

**JACK**  **TEL**



# INTERIM REPORT

Q3 2021

## Third Quarter 2021

### Operations

During the quarter Haven was located at the Semco yard at Hanøytangen performing necessary contract preparations prior to contract commencement. As part of the contract preparations Haven completed a Special Periodic Survey which is valid until Q3, 2026. Haven left the Semco yard at Hanøytangen in October, after removing Suction Caissons and reinstalling generic footings (spud cans) which are suitable for most soil conditions in the North Sea. Haven was successfully installed and commenced the 20 + 6 months contract at Tyra mid-November. The mobilisation was slightly delayed due to poor weather conditions, the commencement of the operation at the Tyra field has however been uneventful with 100% uptime for the client and no serious incidents.

### Financial

The Interim Financial Statements are prepared in accordance with IAS 34

#### *Quarterly figures, Q3 2021*

(Figures in brackets refer to the corresponding period of 2020)

The operating income for Q3 amounts to 4.8 MUSD (0.0 MUSD) of which 2.5 MUSD relates to services reimbursed by client and 2.3 MUSD relates to funds allocated by the Macro Offshore group in connection with the Norwegian Covid-19 compensation scheme.

Operating expenses equalled 6.0 MUSD (1.8 MUSD), of which 2.3 MUSD (1.0 MUSD) relates to vessel OPEX and 2.9 MUSD is related to reimbursable and project cost. Additional 0.8 MUSD (0.8 MUSD) relates to SG&A. This resulted in an EBITDA of -1.2 MUSD (-1.8 MUSD) and an operating loss of 4.0 MUSD (5.1 MUSD).

Interest expense for the third quarter equalled 4.2 MUSD (3.8 MUSD).

Net loss for the third quarter amounts to 8.4 MUSD (8.8 MUSD).

#### *YTD Figures 2021*

(Figures in brackets refer to the corresponding period of 2020)

Operating income amounted to 5.9 MUSD (7.4 MUSD). Operating expenses equalled 11.7 MUSD (27.4 MUSD), of which 5.2 MUSD relate to vessel OPEX and 4.1 MUSD relates to reimbursable and project cost. Additional 2.4 MUSD relate to SG&A. This resulted in an EBITDA of -5.8 MUSD (-2.6 MUSD) and an operating loss of 14.5 MUSD (loss of 123.0 MUSD).

Accumulated interest expenses per Q3 equalled 12.1 MUSD (11.2 MUSD). Net loss per September of 2021 equalled 27.3 MUSD (loss of 135.2 MUSD).

#### *Cash flow and liquidity Q3 2021*

The Company generated -5.5 MUSD in operational cash flow during the third quarter. Following -3.7 MUSD from investing activities and -250 KUSD from financing activities, net cash flow in the third quarter totalled -9.5 MUSD.

Total cash at the end of the quarter equalled 6.6 MUSD.

### *Finance*

Jacktel is financed through a USD 150 million Bond Loan which carries a 10% interest rate. Following the market turbulence, uncertainty about the effect of the Covid-19 pandemic and the expiry of the Johan Sverdrup contract in April 2020, the Company has continuously been in dialogue with the bondholders in the 150 MUSD senior secured bond.

In March 2021 a temporary stand-still agreement with the bondholders was entered into, including inter alia deferral of interest payments until December 2021 (added to the nominal amount) and a permanent waiver of the minimum liquidity covenant. In addition, following consent from the bondholders the Company issued a super senior secured bond loan of 10 MUSD in April 2021 to finance the required upgrade of Haven in preparation for the Tyra contract. The super senior bond loan holds a fixed interest of 10 % p.a payable quarterly. The super senior bond loan is repayable in 5 quarterly instalments of 1 MUSD from September 2022 and remaining 5 MUSD at maturity date 4th December 2023.

For further discussions related to Going Concern, please see next paragraph.

### *Going concern*

Jacktel's equity as of September 30, 2021 equaled -2.1 MUSD.

As discussed above, Jacktel has continuously been in dialogue with the bondholders in the 150 MUSD senior secured bond since Q1 2020. In March 2021 a temporary stand-still agreement with the bondholders was entered into. The content of the standstill agreement and the additional financing secured is described in more detail above.

The Company has continued to work with bondholders to reach a more permanent agreement securing the Company a more sustainable balance sheet going forward. On November 18th a Written Resolution was resolved by Bondholders. The Written resolution is a preparation for finding a long term and sustainable solution for the capital structure of the Company. As a result of the written resolution, Macro Offshore Management has agreed to make certain concessions to the bondholders. Amongst others it has been agreed that the annual management fee will be reduced as from January 2022.

Following the written resolution, Jacktel will continue to work with the bondholders in order to find a sustainable capital structure for Jacktel. A final solution is expected to include a conversion of a substantial portion of the senior bond loan to equity as well as an agreement to PIK interest on the senior bond loan until the super senior bond loan has been repaid. A final agreement is expected to be concluded before year end.

The Company entered into a contract with TotalEnergies in March 2021. The term of the contract is 20 + 6 months for use of Haven on the Danish continental shelf. The super senior bond loan is expected to be repaid prior to expiry of this contract.

Since September 2020, the Macro Offshore Group has qualified for the Norwegian Covid-19 compensation scheme. This has improved the group's liquidity situation. As the scheme aims to secure Norwegian workplaces, the scheme specifically excluded asset owning companies with no employees. The Norwegian holding Company has however applied for the Macro Offshore group, and parts of the funds have been allocated to Jacktel and has strengthened the Company's financial position. The scheme has been continued through October 2021, however at a reduced level.

With commencement of the TotalEnergies contract mid-November 2021 and provided an agreement is reached with the bondholders in line with what is described above, the Company is in a good position to continue to serve its liabilities.

Although uncertainties exist in relation to the going concern assumption, the Company believes that the ongoing discussions with the Bondholders, the contract entered into with TotalEnergies, the current standstill agreement entered into with bondholders, the issuing of the super senior bond loan and the amendments to the management agreement between the Company and its parent provides a basis for the going concern assumption.

### *Risk*

The Company is exposed to general business market risk, credit risk, currency risk and revenue risk. The currency risk exposure is mainly due to the fact that operating expenses are mainly incurred in NOK and DKK. The currency risk is monitored on a continuous basis and use of derivatives to reduce the risk is considered regularly. Per end of the third quarter the Company does not have any derivatives. Operational issues, as well as future changes in day rates and utilization of the unit may impact the valuation of the asset further.

### **Future Prospects**

The oil price has remained at a stable level over the last quarter. In addition, we see signs that stimulus packages introduced by various governments is likely to increase project activity in the coming years. Further, the Company expects that maintenance activity related to aging oil fields will be intensified and lead to increased demand for additional bed capacity. Further, increased focus on gas production is likely to continue and positively impact project activity. The Company expects both oil and gas to continue to be an important part of the energy mix going forward, which has been emphasized by recent disruptions in the energy markets.

Attrition of old rigs has continued and has overall reduced supply in the market. Some demand has however been covered by modern and harsh environment drilling units. These units have limited bed capacity and is likely to migrate back to the drilling market as recovery continues.

Over the last few months several accommodation contracts have been awarded at day rates which are substantially higher than day rates obtained in pre pandemic contracts.

**Stavanger, 25th November 2021**

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**Bjørn Eie Henriksen**  
**Chairman/CEO**

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**Frank Tripoli**  
**Board member**

## Condensed Income Statement

As of September 30th, 2021

| In USD 1,000'                         | Note | Un-audited<br>Q3-2021 | Un-audited<br>Q3-2020 | Audited 2020    | Un-audited<br>9M- 2021 | Un-audited<br>9M- 2020 |
|---------------------------------------|------|-----------------------|-----------------------|-----------------|------------------------|------------------------|
| Operating income                      |      | 4,778                 | -                     | 8,894           | 5,893                  | 7,390                  |
| Operating expenses                    |      | -5,939                | -1,757                | -11,655         | -11,720                | -9,955                 |
| <b>EBITDA</b>                         |      | <b>-1.161</b>         | <b>-1.757</b>         | <b>-2.761</b>   | <b>-5.827</b>          | <b>-2.565</b>          |
| Depreciation                          | 6    | -2,841                | -3,318                | -14,570         | -8,688                 | -11,252                |
| Impairment                            | 6    | -                     | -                     | -132,649        | -                      | -109,102               |
| <b>OPERATING PROFIT/(LOSS) - EBIT</b> |      | <b>-4.003</b>         | <b>-5.075</b>         | <b>-149.980</b> | <b>-14.515</b>         | <b>-122.919</b>        |
| Interest income                       |      | -                     | 1                     | 60              | -                      | 54                     |
| Interest expenses                     |      | -4,223                | -3,750                | -15,677         | -12,089                | -11,250                |
| Other financial items                 |      | -194                  | 28                    | -363            | -652                   | -1,089                 |
| <b>NET FINANCIAL ITEMS</b>            |      | <b>-4.417</b>         | <b>-3.721</b>         | <b>-15.980</b>  | <b>-12.740</b>         | <b>-12.286</b>         |
| <b>PROFIT/(LOSS) BEFORE TAX</b>       |      | <b>-8.420</b>         | <b>-8.796</b>         | <b>-165.960</b> | <b>-27.255</b>         | <b>-135.204</b>        |
| <b>NET PROFIT (LOSS)</b>              |      | <b>-8.420</b>         | <b>-8.796</b>         | <b>-165.960</b> | <b>-27.255</b>         | <b>-135.204</b>        |

## Statement of Comprehensive Income

| In USD 1,000'               | Un-audited<br>Q3-2021 | Un-audited<br>Q3-2020 | Audited 2020    | Un-audited<br>9M- 2021 | Un-audited<br>9M- 2020 |
|-----------------------------|-----------------------|-----------------------|-----------------|------------------------|------------------------|
| Net profit this period      | -8,420                | -8,796                | -165,960        | -27,255                | -135,204               |
| <b>COMPREHENSIVE INCOME</b> | <b>-8.420</b>         | <b>-8.796</b>         | <b>-165.960</b> | <b>-27.255</b>         | <b>-135.204</b>        |

## Condensed Statement of Financial Position

| In USD 1,000'                       | Note | Un-audited<br>30.09.2021 | Un-audited<br>30.09.2020 | Audited<br>31.12.2020 |
|-------------------------------------|------|--------------------------|--------------------------|-----------------------|
| <b>ASSETS</b>                       |      |                          |                          |                       |
| <b>Non-current assets:</b>          |      |                          |                          |                       |
| Property, plant and equipment       | 6    | 162.642                  | 189.537                  | 162.844               |
| <b>Total non-current assets</b>     |      | <b>162.642</b>           | <b>189.537</b>           | <b>162.844</b>        |
| <b>Current assets:</b>              |      |                          |                          |                       |
| Accounts receivable                 |      | 2.469                    | 1.779                    | 893                   |
| Other current assets                |      | 1.261                    | 269                      | 3.141                 |
| Cash and cash equivalents           |      | 6.599                    | 14.386                   | 9.970                 |
| <b>Total current assets</b>         |      | <b>10.329</b>            | <b>16.434</b>            | <b>14.004</b>         |
| <b>TOTAL ASSETS</b>                 |      | <b>172.971</b>           | <b>205.971</b>           | <b>176.847</b>        |
| <b>EQUITY AND LIABILITIES</b>       |      |                          |                          |                       |
| <b>Equity:</b>                      |      |                          |                          |                       |
| Issued capital                      |      | 19.740                   | 19.740                   | 19.740                |
| Share premium                       |      | 182.793                  | 182.793                  | 182.793               |
| Retained losses                     |      | -204.637                 | -146.629                 | -177.385              |
| <b>Total equity</b>                 |      | <b>-2.104</b>            | <b>55.904</b>            | <b>25.148</b>         |
| <b>Non-current liabilities:</b>     |      |                          |                          |                       |
| Other interest-bearing debt         | 5    | 171.224                  | 147.984                  | 148.142               |
| <b>Total long-term liabilities</b>  |      | <b>171.224</b>           | <b>147.984</b>           | <b>148.142</b>        |
| <b>Current liabilities:</b>         |      |                          |                          |                       |
| Accounts payable                    |      | 2.964                    | 813                      | 899                   |
| Short-term interest-bearing debt    |      | 72                       | 1.250                    | 1.250                 |
| Other current liabilities           |      | 815                      | 19                       | 1.408                 |
| <b>Total current liabilities</b>    |      | <b>3.851</b>             | <b>2.082</b>             | <b>3.557</b>          |
| <b>Total liabilities</b>            |      | <b>175.075</b>           | <b>150.067</b>           | <b>151.699</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b> |      | <b>172.971</b>           | <b>205.971</b>           | <b>176.847</b>        |

## Condensed Statement of Changes in Equity

|   | Share Capital | Share premium  | Retained losses | Total equity   |
|---|---------------|----------------|-----------------|----------------|
| <i>(In USD 1,000)</i>                                 |               |                |                 |                |
| <b>Equity as at December 31st, 2019</b>               | <b>19.740</b> | <b>182.792</b> | <b>-11.423</b>  | <b>191.109</b> |
| Net income (loss) Q1 2020                             | -             | -              | -126.407        | -126.407       |
| <b>Equity as at June 30th, 2020 (Un-audited)</b>      | <b>19.740</b> | <b>182.792</b> | <b>-137.830</b> | <b>64.702</b>  |
| Net income (loss) Q2-Q4 2020                          | -             | -              | -39.554         | -39.554        |
| <b>Equity as at December 31st 2020 (Audited)</b>      | <b>19.740</b> | <b>182.792</b> | <b>-177.384</b> | <b>25.148</b>  |
| Net income (loss) Q1-Q3 2021                          | -             | -              | -27.255         | -27.255        |
| <b>Equity as at September 30th, 2021 (Un-audited)</b> | <b>19.740</b> | <b>182.792</b> | <b>-204.640</b> | <b>-2.104</b>  |

## Cash Flow Statement

|   | Un-audited<br>Q3-2021 | Un-audited<br>Q3-2020 | Audited 2020   | Un-audited<br>9M- 2021 | Un-audited<br>9M- 2020 |
|---|-----------------------|-----------------------|----------------|------------------------|------------------------|
| <b>In USD 1,000'</b>                              |                       |                       |                |                        |                        |
| Net profit(loss) before tax                       | -8.420                | -8.796                | -165.961       | -27.255                | -135.204               |
| Depreciation and impairment                       | 2.841                 | 3.318                 | 147.220        | 8.688                  | 120.354                |
| Financial income                                  | -                     | 1                     | -60            | -                      | -54                    |
| Financial expenses                                | 4.417                 | 3.722                 | 16.041         | 12.740                 | 12.339                 |
| Changes in working capital                        | -4.359                | -47                   | 11.993         | 866                    | 11.257                 |
| <b>Net cash from operating activities</b>         | <b>-5.521</b>         | <b>-1.802</b>         | <b>9.233</b>   | <b>-4.962</b>          | <b>8.692</b>           |
| <b>Cash flow from investing activities</b>        |                       |                       |                |                        |                        |
| Interest received                                 | -                     | -1                    | -              | -                      | 54                     |
| Acquisition of fixed assets                       | -3.699                | -501                  | -1.794         | -8.017                 | -1.622                 |
| <b>Net cash from investing activities</b>         | <b>-3.699</b>         | <b>-502</b>           | <b>-1.794</b>  | <b>-8.017</b>          | <b>-1.568</b>          |
| <b>Cash flow from financing activities</b>        |                       |                       |                |                        |                        |
| Interest paid                                     | -250                  | -3.750                | -15.000        | -392                   | -11.250                |
| Net proceeds from bond issue                      | -                     | -                     | -              | 10.000                 | -                      |
| Net realized agio                                 | -                     | -                     | -980           | -                      | -                      |
| <b>Net cash from financing activities</b>         | <b>-250</b>           | <b>-3.750</b>         | <b>-15.980</b> | <b>9.608</b>           | <b>-11.250</b>         |
| <b>Net change in cash and cash equivalents</b>    | <b>-9.470</b>         | <b>-6.054</b>         | <b>-8.542</b>  | <b>-3.371</b>          | <b>-4.126</b>          |
| <b>Cash and cash equivalents, opening balance</b> | <b>16.069</b>         | <b>20.440</b>         | <b>18.512</b>  | <b>9.970</b>           | <b>18.512</b>          |
| <b>Cash and cash equivalents, closing balance</b> | <b>6.599</b>          | <b>14.386</b>         | <b>9.970</b>   | <b>6.599</b>           | <b>14.386</b>          |



## Notes to the interim report

### 1. General information

Jacktel AS is a 100% subsidiary of Macro Offshore Management AS, of which is a part of the Macro Offshore Group, located at Skogstrøstraen 37, 4029 Stavanger, Norway. The Company, which was established in 2009, specializes in offshore accommodation and is the owner of the Haven jack up accommodation unit.

### 2. Basis of presentation

The interim financial statements for Q3 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union ("EU"), including IAS 34 Interim Financial Reporting.

#### *Going concern*

Jacktel's equity as of September 30, 2021 equaled -2.1 MUSD.

As discussed above, Jacktel has continuously been in dialogue with the bondholders in the 150 MUSD senior secured bond since Q1 2020. In March 2021 a temporary stand-still agreement with the bondholders was entered into. The content of the standstill agreement and the additional financing secured is described in more detail above.

The Company has continued to work with bondholders to reach a more permanent agreement securing the Company a more sustainable balance sheet going forward. On November 18th a Written Resolution was resolved by Bondholders. The Written resolution is a preparation for finding a long term and sustainable solution for the capital structure of the Company. As a result of the written resolution, Macro Offshore Management has agreed to make certain concessions to the bondholders. Amongst others it has been agreed that the annual management fee will be reduced as from January 2022.

Following the written resolution, Jacktel will continue to work with the bondholders in order to find a sustainable capital structure for Jacktel. A final solution is expected to include a conversion of a substantial portion of the senior bond loan to equity as well as an agreement to PIK interest on the senior bond loan until the super senior bond loan has been repaid. A final agreement is expected to be concluded before year end.

The Company entered into a contract with TotalEnergies in March 2021. The term of the contract is 20 + 6 months for use of Haven on the Danish continental shelf. The super senior bond loan is expected to be repaid prior to expiry of this contract.

Since September 2020, the Macro Offshore Group has qualified for the Norwegian Covid-19 compensation scheme. This has improved the group's liquidity situation. As the scheme aims to secure Norwegian workplaces, the scheme specifically excluded asset owning companies with no employees. The Norwegian holding Company has however applied for the Macro Offshore group, and parts of the funds have been allocated to Jacktel and has strengthened the Company's financial position. The scheme has been continued through October 2021, however at a reduced level.

With commencement of the TotalEnergies contract mid-November 2021 and provided an agreement is reached with the bondholders in line with what is described above, the Company is in a good position to continue to serve its liabilities.

Although uncertainties exist in relation to the going concern assumption, the Company believes that the ongoing discussions with the Bondholders, the contract entered into with TotalEnergies, the current standstill agreement entered into with bondholders, the issuing of the super senior bond loan and the amendments to the management agreement between the Company and its parent provides a basis for the going concern assumption.

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures (APM's) that came into force 3 July 2016. Peers comparable to the Company vary with regards to, inter alia, capital structure and mix of leased and owned rigs. Non-IFRS financial measures can assist the stakeholders in comparing performance on a more consistent basis without regard to factors such as depreciation and amortization. Jacktel has defined and explained the purpose of the following APM's:

- *EBITDA* means earnings before financial items and tax, excluding impairment losses, depreciation and amortization
- *EBIT* means earnings before financial items and tax
- *CASH OR LIQUIDITY RESERVE*. When used means cash and bank deposits and provide information about the cash balance at the balance sheet date and the Company's ability to meet its current liabilities.

### 3. Significant accounting policies

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements and accompanying notes for the financial year ended 31<sup>st</sup> December 2020.

### 4. Related party transactions

Jacktel AS has a management agreement with its parent Company, Macro Offshore Management AS, for which 2.1 MUSD (1.6 MUSD) has been paid per September 2021.

Macro Offshore Crew AS and Macro Offshore Crew DK ApS, two wholly owned subsidiaries of Macro Offshore Management AS, have provided crew personnel to Haven, for which 2.4 MUSD has been paid as cost coverage per September 2021.

Macro Offshore AS applied for government grants under the Covid-19 support scheme on behalf of the Macro Offshore Group for the period January to August 2021, of which Jacktel AS has been allocated 2.9 MUSD (for cost incurred during January to August 2021) of the total compensation paid to the group.

### 5. Debt overview

#### 30.09.2021 Long-term interest-bearing debt

| <i>(In USD 1000')</i>                        |                    |                    |               |                |
|--|--------------------|--------------------|---------------|----------------|
| Description                                  | Lender/Trustee     | Nominal amount USD | Interest rate | Book value USD |
| 150 MUSD Bond Loan including PIK Interest    | Nordic Trustee ASA | 161.534            | 10%           | 161.224        |
| 10 MUSD Super Senior Bond Loan               | Nordic Trustee ASA | 10.000             | 10%           | 10.072         |
| <b>Long-term interest bearing debt - USD</b> |                    | <b>171.534</b>     |               | <b>171.296</b> |

#### 30.09.2020 Long-term interest-bearing debt

| <i>(In USD 1000')</i>                        |                    |                    |               |                |
|--|--------------------|--------------------|---------------|----------------|
| Description                                  | Lender/Trustee     | Nominal amount USD | Interest rate | Book value USD |
| 150 MUSD Bond Loan                           | Nordic Trustee ASA | 150.000            | 10%           | 147.984        |
| <b>Long-term interest bearing debt - USD</b> |                    |                    |               | <b>147.984</b> |

In March 2021 a temporary stand-still agreement with the bondholders in the 150 MUSD bond loan was entered into, including a deferral of interest payments until December 2021 (added to the nominal amount). For further information about debt, please see the Finance part under section Financial.

\*) Book value of the Bond loans is netted with transaction costs to be expensed over the loan's lifetime and also includes accrued interest that will be paid in kind.

## 6. Property Plant & Equipment

| <i>(In USD 1000')</i>  | <b>Un-audited</b> | <b>Un-audited</b> | <b>Un-audited</b> | <b>Audited</b>  |
|------------------------|-------------------|-------------------|-------------------|-----------------|
|                        | <b>30.09.21</b>   | <b>30.06.21</b>   | <b>31.03.21</b>   | <b>31.12.20</b> |
| <b>Opening balance</b> | 161.784           | 160.308           | 162.844           | 308.269         |
| Additions              | 3.699             | 4.318             | 470               | 1.794           |
| Depreciation           | -2.841            | -2.841            | -3.006            | -14.570         |
| Impairment             | -                 | -                 |                   | -132.649        |
| <b>Closing balance</b> | <b>162.642</b>    | <b>161.784</b>    | <b>160.308</b>    | <b>162.844</b>  |

Capitalized amounts relate entirely to the Company's accommodation rig Haven.

The Company performed impairment assessments through 2020 which concluded that impairments totalling 133 MUSD were required. The impairment model is based on the terms in the awarded 20-month contract with TotalEnergies. Long term utilization for Haven is expected to be 70% in 2023 and onwards. Charter hire is assumed to be gradually improving up to 2026 and beyond, where it is assumed a more normalised daily charter hire level. Discount rate applied is 8.9%. Management re-assessed the impairment test as of end of September 2021. Following attrition of accommodation rigs and an increased oil price, governmental tax stimulation and global recovery from Covid-19 the Company expects increasing investments by the oil and gas industry. Based on the improved underlying market assumptions no additional impairment is recorded.

See also additional information related to going concern both in the MD&A and in the accounting principles. If the Company is unsuccessful in reaching a permanent agreement with its Bondholders a potential distressed sale of Haven could result in significant lower realisation value in the current challenging market, versus the value in use model applied in the impairment model. If sold in a distressed situation, there are no guarantee that the proceeds from a distressed sale will be sufficient to cover the nominal amount of the bonds.

## 7. Potential claims and contingencies

Final payment related to documentation (10% of contract value) under the turn-key contract with Semco has not been paid yet. Jacktel has disputed several variation order requests claimed by Semco and continues to discuss and review final documentation and commercial aspects under the upgrade contract. In case of continuous disagreements, the parties will enter into an arbitration process in Norway.

The Company has received two letters related to the 2019 tax return where Jacktel claimed an exemption under the limitation of tax deduction of interests. Unless Jacktel wins forward in its discussions with the tax authorities, the payable tax exposure is limited to approximately 10 MNOK.

Based on advises from tax lawyers and the fact that no claim from the tax authorities have been received, Jacktel is of the opinion it should qualify for the exemption rule. Consequently, no provision for such a claim has been made in the Q3 accounts.