CADELER

Interim Financial Report

For the period 1 January to 30 June 2022

Cadeler A/S. Incorporated in Denmark. Registration Number (CVR no.): 3118 0503
Arne Jacobsens Allé 7, 7. Floor, DK-2300 Copenhagen S, Denmark

Contents

Statement from the CEO

Statement from the CEO

In the first half of 2022, we delivered in line with our expectations and took significant steps to cement our leading position in the fast-growing offshore wind installation market. We have seen substantial growth in revenue compared to 2021. We expect limited impact on us from delays in projects we are involved with, as these have occurred in other parts of the installation scope, and our own operational performance has met or exceeded contractual expectations.

The demand for our services continues to be very strong, and with the support of our customers we now have a contract pipeline covering our vessels until the end of 2026. So far this year, we secured a number of large-scale agreements, affirming our ability to offer a combination of vessels and team capabilities that meet market needs. We now have three best-in-class vessels on order, in addition to enhancements planned for our current units. This will enable us to install turbines and foundations even as they grow in size and scale.

Management Review

Management Review

Business Review

The Group is a leading offshore wind farm transportation and installation ("T&I") contractor headquartered in Copenhagen, Denmark with offices in Vejle, Denmark and Taipei, Taiwan. The Company operates two offshore jack-up windfarm installation vessels, Wind Orca and Wind Osprey. In addition to wind farm installation, these vessels can perform maintenance, construction, decommissioning, and other tasks within the offshore industry. The Company has a leading market position and strong relations with blue-chip customers in the industry.

Finance Review

Revenue in the first half of 2022 was EUR 43 million, which is an increase of 33% against the same period in 2021, and within revenue range expected for financial year 2022.

Wind Orca was under planned maintenance for the first quarter of 2022 which resulted on 74% utilization for both vessels combined during H1 2022, compared to 87% in H1 2021. Market rates have been higher in H1 2022 than the rates during H1 2021.

Cost of sales amounting to EUR 23 million was 23% higher compared to 2021, which was mainly driven by increase in vessel depreciation due to investments in the O-class vessels.

Administrative costs rose by 28% from H1 2021 to H1 2022, mostly due to an increase in manpower as Cadeler continues to execute the planned organizational investment, which includes hiring key personnel to ensure a high level of support for ongoing operations and new significant projects.

EBITDA, as disclosed in Note 10, is EUR 23 million in the reported period, which is EUR 7 million higher when compared to H1 2021 and within EBITDA range expected for full year 2022.

Profit for the period is EUR 10 million, which is EUR 5 million higher than the same period in 2021. Mainly driven by the increase in revenue and vessel depreciation.

In May 2022, the Company successfully completed the private placement of 26.2 million shares priced at NOK 32.32 per share. Considering the 138.5 million shares at the beginning of the reporting period, the Company has 164.7 million shares in issue as of 30 June 2022.

The development in equity is driven by increases in profits, EUR 10 million, share based payments, EUR 207 thousand, and net capital raised in May 2022, EUR 82 million, closing at EUR 417 million in H1 2022 compared to EUR 323 million for the same period in 2021.

On 9 May 2022, Cadeler A/S announced the signing of a contract with COSCO SHIPPING Heavy Industry Co., Ltd. to build one new F-class wind turbine installation vessel, the contract includes an option for an additional X or F-class vessel. In June 2022, Cadeler A/S made payments in total of EUR 81 million to COSCO SHIPPING Heavy Industry Co., Ltd. in relation to this contract.

Net cash from operating activities of EUR 29 million in H1 2022 is higher by EUR 12 million when compared to H1 2021, due to EUR 5 million increase in profit and EUR 7 million from the collection of outstanding receivables. Net cash from investing activities in H1 2022 was EUR 117 million compared to EUR 11 million in H1 2021, the decrease is driven by the EUR 81 million down payment for the new F-class as disclosed in Note 5. Net cash from financing activities increased by 23% from EUR 70 million in H1 2021 to EUR 86 million in H1 2022 due to the utilization of EUR 16 million from the overdraft facility.

Management Review

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Impact on the external environment

There have been no significant changes to our sustainability strategy since the publication of the 2021 Annual Report.

Sustainability remains a strategic objective for the Company and is key to its ability to create long-term value for its shareholders. It represents an opportunity for innovation, improved efficiency and a foundation for growth.
The Company is committed to delivering leadership in environmental, health and safety, employment, business partnership and community matters across its value chain.

The Company pursues the long-term goals of decarbonisation and optimising energy efficiency as described in the 2021 Sustainable Development Report.

Liquidity

On 1 July 2022 the Company signed a new Senior Secured Green Revolving Credit Facility ("RCF") of a 3-year term loan of EUR 185 million, which consists of EUR 150 million term loan and a guarantee facility of up to EUR 35 million. The proceeds were use to repay all outstanding loans, for approximately EUR 80 million, and added about EUR 70 million in liquidity, as disclosed in Note 11.
Together with the Company's cash and cash equivalents, the RCF facility will be used to finance the Company's newbuild(s) and acquisitions as well as for general corporate purposes.

The Company has significant headroom to comply with its debt covenants and on 30 June 2022 the Company had available liquidity of EUR 15 million from the overdraft facility. Further financing will be required from 2024 in connection to milestone payments for the new X and F-class vessels, as disclosed in Note 8.

Order backlog

The vessels are expected to be on hire for the remaining of 2022, with new and key projects in the pipeline, as disclosed in Note 3. In July and August 2022, the Company announced 3 of the most significant projects in its history:

- ScottishPower Renewables at the East Anglia windfarm with a contract value of EUR 95 million, and with the preferred supplier agreements a potential total value of EUR 225 million.
- Baltic Power, the first commercial scale project in Poland.
- Ørsted to execute the installation of turbine foundations with the Company's newly ordered F-class vessel. The contract also contains a mutual commitment to develop the vessel hire agreement into a transportation and installation (T&I) contract for the entire foundation scope, widening the Group's involvement in the project.

Related party transactions

Related party transactions over the reported period are limited to fees in relation to a guarantee provided by the BW Group Limited and bunker supply from Hafnia Pools, a Member of the BW Group. It also includes fees in relation to crew hire expenses and performance guarantees issued by the Swire Pacific Offshore Holdings Group on behalf of Cadeler A/S.

On 17 May 2022, BW Group provided COSCO SHIPPING Heavy Industry Co. Ltd. with a guarantee in respect of the sums owed by Cadeler pursuant to one F-class vessel.

2022 Outlook

In the 2021 Annual Report, Cadeler gave guidance that 2022 revenue would be between EUR 96 to 110 million while EBITDA would be in the range EUR 56 to 70 million.

The revenue guidance has now been narrowed and is expected to be between EUR 96 to 106 million, which is due to upstream delays on projects in execution leading to rephasing of revenue. EBITDA guidance has also been narrowed and is now expected to be within the range of EUR 56 to 65 million due to the lower expected revenue.

Since the beginning of 2022 the macroeconomic trends continue to be favorable for the wind offshore sector and for Cadeler. Current geopolitical events have increased European focus on energy independence, like the recently signed Esbjerg declaration on the North Sea which sets targets for offshore wind of at least 65 GW by 2030. The 2022 outlook is not expected to be directly impacted by the current inflation and interest costs volatility.

Cadeler's guidance for 2022 is subject to risks and uncertainties, many of which are beyond Cadeler's control. One-off market-shaping events such as strikes, embargoes, political instability or adverse weather conditions, could have a substantial impact on the business. There could also be off-hire periods as a consequence of accidents, technical breakdown and non-performance. The cancellation or postponement of one or more vessel employment contracts could have a material adverse impact on the earnings of the Company.

Financial Highlights for the Group

Financial Highlights for the Group

Key figures	H1 2022	H1 2021	2021
EUR'000			
Time charter hire revenue	37,724	27,098	49,538
Other revenue	5,314	5,191	11,400
Revenue (total)	43,038	32,289	60,938
EBITDA	22,942	15,540	27,626
Gross profit	19,622	13,220	22,059
Operating profit	12,613	7,745	11,134
Net financials	(2,810)	(2,824)	(3,696)
Profit for the period	9,778	4,926	7,451
Total assets	522,973	413,199	424,766
Non-current asset	507,164	256,871	400,148
Total liabilities	105,261	89,708	99,510
Equity	417,712	323,491	325,256
Cash flow from operating activities	29,186	17,356	30,200
Cash flow from investing activities	(117,458)	(11,352)	(163,375)
Cash flow from financing activities	86,077	69,704	71,847
Cash and cash equivalents	114	139,344	2,308

Financial Highlights for the Group

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EUR'000	H1 2022	H1 2021	2021
Financial ratios			
Return on assets (%), annualised	1.9%	1.2%	1.8%
Return on equity (%)	2.4%	1.6%	2.3%
Equity ratio (%)	79.9%	78.3%	76.6%
Contracted days (no. of days)	259	314	562
Utilization (%)	73.6%	86.8%	76.9%
Share related key figures			
Earnings per share (EPS)	0.07	0.04	0.06
Diluted earnings per share (diluted EPS)	0.07	0.04	0.06
Average number of employees			
Onshore	67	54	58
Offshore[1]	161	0	12

[1] Offshore crew was hired directly by the Company by the end of November 2021. In 2021 average number of fulltime employees reflect the number of seafarers divided by 12 months. The Company had 161 seafarers by 31 December 2021.

Financial ratios are calculated in accordance with the terms and definitions included in the 2021 Consolidated Financial Statements.

Interim Condensed Consolidated Financial Statements

Interim Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

EUR'000	Note	H1 2022	H1 2021	2021
Revenue	3	43,038	32,289	60,938
Cost of sales		(23,416)	(19,069)	(38,879)
Gross profit		**19,622**	**13,220**	**22,059**
Administrative expenses		(7,009)	(5,474)	(10,925)
Operating profit	10	**12,613**	**7,745**	**11,134**
Finance income		532	960	1,795
Finance costs		(3,342)	(3,784)	(5,491)
Profit before income tax		**9,803**	**4,921**	**7,438**
Income tax expense		(25)	5	13
Profit for the period		**9,778**	**4,926**	**7,451**
Other comprehensive income				
Other comprehensive income/ profit for the period, net of tax		-	-	-
Total comprehensive income for the period, net of tax		**9,778**	**4,926**	**7,451**

Interim Condensed Consolidated Statement of Profit and Loss and Other Comprehensive Income

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EUR'000	Note	H1 2022	H1 2021	2021
Profit for the period attributable to:				
Equity holders of the parent	4	9,778	4,926	7,451
		9,778	**4,926**	**7,451**
Total comprehensive income attributable to:				
Equity holders of the parent	4	9,778	4,926	7,451
		9,778	**4,926**	**7,451**
Earnings per share				
Basic, profit for the period attributable to ordinary equity holders of the parent (EUR per share)	4	0.07	0.04	0.06
Diluted, profit for the period attributable to ordinary equity holders of the parent (EUR per share)	4	**0.07**	**0.04**	**0.06**

Interim Condensed Consolidated Balance Sheet

EUR'000	Note	30 June 2022	30 June 2021	31 December 2021
ASSETS				
Non-current assets				
Intangible assets		426	332	402
Property, plant and equipment	5	506,210	255,712	399,087
Rights-of-use assets		330	603	464
Leasehold deposits		198	224	195
Total non-current assets		**507,164**	**256,871**	**400,148**
Current assets				
Inventories		731	285	440
Trade and other receivables		13,969	15,684	20,373
Other current assets		995	865	1,497
Current income tax receivables		-	150	-
Cash and bank balances		114	139,344	2,308
Total current assets		**15,809**	**156,328**	**24,618**
Total assets		**522,973**	**413,199**	**424,766**

Interim Condensed Consolidated Balance Sheet

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EUR'000	Note	30 June 2022	30 June 2021	31 December 2021
EQUITY				
Share capital	6	22,159	18,641	18,641
Share premium		418,354	340,160	339,400
(Accumulated losses)/retained earnings		(22,801)	(35,310)	(32,785)
Total equity		**417,712**	**323,491**	**325,256**
LIABILITIES				
Non-current liabilities				
Lease liabilities		55	366	209
Deferred charter hire income	3	801	-	969
Debt to credit institutes		36,839	54,372	44,476
Total non-current liabilities		**37,695**	**54,738**	**45,654**

EUR'000	Note	30 June 2022	30 June 2021	31 December 2021
Current liabilities				
Trade and other payables		13,777	9,085	9,703
Payables to related parties	9	492	1,665	63
Deferred charter hire income	3	10,421	9,487	15,187
Lease liabilities		305	285	298
Current income tax liabilities		6	-	6
Debt to credit institutes		42,565	14,448	28,599
Total current liabilities		**67,566**	**34,970**	**53,857**
Total liabilities		**105,261**	**89,708**	**99,511**
Total equity and liabilities		**522,973**	**413,199**	**424,766**

Interim Condensed Consolidated Statement of Changes in Equity

EUR'000	Share capital	Share premium	(Accumulated losses) / retained earnings	Total
2022				
Beginning of period	18,641	339,401	(32,786)	325,256
Profit for the period	-	-	9,778	9,778
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive profit for the period	**-**	**-**	**9,778**	**9,778**
Capital increase	3,518	81,234	-	84,752
Transaction costs in relation with capital increase	-	(2,281)	-	(2,281)
Share-based payments	-	-	207	207
End of 30 June 2022	**22,159**	**418,354**	**(22,801)**	**417,712**
2021				
Beginning of period	15,557	265,742	(40,236)	241,063
Profit for the period	-	-	4,926	4,926
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive profit for the period	**-**	**-**	**4,926**	**4,926**
Capital increase	3,084	76,134	-	79,218
Transaction costs in relation with capital increase	-	(2,102)	-	(2,102)
Share-based payments	-	386	-	386
End of 30 June 2021	**18,641**	**340,160**	**(35,310)**	**323,491**

Interim Condensed Consolidated Statement of Cash Flows

EUR'000	H1 2022	H1 2021	2021
Cash flow from operating activities			
Profit for the period	9,778	4,926	7,451
Adjustments for:			
Depreciation and amortization	10,444	7,772	16,479
Interest expenses	2,576	2,589	4,506
Share-based payment expenses	208	386	(321)
	23,006	**15,674**	**28,115**
Changes in working capital:			
Inventories	(291)	27	(128)
Trade and other receivables	6,903	(4,592)	(9,883)
Trade and other payables	4,073	1,821	2,448
Receivables from related parties	-	7,463	7,463
Payables to related parties	429	(3,717)	(5,319)
Deferred revenue	(4,934)	677	7,346
Net change in working capital	**6,181**	**1,679**	**1,927**
Income tax paid	-	3	158
Net cash provided by operating activities	**29,186**	**17,356**	**30,200**

Interim Condensed Consolidated Statement of Cash Flows

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EUR'000	H1 2022	H1 2021	2021
Cash flow from investing activities			
Additions to property, plant and equipment	(117,323)	(11,352)	(162,941)
Interest received	(135)	-	(434)
Net cash (used in)/provided by investing activities	**(117,458)**	**(11,352)**	**(163,375)**
Cash flow from financing activities			
Principal repayment of lease liabilities	(147)	(141)	(285)
Interest paid	(2,314)	(2,270)	(3,930)
Proceeds from issue of share capital	84,752	79,217	79,218
Transaction costs on issues of shares	(2,281)	(2,102)	(2,154)
Proceeds from overdraft	16,067	-	8,998
Repayment of loan	(10,000)	(5,000)	(10,000)
Net cash used in financing activities	**86,077**	**69,704**	**71,847**
Net increase/(decrease) in cash and cash equivalents	**(2,195)**	**75,708**	**(61,328)**
Cash and cash equivalents at beginning of the period	2,308	63,636	63,636
Cash and cash equivalents at end of the period	**114**	**139,344**	**2,308**

Notes to the Interim Condensed Consolidated Financial Statements

Note 1

General Information

Corporate Information
Cadeler A/S is incorporated and domiciled in Denmark with a sales office in Taiwan.

The addresses of its registered offices are:

Headquarters
Arne Jacobsens Allé 7, 7th Floor
DK-2300 Copenhagen S, Denmark

Office
Enghavevej 9D, 1st Floor, Right
DK-7100 Vejle

Sales office
12th Floor, No. 129, Minsheng E. Rd, Section 3
Songshan District, Taipei City Taiwan

The Group is a leading offshore wind farm T&I contractor operating two offshore jack-up windfarm installation vessels, Wind Orca and Wind Osprey. In addition to wind farm installation, these vessels can perform maintenance, construction, decommissioning, and other tasks within the offshore industry.

The interim condensed consolidated financial statements of the Group is composed of the Financial Statements of the company Cadeler A/S and its subsidiaries (which are fully owned by the parent company Cadeler A/S).

The subsidiaries of Cadeler A/S are the two companies owning the wind farm installation vessels, Wind Orca Ltd. and Wind Osprey Ltd.

Note 2

Significant Accounting Policies

2.1 Basis for Preparation
The interim condensed consolidated financial statements for the six months ended 30 June 2022 are prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU ("IFRS") as well as additional Danish disclosure requirements applying to listed companies.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of 31 December 2021.

The interim condensed consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (EUR'000), except when otherwise indicated. The Company applies EUR as its functional currency.

The accounting policies, judgements and estimates are consistent with those applied in the annual report for 2021.

The activities between the two years are unchanged, hence the numbers are comparable.

Note 2

Significant Accounting Policies

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Going Concern Assessment

In connection with the preparation of the interim condensed consolidated financial statements, the Board of Directors, the Audit Committee, and the Executive Board have assessed whether it is well-founded that the going concern assumption is used as a basis.

The Board of Directors, the Audit Committee and the Executive Board have concluded that at the time of the presentation of the accounts, there are no factors that give rise to uncertainties as to whether the Group and the Company can and will continue operations for at least 12 months after the balance sheet date.

2.2 Changes in Accounting Policies and Disclosures

The Group has adopted standards and interpretations effective as of 1 January 2022. The Group has not early adopted any other standard, interpretation or amendments that have been issued but are not yet effective.

Adoption of New or Amended IFRSs

The Group has implemented the amendments and interpretations to existing standards, which came into effect on 1 January 2022.

None of these interpretations or amendments have had any effect on the accounting policies for recognition and measurement applied by the Group.

For a complete description of accounting policies, see Note 2 in the financial statements for 2021.

2.3 Significant Accounting Judgements, Estimates and Assumptions

The accounting estimates and judgements, which management deems to be significant to the preparation of the interim condensed consolidated financial statements, are unchanged from year-end 2021:

- Property, plant and equipment
- Leases – Estimating the incremental borrowing rate and lease term
- Impairment of non-financial assets

The accounting judgements and significant estimates are consistent with those set out in Notes 2.23 to the Consolidated Financial Statements for 2021, to which reference is made.

COVID-19 and the current geopolitical environment has not had any specific impact on these.

Note 3

Revenue

Disaggregation of revenue from contracts with customers.

EUR'000	H1 2022	H1 2021	2021
Revenue from contracts with customers			
Time charter hire	37,724	27,098	49,538
Catering and accommodation	107	1,154	1,888
Mobilisation	4,858	165	5,023
Sundry income	349	3,872	4,489
Total revenue	**43,038**	**32,289**	**60,938**
Revenue from contracts with customers			
Service component	23,884	7,926	13,437
Lease component	18,805	20,491	43,012
Sundry income	349	3,872	4,489
Total revenue	**43,038**	**32,289**	**60,938**

The majority of revenues are recognized over-time. Mobilisation fee and sundry income might be recognised at a point in time depending on the contract.

Time charter hire services are contracts with customers where the Group utilizes its vessels, equipment and crew to deliver a service to the customer based on either a fixed day rate or milestone deliverables.

Despite the accounting treatment difference of a leasing component (use of the vessels) and a service component (vessel operation) of time charter contracts, these components are not treated or priced separately in the contracts, nor does the Group offer either of the services separately.

Time charter hire revenue derived from milestone-based time charters or contracts with a fixed price is deemed to be 100% service revenue as the risk is with the Group. The Group will have a higher concentration of milestone and fixed price contracts going forward.

Time charter hire revenue derived from day rate contracts is split into service and lease component. This split is determined by calculating service revenue as crewing costs for the contract at a 6% mark-up. The residual is deemed to be lease component.

Catering and accommodation income are derived from the provision of food and accommodation on the vessels and is deemed service revenue.

Mobilization are the fees earned for the movement of the vessel from one location to another in order to deliver a project, it is deemed to be lease component.

Sundry income derived from non-recurring items directly related to the execution of the projects and is deemed to be sundry income.

By 2022 half year, revenue with two customers exceed 10% of total revenue.

Note 3

Revenue

Continued from previous page

The revenue derived from these two customers was EUR 22 million and EUR 21 million respectively.

Customers are typically invoiced on a monthly basis or on milestone deliverables, when the vessels are on contract. Payment terms with customers vary by contract and do not include a finance component.

Operating segments

The Group's management are not operating or making decisions based on customer types, type of services or geographical segments. The Group operates two windfarm installation vessels, which are viewed as one segment and can operate in all geographical areas required for the specification of a specific windfarm project. Accordingly, the Group only has one operating segment.

Deferred charter hire income

Revenue recognized in relation to deferred charter hire income:

EUR'000	H1 2022	H1 2021	2021
Revenue recognized in current period that was included in the contract liabilities balance at the beginning of the period			
Time charter hire services	14,703	1,665	1,751
Total liabilities at the beginning of the period	**14,703**	**1,665**	**1,751**

The contract liabilities relate to consideration received from customers for the unsatisfied performance obligation in the charter contracts. Revenue will be recognized when the related services are provided to the customers.

Contract backlog

The Group has an order backlog amounting to EUR 547 million (H1 2021 total backlog was EUR 278 million) including contracts announced as of 23 August 2022 and represents the value of the outstanding performance obligations in current contracts and future contracts. This backlog includes lease payments relating to the bareboat of the vessels. Of this total backlog, approximately EUR 46 million relates to performance obligations of contracts for the remaining of the year 2022.

EUR Million	**H1 2022** as of 23 August 2022	**H1 2021** as of 24 August 2021	**2021** as of 29 March 2022
Within one year	104	48	110
Between one and four years	358	160	261
After five years	85	70	38
Total	**547**	**278**	**409**

Note 4

Earnings per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

EUR'000	H1 2022	H1 2021	2021
Result attributable to ordinary equity holders of the parent for basic earnings	9,778	4,926	7,451
Result attributable to ordinary equity holders of the parent adjusted for the effect of dilution	9,778	4,926	7,451

Thousands	H1 2022	H1 2021	2021
Weighted average number of ordinary shares for basic EPS[1]	146,910	123,541	131,161
Effect of dilution from shared based payments programme	-	386	-
Weighted average number of ordinary shares adjusted for the effect of dilution[1]	146,910	123,927	131,161

[1] The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorization of these financial statements.

Note 5

Property Plant and Equipment

EUR'000	Vessels	Assets under construction	Dry dock	Other fixtures and fittings	Total
H1 2022 Cost					
Beginning of period	258,149	158,734	1,983	536	**419,402**
Additions	21,779	88,573	6,971	-	**117,323**
End of period	279,928	247,307	8,954	536	**536,725**
Accumulated depreciation					
Beginning of period	19,629	-	300	386	**20,315**
Depreciation charge	9,353	-	822	25	**10,200**
End of period	28,982	-	1,122	411	**30,515**
Net book value	**250,946**	**247,307**	**7,832**	**125**	**506,210**

Note 5

Property Plant and Equipment

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EUR'000	Vessels	Assets under construction	Dry dock	Other fixtures and fittings	Total
H1 2021 Cost					
Beginning of period	252,638	2,393	1,050	379	**256,460**
Additions	1,074	9,005	828	113	**11,020**
End of period	253,712	11,398	1,878	492	**267,480**
Accumulated depreciation					
Beginning of period	3,853	-	-	280	**4,133**
Depreciation charge	7,461	-	134	40	**7,635**
End of period	11,314	-	134	320	**11,768**
Net book value	**242,398**	**11,398**	**1,744**	**172**	**255,712**

Note 5

Property Plant and Equipment

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Additions during the first half of 2022 are mainly driven by down payment for EUR 81 million of the new F-class wind turbine installation vessels and new cranes for Wind Orca and Wind Osprey, represented above under Vessels and Assets under Construction. In 2021 the main additions were the down payments of the new crane for Wind Orca (EUR 7 million).

Borrowing costs for H1 2022 has been capitalized for a total of EUR 1.7 million. The capitalization rate used to determine the amount of borrowing costs to be capitalized is the weighted average interest rate applicable to the Company's general borrowings during the reported period, in this case 4.4%.

Impairment test

For assessment of the value of the vessels, Cadeler has carried out an impairment indicator test of the most significant assumptions used in the fair value and value in use calculations in the Annual Report 2021. Cadeler has assessed there were no significant changes in the assumptions in the fair value or the value in use. Therefore, management has not performed an impairment test of the value of the vessels as of 30 June 2022.

Note 6

Issued Share Capital

	No. of shares '000	H1 2021 EUR'000
Ordinary shares		
Beginning of period	115,574	15,557
Issued April 2021 for capital increase	23,000	3,084
End of period	**138,574**	**18,641**

	No. of shares '000	H1 2022 EUR'000
Ordinary shares		
Beginning of period	138,574	18,641
Issued May 2022 for capital increase	26,176	3,490
End of period	**164,750**	**22,131**

As of 1 January 2022, the Group's issued and paid in share capital amounted to DKK 138,574 thousand, equal to EUR 18,641 thousand, consisting of 138,574,468 shares of DKK 1.

In May 2022, the authorized share capital was increased by DKK 26,176 thousand, equal to EUR 3,518 thousand, consisting of 26,175,532 shares of DKK 1.

As of 30 June 2022, the total number of share capital was DKK 164,750 thousand, equal to EUR 22,159 thousand, consisting of 164,750,000 shares of DKK 1.

Note 7

Commitments and Pledges

Low value and short-term lease commitments

Low value and short-term lease commitments relate to AV equipment, cars and coffee machines.

Pledge of fixed assets

The Debt Facility detailed in the Note 23 of the Consolidated Financial Statements for 2021, is secured by, inter alia, a first priority mortgage over the Wind Orca and Wind Osprey vessels and a first priority assignment of the insurances and earnings of the Wind Orca and Wind Osprey vessels.

F-class vessel

On 9 May 2022 the Company signed a contract with COSCO SHIPPING Heavy Industry Co. Ltd. to build one new F-class wind turbine installation vessel. The total sum of the contract for the new vessel is approximately EUR 326 million, i.e. USD 345 million, of which approximately EUR 81 million was paid in June 2022, while the remaining amounts will be due over the years from 2025.

Of the total contract, USD 244 million will be paid in USD and EUR 95 million will be paid in EUR.

X-class vessels

Since 30 June 2021 the Company has a contract with COSCO SHIPPING Heavy Industry Co. Ltd. to build two new X-class wind turbine installation vessels. The total contract is USD 390 million plus EUR 220 million, of which EUR 137 million was paid in 2021. The remaining scheduled payments will be due between 2023 and 2025.

Wind Osprey & Wind Orca new crane contract

The Company signed a contract with NOV on 18 December 2020 to replace the main crane of Wind Orca and then executed the option to replace the main crane for Wind Osprey on 17 June 2021.

The total sum of the contract for the replacement of both cranes is EUR 83 million, of which EUR 7 million was paid in 2021, and EUR 14 million was paid in H1 2022. The remaining scheduled payments will be due between 2022 and 2024.

New Revolving Credit Facility

On 1 July 2022 the Company entered into a Senior Secured Green Revolving Credit Facility of a 3-year term loan of EUR 185 million, as disclosed in Note 11.

Note 8

Financial Risk Management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The financial risk management of the Group is managed by the management of Cadeler and overseen by the Board of Directors and Audit Committee. The fair value of the Group's financial assets and liabilities as of 30 June 2022 does not deviate materially to the carrying amounts as of 30 June 2022.

Market risk

Currency risk

The Group's business is exposed to the Danish Kroner ("DKK"), Norwegian Kroner ("NOK") and United States Dollar ("USD") as certain operating expenses are denominated in these currencies.

The Company will manage the currency risk from payments in USD for the new X and F-class vessels and evaluate on an ongoing basis how to mitigate the currency risk.

The private placement done in May 2022 resulted in cash inflow in NOK, while in June 2022 the Company executed the down payment for the new F-class vessel in EUR and USD. As of 30 June 2022 the Company did not have material NOK cash holdings.

The Group did not have material USD cash balances as at 30 June 2022.

As the DKK is pegged to EUR, no material currency risk has been identified against the DKK even though the Company has costs denominated in DKK.

Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash and available funding through committed credit facilities to enable it to meet its operational requirements and initial payments for the new X and F-class vessels recently signed.

On 30 June 2022 the Company had available liquidity of EUR 15 million from the overdraft facility. On 1 July 2022 the Company entered into a Senior Secured Green Revolving Credit Facility of a 3-year term loan of EUR 185 million, as disclosed in Note 11.

Further financing will be required from 2024 in connection to milestone payments for the new X and F-class vessels. The Company is currently exploring numerous options for securing funds to fulfil the contract.

The remaining risk factors are consistent with those set out in Note 22 of the Consolidated Financial Statements for 2021.

The following maturity table shows the contract obligation for the construction of the X and F-class vessels:

EUR'000	Less than a year	Between 1 and 2 years	Between 2 and 5 years
Obligation in USD 603 million	-		571
Obligation in EUR	-	41	89

Note 9

Related Party Transactions

The following significant transactions took place between the Company and related parties within the Swire Pacific Offshore Holdings Group and BW Group Limited at terms agreed between the parties:

EUR'000	H1 2022	H1 2021	2021
Costs related to guarantees fees to BW Group Limited	**(2,086)**	-	(1,853)
Costs related to bunker supply to Hafnia Pools Pte Ltd (Member of BW Group)	**(952)**	-	-
Costs related to performance guarantees to the Swire Pacific Offshore Holdings Group	**(157)**	(469)	(684)
Crew hire expenses paid to the Swire Pacific Offshore Holdings Group	**(115)**	(6,105)	(11,461)
Management fees paid to the Swire Pacific Offshore Holdings Group	**-**	(130)	(197)
Payables to Hafnia Pools Pte Ltd (Member of BW Group) at reported period	**492**	-	-
Payables to the Swire Pacific Offshore Holdings Group at reported period	**-**	1,665	63

Related party transactions over the reported period are limited to fees in relation to a guarantee provided by the BW Group Limited and bunker supply from Hafnia Pools, a Member of the BW Group. It also includes fees in relation to crew hire expenses and performance guarantees issued by the Swire Pacific Offshore Holdings Group on behalf of Cadeler A/S.

Note 10

Operating Profit/(Loss)

As a performance measure, the Company uses EBITDA: Earnings before interest, tax, depreciation, amortization, foreign exchange gains/losses.

EBITDA is calculated as shown below:

EUR'000	H1 2022	H1 2021	2021
Operating profit or loss as reported in the statement of profit	12,613	7,745	11,134
Right-of-use asset amortization	134	137	276
Depreciation and amortization	10,195	7,657	16,216
EBITDA	**22,942**	**15,540**	**27,626**

Note 11

Events After Reporting Period

On 1 July 2022 the Company entered into a Senior Secured Green Revolving Credit Facility ("RCF") of a 3-year term loan of EUR 185 million with DNB Bank ASA.

The RCF consists of (i) a three-year non-amortizing term loan of EUR 150 million, in addition to voluntary prepayments in whole or any part of the loan, at any time, the loan will be repayable in a balloon payment of EUR 150 million, and (ii) a guarantee facility of up to EUR 35 million.

After the reported period, due to the RCF the Group repaid in full the outstanding amounts, related to the term loan EUR 55 million and overdraft facility EUR 25 million from DNB Bank ASA and SpareBank 1 SR-Bank signed on 4 November 2020. The new RCF adds about EUR 70 million in liquidity.

The RCF bears interest at 3-month or 6-month EURIBOR + the Applicable Margin, and subject to a green loan margin discount as long as the Company is in compliance with certain green asset criteria such as earmarked investments in green assets. The Group is currently in compliance with this green criteria and are expected to remain compliant for the duration of the facility. Due to a confidentiality agreement, the applicable margin cannot be disclosed.

It is expected that the full repayment of the senior debt facility will generate a finance cost for the write off of borrowing costs of approximately EUR 810 thousand in the second half of 2022.

Covenants

The Group is in compliance with all covenants in the debt facility by 30 June 2022 and is expected to be in compliance with all covenants in the RCF after the reporting period:

Minimum free liquidity

Freely available cash and cash equivalents at all times to be the higher of EUR 10,000,000 or an amount equal to 7.5% of the gross interestbearing debt.

Equity ratio

The ratio of book equity to total assets at all times to be minimum 40%.

Contracted cash flows

If at any reported quarter the aggregated loans exceed the forward-looking expected cash revenues from legally binding contracts, the Contracted Cash Flows, the Borrower shall prepay the exceeding part of the Loans within five (5) Business Days.

Fair market value of vessels

The fair market value of the vessels shall at all times cover at least 170% of the aggregate outstanding utilisations.

Change of control

If any person or group of persons (other than Swire Pacific or the BW Group) acting in concert directly or indirectly gains control of 25% or more of the voting and/or ordinary shares of the Borrower, the Agent (acting on instructions from the majority lenders) may by written notice of ten (10) business days cancel the total commitments and demand prepayment of all amounts outstanding under the facilities.

Statement by Management

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the interim condensed consolidated financial statements of Cadeler A/S for the period 1 January to 30 June 2022.

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the interim condensed consolidated financial statements give a true and fair view of the financial position of the Group at 30 June 2022 and of the results of its operations and cash flows for the period 1 January to 30 June 2022.

Further, in our opinion, the management's review gives a fair review of the development in the Group's activities and financial matters, results for the period and financial position as well as a description of material risks and uncertainties that the Group faces.

Copenhagen, 23 August 2022

Executive Management

M. Gleerup
CEO

P. Brogaard
CFO

Board of Directors

A. Sohmen-Pao
J. Lok
C. Hedegaard
D. Wedell-Wedellsborg
D. Cogman
A. Beroutsos

Independent Auditor's Report

Independent Auditor's Review Report on the Interim Condensed Consolidated Financial Statements

To the shareholders of Cadeler A/S

We have reviewed the interim condensed consolidated financial statements of Cadeler A/S for the period 1 January – 30 June 2022, which comprise a condensed consolidated income statement, balance sheet, statement of changes in equity, cash flow statement and selected explanatory notes. The interim condensed consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional requirements of the Danish Financial Statements Act.

Management's responsibilities for the Interim Condensed Consolidated Financial Statements

Management is responsible for the preparation of the interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional requirements of the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion on the interim condensed consolidated financial statements. We conducted our review in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity and additional requirements applicable in Denmark. This requires us to conclude whether anything has come to our attention that causes us to believe that the interim condensed consolidated financial statements, taken as a whole, are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional requirements of the Danish Financial Statements Act. This standard also requires us to comply with ethical requirements.

A review of the interim condensed consolidated financial statements in accordance with the International Standard on Review of Interim Financial Information Performed by the Independent Auditor of the Entity is a limited assurance engagement. The auditor performs procedures primarily consisting of making enquiries of management and others within the company, as appropriate, applying analytical procedures and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with the International Standards on Auditing. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional requirements of the Danish Financial Statements Act.

Copenhagen, 23 August 2022
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Mikkel Sthyr
State Authorised
Public Accountant
mne26693

Heidi Brander
State Authorised
Public Accountant
mne33253

Forward-Looking Statements

Forward-Looking Statements

The Annual Report and the Interim Financial Report contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates.

Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, expects”, "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in the Annual Report and the Interim Financial Report, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. such factors may for example include a change in the price of raw materials.

None of the Company or any of its parent or subsidiaries undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in the Annual Report and the Interim Financial Report or the actual occurrence of the forecasted developments.

The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to its actual results.

The Annual Report and the Interim Financial Report contains information obtained from third parties. You are advised that such third-party information has not been prepared specifically for inclusion in the Annual Report and the Interim Financial Report and the Company has not undertaken any independent investigation to confirm the accuracy or completeness of such information.

Several other factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in the Annual Report and the Interim Financial Report.

Should any risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the Annual Report and the Interim Financial Report.

No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the Company nor any of its subsidiaries or shareholders or any officers, directors, board members or employees accept any liability whatsoever arising directly or indirectly from the use of the Annual Report and the Interim Financial Report.

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