



INTERIM REPORT

Q2 2024

Second Quarter 2024

Highlights

Haven delivered 100% gangway connection to the client in the second quarter with no serious incidents. Early July, the vessel was demobilised from Tyra and towed to the Westcon yard in Ølen to be prepared for the Draupner contract commencing Q4, 2024 and the Valhall contract commencing in Q2, 2026. Haven has continued her strong performance and track record by delivering 100% gangway connection to the client over the entire contract period (32 months) at the Tyra field in Denmark.

Q2 EBITDA amounted to 3.8 MUSD.

Jacktel's significant and strong order backlog, provides a firm basis for stable operations and consistent cash flow until the end of 2027. Additionally, the potential exercising of existing options could improve this further, allowing the company to both pay dividends and further strengthen its financial position. Currently, the company has secured the following order backlog and options (including mobilization and demobilization fees):

MUSD	2024	2025	2026	2027	2028
Fixed	21.6	37.6	47.9	40.5	
Options		25.8	5.3	29.8	6.0

Operations

Haven completed her contract with TotalEnergies in Denmark at the end of the second quarter and has subsequently been towed to Skåneviksfjorden on the west coast of Norway for required upgrades prior to commencement of the Draupner contract in Q4 2024. In addition, the top sections of the legs will be removed in order to enable Haven to mobilise directly to Valhall without further preparatory work being required between the two contracts.

Financial

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

Quarterly figures, Q2 2024

(Figures in brackets refer to the corresponding period of 2023)

Operating income for the second quarter amounted to 8.7 MUSD (8.0 MUSD) which relates to charter hire and services reimbursed by the client.

Operating expenses equalled 4.9 MUSD (4.3 MUSD), of which 3.2 MUSD (3.0 MUSD) related to vessel OPEX, and 1.1 MUSD (0.4 MUSD) to reimbursable and project cost. Additionally, 0.6 MUSD (0.9 MUSD) is related to SG&A. This resulted in an EBITDA of 3.8 MUSD (3.7 MUSD) and an operating profit of 0.8 MUSD (0.7 MUSD).

Net financial items for the second quarter equalled 2.2 MUSD (2.0 MUSD) of which 2.0 MUSD (1.9 MUSD) related to interest expenses and 0.2 MUSD related to amortization of loan origination cost.

Net loss for the second quarter equalled 1.4 MUSD (1.3 MUSD).

YTD figures 2024

(Figures in brackets refer to the corresponding period of 2023)

Operating income for the first half of 2024 amounted to 17.0 MUSD (16.0 MUSD). Operating expenses equalled 8.5 MUSD (7.1 MUSD), of which 5.8 MUSD (5.5 MUSD) related to vessel OPEX and 1.5 MUSD (0.8 MUSD) to reimbursable and project cost. In addition, 1.1 MUSD (0.8 MUSD) related to SG&A. This resulted in an EBITDA of 8.5 MUSD (8.9 MUSD) and an operating profit of 2.4 MUSD (2.9 MUSD).

Accumulated financial expenses for the first half year equalled 4.3 MUSD (3.8 MUSD).

Net loss for the first half of 2024 equalled 1.9 MUSD (0.9 MUSD)

Cash flow and liquidity Q2 2024

The Company generated 6.6 MUSD in operational cash flow during the second quarter. Following spending of 2.3 MUSD from investing activities and 2.0 MUSD from financing activities, net cash flow in the second quarter totalled 2.3 MUSD.

Total current cash at the end of the quarter equalled 8.8 MUSD.

Finance

The Company is financed through an 80 MUSD senior secured loan from a subsidiary of Maritime Asset Partners Ltd. The senior secured loan has a fixed interest rate of 10.1% payable monthly in advance. The amortization profile is tailored to Haven's contracted backlog and finally matures on December 31st, 2027. Jacktel will start to pay monthly installments of 1.2 MUSD in November 2024.

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

Outlook

Jacktel's current contract backlog stretches through 2027 at the Draupner and Valhall fields on the Norwegian continental shelf.

The long-term prospects for the offshore jack-up accommodation market are bolstered by the expectation that global energy demand will continue to grow in the foreseeable future, necessitating both oil and gas investments in offshore wind energy. The anticipated rise in energy consumption will require sustained exploration and production activities across these sectors. The need for traditional fossil fuels and the push for renewable energy projects like offshore wind will drive the demand for accommodation solutions in offshore settings. Haven offers a low carbon footprint, exceptional operational uptime and cost-efficient operations, which strategically positions Jacktel to secure contracts in both the oil and gas and renewable energy sectors following the expiration of the Valhall contract in early 2028. An increasing number of "Solicitation of Interest" notices from wind farm developers seeking accommodation services for projects slated to commence in 2028 and beyond further affirm this potential, highlighting the growth opportunities in the sector.

The Jacktel board is confident in the company's ability to unlock shareholder value and reaffirms the commitment to be able to distribute dividends in 2025.

In a bid to enhance share liquidity and further visualise shareholder value, the board plans to pursue a listing on Euronext Growth once Haven has commenced her contract at Draupner.

Sandnes, 22 August 2024

Harald Thorstein
Chairman

Alf Ragnar Løvdal
Board member

Morten E Astrup
Board member

Lars Foss-Skiftesvik
Board member

Condensed Income Statement

As of June 30th, 2024

In USD 1,000'	Note	Un-audited Q2-2024	Un-audited Q2-2023	Audited 2023	Un-audited 6M- 2024	Un-audited 6M- 2023
Operating income		8 706	8 015	32 570	17 000	15 964
Operating expenses		-4 889	-4 313	-15 158	-8 508	-7 066
EBITDA		3 817	3 702	17 412	8 492	8 898
Depreciation	5	-3 052	-3 016	-12 109	-6 103	-6 032
OPERATING PROFIT/(LOSS) - EBIT		765	686	5 303	2 389	2 866
Interest income		30	39	182	77	80
Interest expenses		-2 043	-1 854	-7 905	-4 085	-3 751
Other financial items		-145	-142	-1 879	-290	-140
NET FINANCIAL ITEMS		-2 158	-1 957	-9 602	-4 298	-3 811
PROFIT/(LOSS) BEFORE TAX		-1 393	-1 271	-4 299	-1 909	-945
NET PROFIT (LOSS)		-1 393	-1 271	-4 299	-1 909	-945

Statement of Comprehensive Income

In USD 1,000'	Un-audited Q2-2024	Un-audited Q2-2023	Audited 2023	Un-audited 6M- 2024	Un-audited 6M- 2023
Net profit this period	-1 393	-1 271	-4 299	-1 909	-945
COMPREHENSIVE INCOME	-1 393	-1 271	-4 299	-1 909	-945

Condensed Statement of Financial Position

In USD 1,000'	Note	Un-audited 30.06.2024	Un-audited 30.06.2023	Audited 31.12.2023
ASSETS				
Non-current assets:				
Property, plant and equipment	5	140 845	147 537	143 773
Restricted cash	4	5 000	0	5 000
Total non-current assets		145 845	147 537	148 773
Current assets:				
Accounts receivable		3 372	2 711	221
Other current assets		2 024	5 213	4 299
Cash and cash equivalents	6	8 811	6 100	6 142
Total current assets		14 208	14 024	10 662
TOTAL ASSETS		160 053	161 562	159 435
EQUITY AND LIABILITIES				
Equity:				
Issued capital		30 984	30 984	30 984
Share premium		273 883	273 883	273 883
Retained losses		-227 784	-222 524	-225 875
Total equity		77 082	82 342	78 992
Non-current liabilities:				
Other interest-bearing debt	4	67 996	0	74 941
Total long-term liabilities		67 996	0	74 941
Current liabilities:				
Accounts payable		3 631	1 762	1 265
Current interest-bearing debt	4	9 760	74 015	2 440
Other current liabilities		1 584	3 443	1 797
Total current liabilities		14 975	79 220	5 502
Total liabilities		82 971	79 220	80 443
TOTAL EQUITY AND LIABILITIES		160 053	161 562	159 435

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, 2022 (Audited)	30 984	273 883	-221 579	83 288
Net income (loss) 2023	-	-	-4 299	-4 299
Equity as at December 31st, 2023 (Audited)	30 984	273 883	-225 875	78 992
Net income (loss) YTD 2024	-	-	-1 909	-1 909
Equity as at June 30th, 2024 (Un-audited)	30 984	273 883	-227 784	77 082

Cash Flow Statement

	Un-audited Q2-2024	Un-audited Q2-2023	Audited 2023	Un-audited 6M- 2024	Un-audited 6M- 2023
In USD 1,000'					
Net profit(loss) before tax	-1 393	-1 271	-4 299	-1 912	-945
Depreciation and impairment	3 052	3 016	12 109	6 103	6 032
Financial income	-30	-39	-182	-77	-80
Financial expenses	2 188	1 996	9 784	4 375	3 891
Changes in working capital	2 765	-238	1 138	1 279	500
Net cash from operating activities	6 582	3 464	18 550	9 768	9 398
Cash flow from investing activities					
Interest received	30	39	182	77	80
Acquisition of fixed assets	-2 319	-47	-2 362	-3 175	-50
Investment in Haven RigcoAS	0	0	0	-3	-
Net cash from investing activities	-2 289	-8	-2 180	-3 101	30
Cash flow from financing activities					
Instalment super senior loan	0	0	-3 884	0	-3 884
Repayment of Senior Secured Bonds	0	0	-74 189	0	-
Interest paid	-2 042	-1 855	-6 104	-4 084	-1 952
Financial expenses	-3	-150	-983	-9	-150
Refinancing cost	0	0	-2 757	0	-
Proceeds - MAP loan	0	0	75 000	0	-
Net realized agio	48	226	390	95	359
Net cash from financing activities	-1 997	-1 779	-12 527	-3 998	-5 627
Net change in cash and cash equivalents	2 296	1 677	3 843	2 669	3 801
Cash and cash equivalents, opening balance	6 515	4 423	2 299	6 142	2 299
Cash and cash equivalents, closing balance	8 811	6 100	6 142	8 811	6 100

Notes to the interim report

1. General information

Jacktel AS is a company listed on NOTC. Jacktel AS and the 100% owned subsidiary Haven Rigco AS, are 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 Q2 2024 have been prepared in accordance with IFRS accounting standards (IFRS) as adopted 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 2023.

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

30.06.2024 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%	77 756
Current portion				9 760
Long-term interest bearing debt - USD		80 000		67 996

31.12.2023 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 %	77 381
Current portion				2 440
Long-term interest bearing debt - USD		80 000		74 941

*) 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 2024	143 773
Additions	3 175
Depreciation	-6 103
30th June 2024	140 845

Capitalized amounts relate entirely to the Company's accommodation rig Haven. Additions in the first half of 2024 mainly relates to upgrades required prior to commencement of the contracts on the Norwegian continental shelf.

The Company did not identify any impairment indicators per Q2 2024.

6. Cash

<i>(1.000 USD)</i>	2024	2023
Cash and bank deposits	8 809	6 098
Restricted cash	2	2
Current cash and cash equivalents	8 811	6 100

* Restricted cash relates to tax withholding account

7. Subsequent Events

Jacktel's only asset "Haven" was transferred in an internal transaction from Jacktel AS to its 100% owned subsidiary Haven Rigco AS in July 2024.