Disclaimer and cautionary statement

This document contains forward-looking statements concerning Vestas' financial condition, results of operations and business. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in these statements.

Forward-looking statements include, among other things, statements concerning Vestas' potential exposure to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. A number of factors that affect Vestas’ future operations and could cause Vestas’ results to differ materially from those expressed in the forward-looking statements included in this document, include (without limitation): (a) changes in demand for Vestas' products; (b) currency and interest rate fluctuations; (c) loss of market share and industry competition; (d) environmental and physical risks, including adverse weather conditions; (e) legislative, fiscal, and regulatory developments, including changes in tax or accounting policies; (f) economic and financial market conditions in various countries and regions; (g) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, and delays or advancements in the approval of projects; (h) ability to enforce patents; (i) product development risks; (j) cost of commodities; (k) customer credit risks; (l) supply of components; and (m) customer created delays affecting product installation, grid connections and other revenue-recognition factors.

All forward-looking statements contained in this document are expressly qualified by the cautionary statements contained or referenced to in this statement. Undue reliance should not be placed on forward-looking statements. Additional factors that may affect future results are contained in Vestas’ annual report for the year ended 31 December 2022 (available at www.vestas.com/investor) and these factors also should be considered. Each forward-looking statement speaks only as of the date of this document. Vestas does not undertake any obligation to publicly update or revise any forward-looking statement as a result of new information or future events other than as required by Danish law. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this document.
Key highlights in Q2 2023

Order intake of 2.3 GW
Wind turbines orders in GW grew by 8 percent YoY with an Onshore ASP of EUR 0.97m/MW

Revenue of EUR 3.4bn
Growth of 4 percent YoY driven by 29 percent Service growth, higher average pricing on deliveries, partly offset by lower volume

EBIT margin of negative 2 percent
Profitability improving due to a strong Service business and increased pricing as we execute the backlog

Vestas continues to drive industry discipline and maturity
Stronger operational and commercial discipline across the industry imperative to ensure value capture and quality

Outlook maintained
On track to deliver on the outlook for 2023 with higher Service growth
## Agenda

**Orders and markets**

- Financials
- Outlook

**Q&A**
Global business environment
Global business environment expected to remain challenging throughout 2023

- Market design and permitting pose a barrier to new installations
- Industry still needs to mature to ensure operational efficiency, quality and scalability
- Supply chain disruptions remain but are easing, while inflation still a concern

Employee health and safety top priority
Maintain business continuity
Renewables critical infrastructure
Mobility and site access a prerequisite
Maintain supply chain continuity
Power Solutions – Q2 2023
Commercial discipline intact – order intake slowly improving

Highlights

Order intake of 2.3 GW, up 8 percent YoY, driven by EMEA and the Hibiki Offshore project in Japan

Onshore ASP returned to EUR 0.97m/MW in Q2, despite few EPC orders, from EUR 0.89m/MW in the prior quarter. Overall mix was more typical in the second quarter

Permitting processes and regulatory uncertainty remains a challenge causing delays in order intake

At the end of Q2 Vestas had more than 12 GW of total preferred supplier agreements for the V236-15.0 MW™ offshore turbine
Service – Q2 2023
Strong position for further profitable growth

Highlights

Service **continued with high activity** and strong operational first half

Service order backlog increased to almost EUR 32bn, and **inflation indexation** continues to work as it should, protecting the backlog profitability

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Service order backlog

**EUR 31.6bn**

(27.7 onshore)

GW under active service contracts

**150 GW**

(141 onshore)

Average years contract duration

**11 Years**

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Service fleet

**AMERICAS**

58 GW

**EMEA**

73 GW

**APAC**

19 GW

↑ 4 GW*

↑ 7 GW*

↑ 1 GW*

*Compared to Q2 2022
Vestas Development – Q2 2023
Selective pipeline additions in major energy markets

Highlights
At the end of Q2 2023, Vestas’ pipeline of development projects amounted to 30.5 GW with Australia, the USA and Brazil being the countries with the largest pipeline.

During the quarter, Vestas secured 0.3 GW of new pipeline projects.

168 MW of order intake was generated in Q2 from two projects in the USA and in Brazil.

Order intake generated
New secured pipeline
Total project pipeline
168 MW
0.3 GW
30.5 GW

Development pipeline
AMERICAS
9 GW
EMEA
7 GW
APAC
15 GW
Sustainability – Q2 2023
The most sustainable energy company in the world

Highlights

In the second quarter of 2023, Vestas and Ørsted, announced a partnership in which Ørsted will buy a minimum of 25 percent low-emission steel towers and blades made from recycled materials from Vestas in all joint offshore wind projects.

Lifetime CO$_2$e avoided by produced and shipped capacity increased by 9 percent from Q2 2022, due to higher produced volumes.

Carbon emissions from our own operations (scope 1+2) increased by 45 percent compared to the second quarter of 2022. This can be attributed to higher activity levels in offshore construction and service.

### CO$_2$e avoided
Expected CO$_2$e avoided over the lifetime of the capacity produced and shipped during the period (million t)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2022</th>
<th>Q2 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>105</td>
<td>114</td>
</tr>
</tbody>
</table>

+9%

### Carbon emissions
Direct and indirect emissions of CO$_2$e (scope 1&2)(million t)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2022</th>
<th>Q2 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.024</td>
<td>0.035</td>
</tr>
</tbody>
</table>

+45%

### Safety
Total Recordable Injuries per million working hours (TRIR)

<table>
<thead>
<tr>
<th></th>
<th>Q2 2022</th>
<th>Q2 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.1</td>
<td>4.3</td>
</tr>
</tbody>
</table>

NOTE: We have decided to return to the previously used methodology for calculating TRIR and LTIR for the remainder of 2023. Further details can be found in the interim report.
Agenda

Orders and markets

Financials

Outlook

Q&A
### Income statement – Q2 2023

Gross margin continues to improve

#### Highlights

**Revenue increased 4 percent YoY**, driven by increasing service activity and higher value of turbine deliveries, partly offset by lower MW delivered.

**Gross margin was 6.4 percent**, up from 2.9 percent last year. The improvement was driven by Power Solutions and increased pricing as well as continued growth in Service.

Income from JVs and associates related to **Development activities** generated EUR 16m to EBIT in the quarter.

**EBIT margin b.s.i. was negative 2.0 percent**, an improvement from minus 5.5 last year, driven by the above-mentioned factors.

<table>
<thead>
<tr>
<th>mEUR</th>
<th>Q2 2023</th>
<th>Q2 2022</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>3,429</td>
<td>3,305</td>
<td>4%</td>
</tr>
<tr>
<td>Production costs</td>
<td>(3,208)</td>
<td>(3,208)</td>
<td>0%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>221</td>
<td>97</td>
<td>128%</td>
</tr>
<tr>
<td>SG&amp;A costs*</td>
<td>(307)</td>
<td>(279)</td>
<td>10%</td>
</tr>
<tr>
<td>Sale of technology</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income from investments in JVs and associates</td>
<td>16</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBIT before special items</td>
<td>(70)</td>
<td>(182)</td>
<td>Positive</td>
</tr>
<tr>
<td>Special items</td>
<td>2</td>
<td>35</td>
<td>-</td>
</tr>
<tr>
<td>EBIT</td>
<td>(68)</td>
<td>(147)</td>
<td>Positive</td>
</tr>
<tr>
<td>Income from investments in joint ventures and associates</td>
<td>(4)</td>
<td>14</td>
<td>-</td>
</tr>
<tr>
<td>Net profit</td>
<td>(115)</td>
<td>(119)</td>
<td>Flat</td>
</tr>
<tr>
<td>Gross margin</td>
<td>6.4</td>
<td>2.9</td>
<td>3.5%-pts</td>
</tr>
<tr>
<td>EBITDA margin before special items</td>
<td>3.8</td>
<td>1.2</td>
<td>2.6%-pts</td>
</tr>
<tr>
<td>EBIT margin before special items</td>
<td>(2.0)</td>
<td>(5.5)</td>
<td>3.5%-pts</td>
</tr>
</tbody>
</table>

*R&D, administration, and distribution, including depreciations and amortisations.*
Power Solutions – Q2 2023
Profitability improved

Highlights

Revenue decreased by 3 percent YoY, driven by lower activity in APAC partly offset by higher activity in South America and Offshore.

EBIT margin b.s.i. improved by 2 percentage points to negative 6.9 percent. The improvement was primarily driven by improved project pricing and execution.

Underlying profitability continues to improve but still hampered by execution of low-margin projects from the backlog.

Power Solutions revenue and EBIT margin, mEUR and percent

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Offshore Revenue</th>
<th>EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2022</td>
<td>2,605</td>
<td>(8.6)</td>
</tr>
<tr>
<td>Q3 2022</td>
<td>3,096</td>
<td>(8.1)</td>
</tr>
<tr>
<td>Q4 2022</td>
<td>3,768</td>
<td>(17.4)</td>
</tr>
<tr>
<td>Q1 2023</td>
<td>2,023</td>
<td>(2.7)</td>
</tr>
<tr>
<td>Q2 2023</td>
<td>2,525</td>
<td>(6.9)</td>
</tr>
</tbody>
</table>
Service – Q2 2023
Strong growth and solid EBIT margin

Highlights

Revenue increased 29 percent YoY again this quarter, driven by higher overall activity and inflation indexation.

Transactional sales were slightly down for the first time in several quarters, and currency translation was a 4 percent drag on growth.

Service generated EBIT of EUR 198m corresponding to a margin of 21.9 percent.
**SG&A costs – Q2 2023**

Fixed capacity costs at same level

**Highlights**

Relative to activity levels, SG&A costs amounted to **8.4 percent** on a trailing 12-month basis.

The increase compared to Q2 last year is mainly driven by lower revenue and additional IT and employee-related costs, offset by lower R&D costs.

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*R&D, administration and distribution costs on last twelve months basis.*
Net working capital – Q2 2023
Stable NWC over the quarter

Highlights
Net working capital was stable over the quarter. An increase in the level of inventories was largely offset by down- and milestone payments from customers as well as a decrease in receivables.

Net working capital reflects the typical seasonality of our business in the first half of the year, as we build inventory for a busier second half.

NWC change over the quarter, mEUR

<table>
<thead>
<tr>
<th></th>
<th>NWC end Q1 2023</th>
<th>Receivables</th>
<th>Inventories and contract costs</th>
<th>Contract assets / liabilities</th>
<th>Payables</th>
<th>Other receivables and liabilities</th>
<th>NWC end Q2 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(167)</td>
<td>(41)</td>
<td>302</td>
<td>(228)</td>
<td>5</td>
<td>(42)</td>
<td>(171)</td>
</tr>
</tbody>
</table>
### Cash flow statement – Q2 2023

Positive operating cash flow in the quarter

#### Highlights

**Operating cash flow** increased to **EUR 48m** driven by improved profitability and lower warranty consumption compared to Q2 last year

**Negative free cash flow of EUR 140m**, also an improvement on last year

<table>
<thead>
<tr>
<th>mEUR</th>
<th>Q2 2023</th>
<th>Q2 2022</th>
<th>Abs. Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities before change in net working capital</td>
<td>137</td>
<td>(90)</td>
<td>227</td>
</tr>
<tr>
<td>Change in net working capital*</td>
<td>(89)</td>
<td>(98)</td>
<td>9</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>48</td>
<td>(188)</td>
<td>236</td>
</tr>
<tr>
<td>Cash flow from investing activities**</td>
<td>(188)</td>
<td>(174)</td>
<td>(14)</td>
</tr>
<tr>
<td>Free cash flow before financial investments**</td>
<td>(140)</td>
<td>(362)</td>
<td>222</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>(110)</td>
<td>(381)</td>
<td>271</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>(86)</td>
<td>(90)</td>
<td>4</td>
</tr>
<tr>
<td>Net interest-bearing debt</td>
<td>1,283</td>
<td>415</td>
<td>868</td>
</tr>
</tbody>
</table>

* Change in net working capital impacted by non-cash adjustments and exchange rate adjustments with a total amount of net EUR 93m.

** Before acquisitions of subsidiaries, joint ventures, associates and financial investments.
Total investments – Q2 2023
Investment level remains stable

Highlights
Investments of **EUR 188m in Q2** were slightly up compared to Q2 last year, driven by higher capex for our V236-15.0 MW™ offshore turbine, offset by lower investments in intangible assets.
Provisions and LPF – Q2 2023

Warranty provisions remain elevated but LPF showing signs of improvement

Highlights

*LPF* showing signs of improvement, but remains at high level mainly from extraordinary repair and upgrades

Warranty provisions of EUR 171m in Q2 2023 corresponding to 5.0 percent of revenue; an increase from 3.7 percent in Q2 2022

Warranty provisions consumed in the first half was EUR 254m a decrease from EUR 313m in H1 2022

* LPF measures potential energy production not captured by Vestas’ onshore and offshore wind turbines.
Capital structure – Q2 2023
Financial leverage decreased as earnings slowly recover

Highlights

**Net debt to EBITDA** decreased to 4.5x in Q2 due to higher EBITDA on a trailing 12-month basis, as the earnings recovery continues

**Investment grade rating** of Baa2 from Moody's with stable outlook

![Net debt to EBITDA chart]

**Net debt to EBITDA before special items**

- Net debt to EBITDA, last 12 months
- Net debt to EBITDA, financial target

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Classification: Public
Outlook 2023

<table>
<thead>
<tr>
<th>Outlook</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (bnEUR)</strong></td>
<td></td>
</tr>
<tr>
<td>- Service is expected to grow around 10 percent (previously min. 5 percent)</td>
<td>14 – 15.5</td>
</tr>
<tr>
<td><strong>EBIT margin before special items (%)</strong></td>
<td></td>
</tr>
<tr>
<td>- Service margin is expected to be approx. 22 percent</td>
<td>(2) – 3</td>
</tr>
<tr>
<td><strong>Total investments (bnEUR)</strong></td>
<td></td>
</tr>
<tr>
<td>Excl. acquisitions of subsidiaries, joint ventures, associates and financial investments</td>
<td>approx. 1</td>
</tr>
</tbody>
</table>

- Important to note that basic assumptions behind the guidance are more uncertain than normal
- The 2023 outlook is based on current foreign exchange rates
Financial calendar 2023:

- Disclosure of Q3 2023 (8th November)