



INTERIM REPORT

Q3 2023

Third Quarter 2023

Highlights

Haven has been on contract with TotalEnergies DK during the entire quarter and provided 100% gangway connection.

On August 8th, Jacktel completed the refinancing of its Senior Secured Bonds maturing in December 2023. The Company has entered into an 80 MUSD senior secured loan with maturity 31.12.2027. The new loan has a tailored amortization profile reflecting Haven's contracted backlog and allows for dividends subject to a 12 MUSD prepayment and certain covenants.

The refinancing and a robust order backlog at improved rates provide a strong basis for stable operations and a visible cash flow until year end 2027. In addition, existing options may provide further upside.

As of today, the Company has secured the following order backlog and options (including mob and demob fee):

MUSD	Q4 2023	2024	2025	2026	2027	2028
Fixed	8.3	37.2	40.5	46.2	40.5	
Options			25.8	5.3	29.8	6.0

In September the final ruling of the arbitration case in relation to a dispute originating from the reinstatement of the original spud cans in 2021 was received, resulting in a cash payment of 3.9 MUSD of which 2.0 MUSD has previously been accrued for. The payment will be made during Q4 2023.

EBITDA in Q3 amounted to 3.9 MUSD, a 60% increase compared to Q3 2022.

Operations

Haven has, during the entire quarter, been in operation at the Tyra field where she delivered 100% technical uptime. The rig will continue to serve the Tyra field until mid-2024, when she will return to Norway and be prepared for the Equinor contract commencing in Q4, 2023. As part of the preparation, the rig will undergo necessary upgrade and maintenance work to enable her to mobilise directly to the Aker BP contract.

Financial

The Interim Financial Statements are prepared in accordance with IAS 34.

Quarterly figures, Q3 2023

(Figures in brackets refer to the corresponding period of 2022)

Operating income for the third quarter amounted to 8.2 MUSD (6.7 MUSD) which relates to charter hire and services reimbursed by the client.

Operating expenses equalled 4.3 MUSD (4.3 MUSD), of which 2.3 MUSD (2.6 MUSD) related to vessel OPEX, and 1.2 MUSD (1.3 MUSD) related to reimbursable and project cost. Additional 0.8 MUSD (0.4 MUSD) is related to SG&A. This resulted in an EBITDA of 3.9 MUSD (2.4 MUSD) and an operating profit of 0.8 MUSD (-0.4 MUSD).

Net financial cost for the third quarter equalled 3.5 MUSD (2.1 MUSD) of which 2.1 MUSD (2.0 MUSD) related interest expenses and 1.3 MUSD related to one-off financial items in relation to the refinancing and final ruling of the arbitration case.

Net loss for the third quarter amounted to 2.7 MUSD (2.5 MUSD).

YTD figures 2023

(Figures in brackets refer to the corresponding period of 2022)

Operating income amounted to 24.1 MUSD (16.9 MUSD). Operating expenses equalled 11.4 MUSD (11.1 MUSD), of which 8.2 MUSD (7.6 MUSD) related to vessel OPEX. 1.7 MUSD (2.0 MUSD) related to reimbursable and project cost. Additional 1.5 MUSD (1.4 MUSD) related to SG&A. This resulted in an EBITDA of 12.8 MUSD (5.8 MUSD) and an operating profit of 3.7 MUSD (loss of 2.7 MUSD).

Accumulated financial expenses per Q3 2023 equalled 7.3 MUSD (8.8 MUSD). Net loss per September 2023 equalled 3.6 MUSD (11.5 MUSD)

Cash flow and liquidity Q3 2023

The Company generated 6.3 MUSD in operational cash flow during the third quarter. Following -1.7 MUSD from investing activities and -4,7 MUSD from financing activities, net cash flow in the third quarter totalled -0.1 MUSD.

Total current cash at the end of the quarter equalled 6.0 MUSD.

Finance

In Q3 Jacktel announced the successful refinancing of its Senior Secured Bonds in which the Senior Secured Bonds were fully repaid on August 8th. The Company has entered into an 80 MUSD senior secured loan with a subsidiary of Maritime Asset Partners Ltd. The new senior secured loan has a fixed interest rate of 10.1% with an amortization profile tailored to Haven's contracted backlog and finally matures December 31st, 2027.

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 first 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. Based on this, the going concern assumption is considered to be met.

Outlook

Over the past eighteen months, Jacktel has demonstrated its ability to not only extend the existing contract in Denmark with TotalEnergies but also secure two new contracts in Norway with Equinor and Aker BP.

With increasing demand in Brazil and North Sea, Jacktel expects supply/demand to tighten further. With a low CO2 footprint, superior operational uptime and cost-efficient operations, Jacktel is in a good position to secure new contracts both within Oil & Gas and renewable energy. An increasing number of "Solicitation of Interest" are issued by wind farm developers for accommodation services commencing in 2028 and beyond.

The board of Jacktel believe the Company is in a good position to unlock shareholder value. Operational and commercial execution is a key priority, to make sure we are in a position to pay dividends in 2025. The board also continues to review M&A and consolidation opportunities. The Jacktel AS share is registered and tradeable at the Euronext NOTC market. In order to improve share liquidity, the board has decided to pursue a Euronext Growth listing in 1H 2024.

Sandnes, 24 November 2023

Harald Thorstein
Chairman

Alf Ragnar Løvdal
Board member

Morten E Astrup
Board member

Lars Foss-Skiftesvik
Board member

Condensed Income Statement

As of September 30th, 2023

In USD 1,000'	Note	Un-audited Q3-2023	Un-audited Q3-2022	Audited 2022	Un-audited 9M- 2023	Un-audited 9M- 2022
Operating income		8,162	6,729	28,030	24,126	16,929
Operating expenses		-4,287	-4,294	-14,989	-11,353	-11,094
EBITDA		3,875	2,434	13,041	12,773	5,834
Depreciation	5	-3,027	-2,848	-10,849	-9,059	-8,511
OPERATING PROFIT/(LOSS) - EBIT		848	-414	2,192	3,714	-2,677
Interest income		43	19	66	123	19
Interest expenses		-2,087	-1,976	-9,365	-5,838	-7,411
Other financial items		-1,481	-91	-1,554	-1,621	-1,452
NET FINANCIAL ITEMS		-3,525	-2,048	-10,853	-7,336	-8,844
PROFIT/(LOSS) BEFORE TAX		-2,677	-2,462	-8,661	-3,622	-11,521
NET PROFIT (LOSS)		-2,677	-2,462	-8,661	-3,622	-11,521

Statement of Comprehensive Income

In USD 1,000'	Un-audited Q3-2023	Un-audited Q3-2022	Audited 2022	Un-audited 9M- 2023	Un-audited 9M- 2022
Net profit this period	-2,677	-2,462	-8,661	-3,622	-11,521
COMPREHENSIVE INCOME	-2,677	-2,462	-8,661	-3,622	-11,521

Statement of Financial Position

In USD 1,000'	Note	Un-audited 30.09.2023	Un-audited 30.09.2022	Audited 31.12.2022
ASSETS				
Non-current assets:				
Property, plant and equipment	5	146,231	155,760	153,520
Restricted cash	4	5,000	0	
Total non-current assets		151,231	155,760	153,520
Current assets:				
Accounts receivable		2,832	2,627	3,998
Other current assets		4,507	1,076	5,513
Cash and cash equivalents	6	6,040	5,543	2,299
Total current assets		13,379	9,246	11,810
TOTAL ASSETS		164,610	165,006	165,330
EQUITY AND LIABILITIES				
Equity:				
Issued capital		30,984	30,984	30,984
Share premium		273,883	273,883	273,883
Retained losses		-225,198	-224,435	-221,579
Total equity		79,668	80,432	83,288
Non-current liabilities:				
Other interest-bearing debt	4	77,283	74,887	0
Total long-term liabilities		77,283	74,887	0
Current liabilities:				
Accounts payable		5,912	1,761	1,189
Current interest-bearing debt	4	0	4,598	76,426
Other current liabilities		1,747	3,328	4,427
Total current liabilities		7,659	9,687	82,042
Total liabilities		84,942	84,574	82,042
TOTAL EQUITY AND LIABILITIES		164,610	165,006	165,330

Condensed Statement of Changes in Equity

	Share Capital	Share premium	Retained losses	Total equity
<i>(In USD 1,000)</i>				
Equity as at December 31st, 2021 (Audited)	19,740	182,793	-212,914	-10,381
Net income (loss) Q1-Q3 2022	-	-	-11,520	-11,520
Debt conversion	11,244	91,090	-	102,334
Equity as at September 30th, 2022 (Un-audited)	30,984	273,883	-224,435	80,434
Net income (loss) Q4 2022	-	-	2,856	2,856
Equity as at December 31st, 2022 (Audited)	30,984	273,883	-221,579	83,288
Net income (loss) YTD 2023	-	-	-3,622	-3,622
Equity as at September 30th, 2023 (Un-audited)	30,984	273,883	-225,198	79,668

Cash Flow Statement

		Un-audited Q3-2023	Un-audited Q3-2022	Audited 2022	Un-audited 9M- 2023	Un-audited 9M- 2022
In USD 1,000'	Note					
Net profit(loss) before tax		-2,677	-2,462	-8,661	-3,622	-11,521
Depreciation and impairment		3,027	2,848	10,849	9,059	8,511
Financial income		-43	-19	-127	-123	19
Financial expenses		3,568	2,067	10,980	7,459	8,863
Changes in working capital		2,393	1,843	-5,171	2,893	-171
Net cash from operating activities		6,268	4,277	7,870	15,666	5,701
Cash flow from investing activities						
Interest received		43	19	65	123	19
Acquisition of fixed assets	5	-1,721	-770	-1,237	-1,766	-1,141
Net cash from investing activities		-1,678	-751	-1,172	-1,648	-1,122
Cash flow from financing activities						
Instalment super senior loan		0	-1,209	-6,116	-3,884	-1,209
Repayment of Senior Secured Bonds		-74,189	0	0	0	-
Interest paid		-2,087	-250	-971	-4,039	-892
Financial expenses		-833	0	-377	-983	-
Refinancing cost		-2,621	0	0	-2,621	-
Proceeds - MAP loan	4	75,000	0	0	75,004	-
Net realized agio		80	0	0	439	-
Net cash from financing activities		-4,650	-1,459	-7,464	-10,277	-2,101
Net change in cash and cash equivalents		-60	2,067	-766	3,741	2,478
Cash and cash equivalents, opening balance		6,100	3,476	3,065	2,299	3,065
Cash and cash equivalents, closing balance		6,040	5,543	2,299	6,040	5,543

Notes to the interim report

1. General information

Jacktel AS is a company listed on NOTC. The Company is located at Vestre Svanholmen 6, 4313 Sandnes, 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 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union ("EU"), including IAS 34 Interim Financial Reporting.

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 Jacktel's annual financial statements and accompanying notes for the financial year ended 31st December 2022.

Lease income from operating leases is recognized as income on a straight-line basis over the lease term, and other receivable for preparation to meet and fulfil the requirements of the specific contract, unless another systematic basis is more representative.

4. Debt overview

30.09.2023 Long-term interest-bearing debt

<i>(In USD 1000')</i>				
Description	Lender/Trustee	Nominal amount USD	Interest rate	Book value USD
80 MUSD Loan	MAP	80,000	10.1%	77,283
Long-term interest bearing debt - USD		80,000		77,283

31.12.2022 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	72,379	10%	72,519
10 MUSD Super Senior Bond Loan	Nordic Trustee ASA	3,884	10%	3,907
Current portion				76,426
Long-term interest bearing debt - USD		76,263		0

*) Book value of the loans is netted with transaction costs to be amortized over the loan's lifetime.

As a part of the financing of the 80 MUSD loan with MAP, 5 MUSD in cash was retained by the lender as restricted cash. The 5 MUSD restricted cash is booked as a non-current asset.

5. Property Plant & Equipment

	Un-audited
<i>(In USD 1000')</i>	
1st January 2023	153,520
Additions	1,771
Depreciation	-9,059
30th September 2023	146,231

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

The Company did not identify any impairment indicators per Q3 2023.

6. Cash

<i>(1.000 USD)</i>	2023	2022
Cash and bank deposits	5 924	5 543
Restricted cash	116	0
Cash and cash equivalents in the balance sheet	6 040	5 543

* Restricted cash relates to tax withholding account

7. Claims and contingencies

Reference is made to note 18 in the annual report for 2022. Throughout 2023 no development nor communication from the tax authorities have occurred.