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Cadeler and Eneti announce agreement to combine and create a leading offshore wind turbine and foundation installation company

Copenhagen/Monaco 16 June 2023. Today, Cadeler A/S and Eneti Inc. announced that they have entered into a business combination agreement to create the preferred partner for the offshore wind industry with a strengthened value proposition to our customers through a stock-for-stock exchange offer to be made to all shareholders of Eneti. The combined company will be named Cadeler with its shares to be listed on the New York Stock Exchange (NYSE) in addition to its current listing on the Oslo Stock Exchange (OSE).

The proposed combination of Cadeler and Eneti unites two companies with decades of operating track records in offshore wind turbine and foundation installation. The combined group will offer customers access to the industry's largest, most diverse and modern fleet of next-generation offshore windfarm installation vessels.

The combination will position Cadeler as a robust and reliable player in the market with a true global presence through scale, a complimentary fleet, and deep industry relationships which will enable the company to target still larger and more complex projects in response to consistent customer demand. The combined group will operate four vessels on water today and six large-scale state-of-the-art new builds scheduled for delivery from 2024 to 2026.

Mikkel Gleerup, CEO of Cadeler said: *“The combination will represent a significant step up in our ability to meet the increased demand globally for projects with larger scopes and project sizes in service of the much-needed green transition. To deliver on this ambition, we will provide our customers with the largest and most diverse fleet in the industry, operated by highly skilled teams with unique expertise and track records. For customers, the combined fleet will unlock unrivalled value due to increased cross-utilization of resources and improved flexibility, capacity, and agility”.*

Combining two offshore wind companies

The combined group is to be dual listed on NYSE and OSE with a proforma market capitalization in excess of €1.2 billion[1]. This will make the company a leading listed pure-play company in the industry globally. Post combination, Cadeler expects to be increasingly

well positioned for heightened investor attention, enhanced trading liquidity and improved coverage by analysts to the benefit of all shareholders.

Andreas Sohmen-Pao, Chairman at Cadeler commented: *“This is a strategic transaction combining two leading offshore wind companies. It underpins Cadeler’s vision and capability to facilitate the renewable transition, and I support the transaction on its industrial and financial merits”.*

The combined group will be named Cadeler, and be headquartered in Copenhagen, Denmark. Post combination, Cadeler and Eneti shareholders will own approximately 60% and 40% of the combined company, respectively, using the share counts as of 16 June 2023 and assuming all outstanding Eneti shares are exchanged for Cadeler shares in an exchange ratio of 3.409 Cadeler shares for every Eneti share.

Cadeler and Eneti negotiated the terms of the Exchange Offer, and specifically the pro-forma ownership of the combined company, using customary valuation metrics for the respective enterprises on a standalone basis. For both Cadeler and Eneti, the combination prices the resulting fleet expansion at a significant discount to equivalent organic growth from additional newbuilding orders and will generate accretive cash flows.

Today’s announcement is unanimously supported by the Board of Directors of both Eneti and Cadeler.

At the time of announcement shareholders holding in aggregate approximately 45% of the votes and share capital in Cadeler have undertaken to vote in favor of the shareholder approval related to the combination to be presented at a general shareholders meeting.

Shareholders holding in aggregate approximately 36% of the votes and share capital in Eneti, have undertaken to tender their shares in the exchange offer.

The completion of the combination is subject to customary closing conditions, including approval of the share issuance by the shareholders of Cadeler at a general shareholders meeting and the acceptance of the exchange offer by the stockholders of Eneti, respectively, and to customary regulatory approvals from all relevant authorities. Upon regulatory approval and applicable closing conditions being met, completion is currently expected in Q4 2023.

A large global, agile, and flexible fleet in response to customer demand

The combined group will upon delivery offer its customers a fleet consisting of 10 modern, capable, and complementary vessels. The effective operational homogeneity of the fleet will allow for substitution opportunities and increased vessel utilization. This will further strengthen the ability to service customers, continuously pushing the project boundaries in size and complexity to accelerate the green transition.

Today Cadeler owns and operates two Wind Turbine Installation Vessels (WTIV). Additionally, two newbuild X class Wind Turbine Installation Vessels (WTIV) with deliveries scheduled for Q3/2024 and Q2/2025, and two F-class Wind Foundation Installation Vessel newbuilds (“WFIV”) with deliveries scheduled for Q4/2025 and Q3/2026. Eneti owns and operates two WTIV’s today and have two new generation WTIV newbuilds with deliveries scheduled for Q4/2024 and Q2/2025. Three non-core NG 2500X vessels currently owned by Eneti are considered for divestment before or after the completion of the combination.

The flexibility and size of the combined fleet will bring numerous possibilities to increase efficiency in the market. The Cadeler commercial strategy to-date provides a degree of revenue certainty through 2027 and coverage of operating costs. Coupled with the open days on the Eneti fleet, the combined company will further service the existing client base and benefit from high tender activity and a growing market.

Emanuele Lauro, Executive Chairman and CEO of Eneti said: *"This combination is right for our shareholders, right for our customers, and right for our employees. We are truly thrilled to be joining forces with Cadeler. Our scale and our respective capabilities will create significant value at a time when offshore wind needs reliable partners and reliable solutions. The track record of Seajacks has been built on the tireless efforts of our shore and seagoing professionals, and we are delighted Cadeler values this legacy so dearly. The prospects for our combined companies, in the context of industry demands over the coming decade, could not be brighter".*

The current CEO of Cadeler Mikkel Glerup will continue as CEO after the combination, while Peter Brogaard Hansen will continue as CFO.

Andreas Sohmen-Pao will continue as Chairman of the Board of Directors and Emanuele Lauro, current CEO of Eneti, will be nominated for election to the Board of Directors as Vice Chairman immediately following completion of the combination.

[1] Based on the closing share prices of Cadeler and Eneti as of 15 June 2023 and exchange rate of NOK/EUR 0.09 and USD/EUR 0.92)