DKKbn



Our power exposure before hedges have increased approx. 30 % in Q2 2021, mainly due to the increase in power prices.

Expected value for recognition in EBITDA, DKKbn



The table shows the time of the transfer of the market value of hedging contracts to EBITDA.

Market risk management

Our most significant market risks relate to:

- energy prices
- foreign exchange rates
- interest and inflation.

We manage market risks to protect Ørsted against market price volatility and to ensure stable and robust financial ratios that support our growth strategy as well as protect the

value of our assets. In the short- to medium-term horizon, we primarily hedge future prices using derivatives to reduce cash flow fluctuations after tax. Minimum hedging levels are determined by the Board of Directors. In the first two years, we are almost fully hedged. The degree of hedging declines in subsequent years. For more details on our market risks please see note 7.1 'Market risks' in the annual report for 2020.

12. Fair value measurement

Fair value hierarchy DKKm	Assets			Liabilities
	Inventories	Securities	Derivatives	Derivatives
2021				
Quoted prices	340	-	4,016	5,268
Observable input	-	30,401	7,587	16,551
Non-observable input	-	-	191	1,441
Total 30 June 2021	340	30,401	11,794	23,260
2020				
Quoted prices	285	-	8	30
Observable input	-	12,327	7,476	5,298
Non-observable input	-	-	357	59
Total 30 June 2020	285	12,327	7,841	5,387

Valuation principles and key assumptions

In order to minimise the use of subjective estimates or modifications of parameters and calculation models, it is our policy to determine fair values based on the external information that most accurately reflects the market values. We use pricing and benchmark services to increase data quality.

Market values are determined by the Risk Management function which reports to the

CFO. The market value developments are monitored on a continuous basis and reported to the Executive Committee.

'Quoted prices' comprise gas and derivatives that are traded in active markets. Where derivatives are traded in an active market, we generally have daily settlements, which is why the market value is zero.

'Observable input' comprises securities and derivatives, for which valuation models with

Derivatives valued on the basis of non-observable input, DKKm

	2021	2020
Market value at 1 January	(82)	236
Value adjustments through profit or loss	(326)	240
Value adjustments through other comprehensive income	(623)	-
Sales/redemptions	18	(205)
Purchases/issues	(229)	27
Transferred to observable input	(8)	-
Market value at 30 June	(1,250)	298

Non-observable input per commodity price input, DKKm

	2021	2020
German power prices	(820)	-
Other power prices	(341)	63
Gas prices	(89)	235
Total	(1,250)	298



The table shows the movements during the year in the total market value (assets and liabilities) of derivatives valued on the basis of non-observable inputs.



The main non-observable input is German power prices in the period 2025-2034. The average power price for the period is estimated at EUR 62.14 per MWh, based on an inflation-adjusted extrapolation of the observable price. An increase or decrease in the German power prices of 10 % would impact the fair value by +/- DKK 455 million.

observable inputs are used to measure fair value. The majority of our securities are quoted Danish mortgage or government bonds. Since these are not always traded on a daily basis, we are valuing these based on market interest rates for similar bonds. 'Non-observable input' primarily comprises long-term contracts on the purchase or sale of power and gas. The fair values are based on assumptions, including the long-term prices of power and gas as well as risk premiums in respect of liquidity and

market risks. Since there are no active markets for long-term prices, the fair value has been determined through an estimate of future prices.

Normally, the energy price can be observed for a maximum of five years in the power market, after which an active market no longer exists. Beyond the five-year horizon, the energy price is thus projected on the basis of the observable forward prices for years one to five.

13. Interest-bearing debt and FFO

Interest-bearing debt and interest-bearing assets DKKm	30 June 2021	31 December 2020	30 June 2020
Interest-bearing debt:			
Bank debt	8,554	1,942	3,520
Bond debt	35,895	34,824	31,507
Total bond and bank debt	44,449	36,766	35,027
Tax equity liability	836	721	638
Lease liability	5,538	5,054	5,097
Other interest-bearing debt	940	1,906	1,690
Total interest-bearing debt	51,763	44,447	42,452
Interest-bearing assets:			
Securities	30,401	25,173	12,327
Cash	7,724	6,178	6,754
Other receivables	829	11	1,099
Receivables in connection with divestments	742	742	-
Total interest-bearing assets	39,696	32,104	20,180
Total interest-bearing net debt	12,067	12,343	22,272



Interest-bearing net debt totalled DKK 12,067 million at 30 June 2021, which was a decrease of DKK 276 million relative to 31 December 2020. The main changes in the composition of our net debt compared to 31 December 2020 was an increase in bank debt of DKK 6,612 million which was partly countered by an increase in securities of DKK 5,228 million. The increase in bank debt is mainly related to an increase in short-term repo loans.

Adjusted definition of FFO and adjusted interest-bearing net debt (NIBD)

We have adjusted our definition of FFO and adjusted NIBD to better align with the rating agencies.

Generally, we are now adjusting FFO for the cash flow effects instead of the profit and loss effects. Further, adjusted NIBD no longer includes the decommissioning obligation.

Market value of bond and bank debt

The market values of bond and bank debts were DKK 41.5 billion and DKK 8.5 billion, respectively, at 30 June 2021.

Funds from operations (FFO) LTM ¹ DKKm	30 June 2021	31 December 2020	30 June 2020
EBITDA²	21,423	18,124	18,489
Change in provisions and other adjustments	606	(403)	(1,003)
Reversal of gain (loss) on divestment of assets	(5,196)	(805)	(878)
Income tax paid	(952)	(1,118)	(1,296)
Interest and similar items, received/paid	(1,301)	(1,829)	(1,439)
Reversal of interest expenses transferred to assets	(545)	(449)	(377)
50 % of coupon payments on hybrid capital	(215)	(245)	(278)
Dividends received and capital reductions	46	18	15
Funds from operations (FFO)	13,866	13,293	13,233

¹ Last 12 months.

² EBITDA according to business performance up until the end of 2020.

Adjusted interest-bearing net debt DKKm	30 June 2021	31 December 2020	30 June 2020
Total interest-bearing net debt	12,067	12,343	22,272
50 % of hybrid capital	8,992	6,616	6,616
Cash and securities not available for distribution, excluding repo loans	977	1,485	1,628
Total adjusted interest-bearing net debt	22,036	20,444	30,516

Funds from operations (FFO)/ adjusted interest-bearing net debt	30 June 2021	31 December 2020	30 June 2020
Funds from operations (FFO)/ adjusted interest-bearing net debt	62.9 %	65.0 %	43.4 %



Comparative figures are restated in accordance with the new definition of FFO and adjusted interest-bearing net debt (NIBD).



The table shows which items are included in the adjusted interest-bearing debt.



We have adjusted our target FFO/adjusted NIBD from above 30 % to above 25 % to be in line with the rating agencies.

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today considered and approved the interim financial report of Ørsted A/S for the period 1 January - 30 June 2021.

The interim financial report, which has not been audited or reviewed by the company's independent auditors, has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and additional requirements in the Danish Financial Statements Act. The accounting policies remain unchanged from the annual report for 2020.

In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities, and financial position at 30 June 2021 and of the results of the Group's operations and cash flows for the period 1 January - 30 June 2021.

Furthermore, in our opinion, the management's review gives a fair presentation of the development in the Group's operations and financial circumstances, of the results for the period, and of the overall financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

Over and above the disclosures in the interim financial report, no changes in the Group's most significant risks and uncertainties have occurred relative to the disclosures in the annual report for 2020.

Skærbæk, 12 August 2021

Executive Board:

Mads Nipper

Group President and CEO

Marianne Wiinholt

CFO

Martin Neubert

CCO and Deputy Group CEO

Board of Directors:

Thomas Thune Andersen

Chairman

Lene Skole

Deputy Chairman

Lynda Armstrong

Jørgen Kildahl

Julia Elizabeth King

Peter Korsholm

Henrik Poulsen

Dieter Wemmer

Benny Gøbel*

Ole Henriksen*

Daniel Tas Sandermann*

*Employee representative

Forward-looking statements

Forward-looking statements

This report contains certain forward-looking statements, including, but not limited to, the statements and expectations contained in the 'Outlook' section of this report (p. 8).

Statements herein, other than statements of historical facts, regarding our future results related to operations, financial condition, cash flows, business strategy, plans, and future objectives are forward-looking statements.

Words such as 'target', 'believe', 'expect', 'aim', 'intend', 'plan', 'seek', 'will', 'may', 'should', 'anticipate', 'continue', 'predict', or variations of these words as well as other statements regarding matters that are not historical facts or that regards future events or prospects constitute forward-looking statements.

We have based these forward-looking statements on our current views with respect to future events and financial performance. These views involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in the forward-looking statements and from our past performance.

Although we believe that the estimates and projections reflected in the forward-looking

statements are reasonable, they may prove materially incorrect, and actual results may materially differ due to a variety of factors. These factors include, but are not limited to, market risks, development and construction of assets, changes in temperature, wind conditions, wake and blockage effects, precipitation levels, the development in power, coal, carbon, gas, oil, currency, and interest rate markets, changes in legislation, regulations, or standards, the renegotiation of contracts, changes in the competitive environment in our markets, security of supply, cable break-downs, or other disruptions.

Read more about the risks in note 7 'Risk management' in this report, in the annual report for 2020, and in the section 'Risk and risk management' in the Management's review in the annual report for 2020 available at <http://www.ored.com>.

Unless required by law, we are under no duty and undertake no obligation to update or revise any forward-looking statements after the distribution of this report, whether as a result of new information, future events, or otherwise.



Installation of turbines at Hornsea 2, UK.

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