

CT Offshore A/S under frivillig likvidation

Annual report for 2019

CVR no. 10 14 49 22

(16th Financial year)

Adopted at the annual general meeting on 29 June
2020

Mads Reinholdt Sørensen
chairman

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Statement by liquidator on the annual report

The liquidator has today discussed and approved the annual report of CT Offshore A/S under frivillig likvidation for the financial year 1 January - 31 December 2019.

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

In my opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2019 and of the results of the company's operations for the financial year 1 January - 31 December 2019.

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

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

Skærbæk, 29 June 2020

Liquidator

Mads Reinholdt Sørensen

Independent auditor's report

To the shareholder of CT Offshore A/S under frivillig likvidation

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019, and of the results of the Company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of CT Offshore A/S under frivillig likvidation for the financial year 1 January to 31 December 2019, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, ("Financial Statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional rules and requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

The Liquidator is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent auditor's report

Liquidator's responsibilities for the Financial Statements

The Liquidator is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as the Liquidator determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Liquidator is responsible for assessing the Company's ability to continue as a going concern taking into account the liquidation in progress, disclosing, as applicable, matters related to going concern and using appropriate accounting policies taking into account the liquidation in progress.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by the Liquidator and the reasonableness of accounting estimates and related disclosures made by the Liquidator.

Independent auditor's report

- Conclude on the appropriateness of the Liquidator's use of the significant accounting policies in preparing the Financial Statements and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern taking into account the liquidation in progress. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 29 June 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Thomas Wraae Holm
State Authorised Public Accountant
MNE no. mne30141

Company details

The company

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CVR no.: 10 14 49 22

Reporting period: 1 January - 31 December 2019

Financial year: 16th financial year

Domicile: Fredericia

Liquidator

Mads Reinholdt Sørensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Consolidated financial statements

The company is reflected in the group report as the parent company Ørsted A/S, Fredericia, CVR nr. 36 21 37 28

The group report of Ørsted A/S can be obtained at the following address:

www.orsted.com

Management's review

Business review

The company has been without activity in the accounting year.

The company entered into voluntary solvent liquidation in 2018 and will be liquidated as soon as possible.

Financial review

The company's income statement for the year ended 31 December 2019 shows a loss of TDKK 80, and the balance sheet at 31 December 2019 shows equity of TDKK 27.001.

Accounting policies

The annual report of CT Offshore A/S under frivillig likvidation for 2019 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied are changed to net realisable values as the company has entered into voluntary liquidation.

The annual report for 2019 is presented in TDKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

Income statement

Other operating income

Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and property, plant and equipment.

Other external expenses

Other external expenses include indirect production costs and expenses related to premises, sales, offices, administration etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation of the Ørsted Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

Accounting policies

On payment of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed Danish entities in proportion to their taxable income. Danish entities with tax losses receive joint taxation contributions from the ultimate parent company (the management company), Ørsted A/S equivalent to the tax base of the tax losses utilised (full allocation), while Danish entities that utilise tax losses in other entities pay joint taxation contributions to the Ørsted A/S equivalent to the tax base of the utilised losses.

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at net realisable values.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Accounting policies

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Other operating income		0	2
Other external expenses		-92	-110
Gross profit		-92	-108
Financial income	2	193	2.562
Financial costs	3	-177	-313
Profit/loss before tax		-76	2.141
Tax on profit/loss for the year	4	-4	-469
Profit/loss for the year		-80	1.672

Distribution of profit

Retained earnings		-80	1.672
		-80	1.672

Balance sheet 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Assets			
Other receivables		6	0
Corporation tax		17	0
Receivables		<u>23</u>	<u>0</u>
Cash at bank and in hand		<u>30.914</u>	<u>31.618</u>
Total current assets		<u>30.937</u>	<u>31.618</u>
Total assets		<u><u>30.937</u></u>	<u><u>31.618</u></u>

Balance sheet 31 December

	<u>Note</u>	<u>2019</u> TDKK	<u>2018</u> TDKK
Equity and liabilities			
Share capital		517	517
Retained earnings		26.484	26.564
Equity		<u>27.001</u>	<u>27.081</u>
Trade payables		19	17
Payables to group companies		3.917	3.949
Corporation tax		0	471
Other payables		0	100
Total current liabilities		<u>3.936</u>	<u>4.537</u>
Total liabilities		<u>3.936</u>	<u>4.537</u>
Total equity and liabilities		<u><u>30.937</u></u>	<u><u>31.618</u></u>
Uncertainty about the continued operation (going concern)	1		
Subsequent events	5		
Contingent liabilities	6		
Related parties and ownership structure	7		

Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January 2019	517	26.564	27.081
Net profit/loss for the year	0	-80	-80
Equity at 31 December 2019	517	26.484	27.001

Notes

1 Uncertainty about the continued operation (going concern)

The company has no longer activity. The company entered into voluntary solvent liquidation in 2018.

	2019 TDKK	2018 TDKK
2 Financial income		
Interest received from group companies	7	0
Other financial income	0	1.720
Exchange gains	186	842
	193	2.562
3 Financial costs		
Financial expenses, group companies	8	2
Other financial costs	169	152
Exchange loss	0	159
	177	313
4 Tax on profit/loss for the year		
Current tax for the year	-17	471
Adjustment of tax concerning previous years	21	-2
	4	469
5 Subsequent events		

On 30 January 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of coronavirus a 'Public Health Emergency of International Concern'. This event, in management's opinion, do not provide evidence of conditions that have direct impact on the company's business operations, assets and liabilities.

Also, no other events have occurred after the balance sheet date which could significantly affect the company's financial position.

Notes

6 Contingent liabilities

Liability in joint taxation

The group's danish companies are jointly and severally liable for tax on group jointly taxes income, etc. Reference is made to the annual report for Ørsted A/S, the administration company in relation to joint taxation. The group's danish companies are also jointly and severally liable for Danish withholding taxes on dividends, royalties and interests within the group of jointly taxed entities. Any subsequent corrections to income and withholding taxes may result in an increase in the entities' liability.

7 Related parties and ownership structure

Controlling interest

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

Other related parties

Ørsted A/S (ultimate parent company)

Ownership structure

According to the company's register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

Ørsted Wind Power A/S