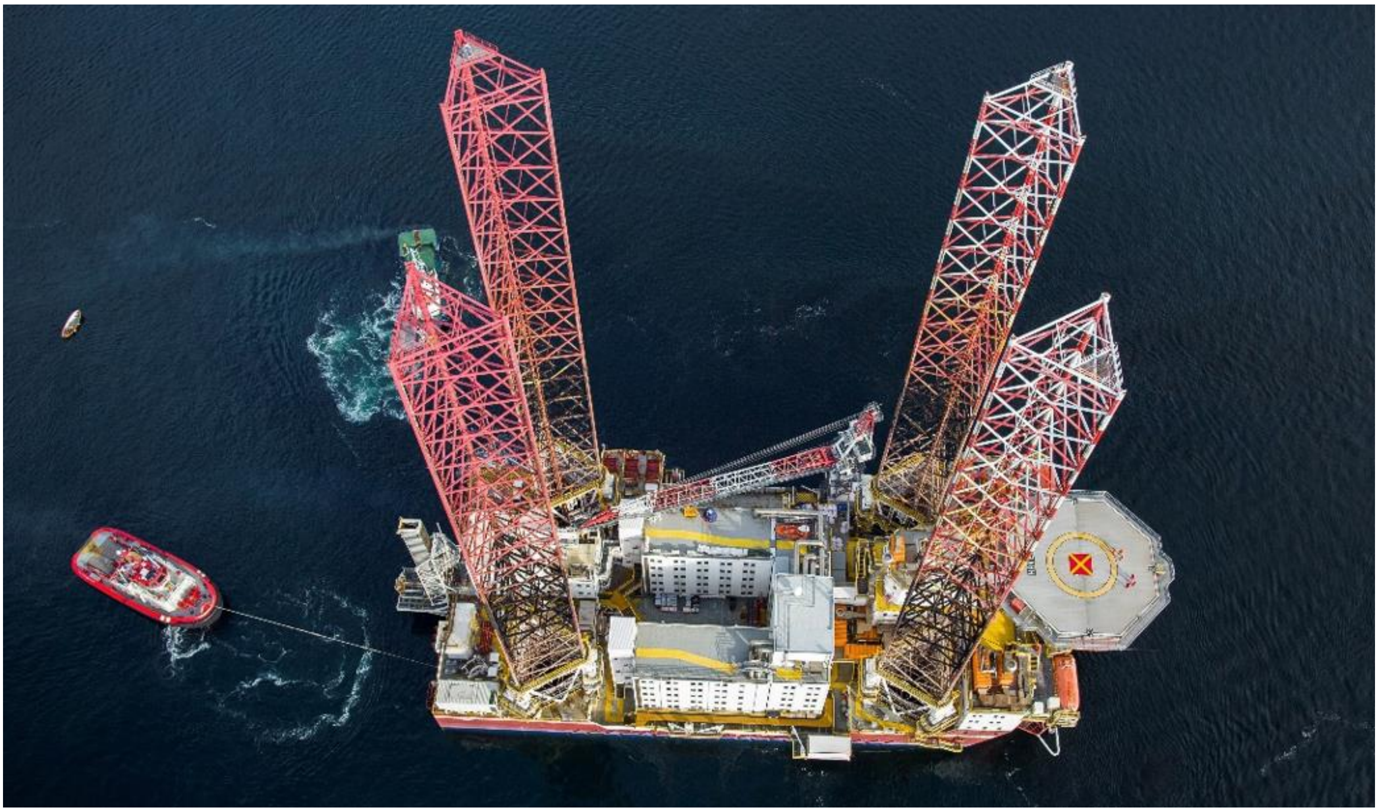

INTERIM REPORT

Q2 2021

Second Quarter 2021

Operations

Haven is currently at Hanøytangen on the west coast of Norway being prepared for a 20 + 6 month accommodation contract offshore Denmark commencing Q3 2021. Project work related to removing suction caissons and reinstalling footings previously used for most North Sea locations is progressing. In order to minimise future maintenance cost, an SPS of the rig is being executed together with general operational preparedness.

Financial

The Interim Financial Statements are prepared in accordance with IAS 34

Quarterly figures, Q2 2021
(Figures in brackets refer to the corresponding period of 2020)

The operating income for Q2 amounts to 1.1 MUSD (2.0 MUSD) of which 0.5 MUSD relates to services reimbursed by client.

Operating expenses equalled 3.7 MUSD (3.7 MUSD), of which 2.2 MUSD (1.7 MUSD) relates to vessel OPEX and 0.7 MUSD is project cost. Additional 0.8 MUSD (0.9 MUSD) relates to SG&A. This resulted in an EBITDA of -2.6 MUSD (-1.6 MUSD) and an operating loss of 5.5 MUSD (5.0 MUSD).

Interest expense for the second quarter equalled 4.1 MUSD (3.8 MUSD).

Net loss for the second quarter amounts to 9.8 MUSD (8.7 MUSD).

YTD Figures 2021
(Figures in brackets refer to the corresponding period of 2020)

Operating income amounted to 1.1 MUSD (7.4 MUSD). Operating expenses equalled 5.8 MUSD (8.2 MUSD), of which 4.0 MUSD relate to vessel OPEX. In addition, 1.8 MUSD relate to technical management fee and SG&A. This resulted in an EBITDA of -4.7 MUSD (-0.8 MUSD) and an operating loss of 10.5 MUSD (loss of 117.8 MUSD).

Accumulated interest expenses for the first half equalled 7.9 MUSD (7.5 MUSD). Net loss for the first half of 2021 equalled 18.8 MUSD (loss of 126.4 MUSD).

Cash flow and liquidity Q2 2021
The company generated 1.4 MUSD in operational cash flow during the second quarter. Following -4.3 MUSD from investing activities and 9.9 MUSD from financing activities, net cash flow in the second quarter totalled 6.9 MUSD.

Total cash at the end of the quarter equalled 16.1 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 and following consent from the bondholders the Company issued a super senior secured bond loan of 10 MUSD in April 2021 to finance 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 June 30, 2021 equaled 6.3 MUSD.

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, including inter alia deferral of interest payments until December 2021 (added to the nominal amount) and a permanent waiver of the minimum liquidity covenant.

The Company entered into a contract with Total in March 2021. The term of the contract is 20 + 6 months for use of Haven on the Danish continental shelf. Following an upgrade of Haven financed with the super senior bond loan the contract will most likely commence in Q3 2021.

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 1H 2021.

With commencement of the Total contract in Q3 2021, the Company will continue to work with bondholders to reach a more permanent agreement securing the company a more sustainable balance sheet going forward. The Company is however uncertain whether such an agreement will be made prior to the expiry of the standstill agreement in December 2021.

Although material uncertainties exist in relation to reaching a final agreement with the bondholders and the implied going concern assumption, the Company believes that the contract entered into with Total, the current standstill agreement entered into with bondholders as well as the issuing of the super senior bond loan provides a solid basis for the going concern assumption. It is however probable that the current shareholder (Macro Offshore Management AS) will be substantially diluted through a likely conversion of debt to an equity like instrument.

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. The currency risk is monitored on a continuous basis and use of derivates to reduce the risk is considered regularly. Per end of the second 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

Over the last months we have seen increased attrition of older units from the accommodation segment. COSL Rival, Regalia and Maersk Guardian have been confirmed sold out of the accommodation market. In addition, COSL Rigmar has been relocated to Asia. 3 old units, which historically have competed in the North Sea accommodation J/U segment are also rumoured to be considered for scrapping due to high cost associated with preparing the vessels for new contracts. Should these units be scrapped, Crossway Eagle and Haven will be the only purpose-built accommodation Jack ups serving the high-end North Sea accommodation market. For shorter projects with low demand for additional bed capacity, certain drilling J/U's and Wind Turbine Installation Vessels may pursue accommodation contracts on an opportunistic basis. Based on the above, the board is optimistic that the supply / demand balance in the market will continue to improve.

Providing the oil price continues to remain around current level, the board expects that project activity in the oil & gas sector, over time, will continue to increase and the board is optimistic that new contracts can be won at acceptable day rates when the current contract expires in 2023.

Responsibility statement

We confirm to the best of our knowledge that the consolidated financial statements for the period 1 January to 30 June 2021 have been prepared in accordance with IFRS as approved by the European Union ("EU") and give a fair view of Jacktel's assets, liabilities, financial position and results for the period viewed in their entirety, and that the Board of Directors' report includes a fair review of any significant events that arose during the period and their effect on the financial report, any significant related parties' transactions and a description of the significant risks and uncertainties for the group.

Stavanger, 27th August 2021

Thomas Mejdell
Board member

David Zakutansky
Board member

Bjørn Eie Henriksen
Chairman/CEO

Condensed Income Statement

As of June 30th, 2021

In USD 1,000'	Note	Un-audited Q2-2021	Un-audited Q2-2020	Audited 2020	Un-audited 6M- 2021	Un-audited 6M- 2020
Operating income		1,115	2,042	8,894	1,115	7,390
Operating expenses		-3,735	-3,683	-11,655	-5,781	-8,198
EBITDA		**-2,620**	**-1,641**	**-2,761**	**-4,666**	**-808**
Depreciation	6	-2,841	-3,318	-14,570	-5,847	-7,934
Impairment	6	-	-	-132,649	-	-109,102
OPERATING PROFIT/(LOSS) - EBIT		**-5,462**	**-4,959**	**-149,980**	**-10,514**	**-117,844**
Interest income		-	-	60	-	53
Interest expenses		-4,088	-3,750	-15,677	-7,868	-7,500
Other financial items		-257	-36	-363	-456	-1,116
NET FINANCIAL ITEMS		**-4,345**	**-3,786**	**-15,980**	**-8,324**	**-8,563**
PROFIT/(LOSS) BEFORE TAX		**-9,807**	**-8,745**	**-165,960**	**-18,838**	**-126,406**
NET PROFIT (LOSS)		**-9,807**	**-8,745**	**-165,960**	**-18,838**	**-126,406**

Statement of Comprehensive Income

In USD 1,000'	Un-audited Q2-2021	Un-audited Q2-2020	Audited 2020	Un-audited 6M- 2021	Un-audited 6M- 2020
Net profit this period	-9,807	-8,745	-165,960	-18,838	-126,406
COMPREHENSIVE INCOME	**-9,807**	**-8,745**	**-165,960**	**-18,838**	**-126,406**

Condensed Statement of Financial Position

In USD 1,000'	Note	Un-audited 30.06.2021	Un-audited 30.06.2020	Audited 31.12.2020
ASSETS				
Non-current assets:				
Property, plant and equipment	6	161,784	192,354	162,844
Total non-current assets		**161,784**	**192,354**	**162,844**
Current assets:				
Accounts receivable		529	1,532	893
Other current assets		1,588	595	3,141
Cash and cash equivalents		16,069	20,440	9,970
Total current assets		**18,186**	**22,567**	**14,004**
TOTAL ASSETS		**179,970**	**214,921**	**176,847**
EQUITY AND LIABILITIES				
Equity:				
Issued capital		19,740	19,740	19,740
Share premium		182,793	182,793	182,793
Retained losses		-196,223	-137,832	-177,385
Total equity		**6,310**	**64,701**	**25,148**
Non-current liabilities:				
Other interest-bearing debt	5	167,195	147,826	148,142
Total long-term liabilities		**167,195**	**147,826**	**148,142**
Current liabilities:				
Accounts payable		4,977	871	899
Short-term interest-bearing debt		0	1,300	1,250
Other current liabilities		1,487	223	1,408
Total current liabilities		**6,464**	**2,393**	**3,557**
Total liabilities		**173,659**	**150,220**	**151,699**
TOTAL EQUITY AND LIABILITIES		**179,970**	**214,921**	**176,847**

Condensed Statement of Changes in Equity

(In USD 1.000)	Share Capital	Share premium	Retained losses	Total equity
Equity as at December 31st, 2019	**19,740**	**182,792**	**-11,423**	**191,109**
Net income (loss) Q1 2020	-	-	-126,407	-126,407
Equity as at June 30th, 2020 (Un-audited)	**19,740**	**182,792**	**-137,830**	**64,702**
Net income (loss) Q2-Q4 2020	-	-	-39,554	-39,554
Equity as at December 31st 2020 (Audited)	**19,740**	**182,792**	**-177,384**	**25,148**
Net income (loss) Q1 2021	-	-	-18,838	-18,838
Equity as at June 30th, 2021 (Un-audited)	**19,740**	**182,792**	**-196,223**	**6,310**

Cash Flow Statement

In USD 1,000'	**Un-audited Q2-2021**	**Un-audited Q2-2020**	**Audited 2020**	**Un-audited 6M- 2021**	**Un-audited 6M- 2020**
Net profit(loss) before tax	-9,807	-8,745	-165,961	-18,838	-126,407
Depreciation and impairment	2,841	3,318	147,220	5,847	117,036
Financial income	-	-	-60	-	-53
Financial expenses	4,345	3,786	16,041	8,324	8,616
Changes in working capital	4,020	614	11,993	5,554	11,304
Net cash from operating activities	**1,399**	**-1,027**	**9,233**	**887**	**10,496**
Cash flow from investing activities					
Acquisition of fixed assets	-4,318	-672	-1,794	-4,788	-1,121
Net cash from investing activities	**-4,318**	**-672**	**-1,794**	**-4,788**	**-1,068**
Cash flow from financing activities					
Interest paid	-142	-3,750	-15,000	-	-7,500
Net proceeds from bond issue	10,000	-	-	10,000	
Net realized agio	-	-	-980		-
Net cash from financing activities	**9,858**	**-3,750**	**-15,980**	**10,000**	**-7,500**
Net change in cash and cash equivalents	6,939	-5,449	-8,542	6,099	1,928
Cash and cash equivalents, opening balance	9,130	25,889	18,512	9,970	18,512
Cash and cash equivalents, closing balance	**16,069**	**20,440**	**9,970**	**16,069**	**20,440**

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 Q2 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 June 30, 2021 equaled 6.3 MUSD.

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, including inter alia deferral of interest payments until December 2021 (added to the nominal amount) and a permanent waiver of the minimum liquidity covenant.

The Company entered into a contract with Total in March 2021. The term of the contract is 20 + 6 months for use of Haven on the Danish continental shelf. Following an upgrade of Haven financed with the super senior bond loan the contract will most likely commence in Q3 2021.

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 1H 2021.

With commencement of the Total contract in Q3 2021, the Company will continue to work with bondholders to reach a more permanent agreement securing the company a more sustainable balance sheet going forward. The Company is however uncertain whether such an agreement will be made prior to the expiry of the standstill agreement in December 2021.

Although material uncertainties exist in relation to reaching a final agreement with the bondholders and the implied going concern assumption, the Company believes that the contract entered into with Total, the current standstill agreement entered into with bondholders as well as the issuing of the super senior bond loan provides a solid basis for the going concern assumption. It is however probable that the current shareholder (Macro Offshore Management AS) will be substantially diluted through a likely conversion of debt to an equity like instrument.

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, interalia, 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 it 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 31st December 2020.

4. Related party transactions

Jacktel AS has a management agreement with its parent company, Macro Offshore Management AS, for which 1.4 MUSD (0.9 MUSD) has been paid per first half 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 1 MUSD has been paid as cost coverage per first half 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 February 2021, of which Jacktel AS was allocated 0.6 MUSD (for cost incurred during January and February 2021) of the total compensation paid to the group.

5. Debt overview

30.06.2021 Long-term interest-bearing debt

(In USD 1000') Description	Lender/Trustee	Nominal amount EURO	Nominal amount USD	Interest rate	Book value USD
150 MUSD Bond Loan including PIK Interest	Nordic Trustee ASA	N/A	157,593	10%	157,123
10 MUSD Super Senior Bond Loan	Nordic Trustee ASA	N/A	10,000	10%	10,072
Long-term interest bearing debt - USD			**167,593**		**167,195**

30.06.2020 Long-term interest-bearing debt

(In USD 1000') Description	Lender/Trustee	Nominal amount EURO	Nominal amount USD	Interest rate	Book value USD
150 MUSD Bond Loan	Nordic Trustee ASA	N/A	150,000	10%	147,189
Long-term interest bearing debt - USD					**147,189**

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

(In USD 1000')	**Un-audited 30.06.21**	**Un-audited 31.03.21**	**Audited 31.12.20**
Opening balance	160,307	162,844	308,269
Additions	4,318	470	1,794
Depreciation	-2,841	-3,006	-14,570
Impairment	-	-	-132,649
Closing balance	**161,784**	**160,307**	**162,844**

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 awarded 20-month contract with Total. 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 June, and there have been no significant changes in the underlying market assumptions, accordingly 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 final 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.