

JACKTEL



INTERIM REPORT

Q4 2024

Fourth Quarter 2024

Highlights

Haven commenced her contract with Equinor on October 1, 2024. Following a one month “waiting on weather” period at reduced rate, Haven was successfully installed at the Draupner field. The firm charter period is 10 months from date of being gangway connected to Draupner, and Equinor has options to extend the contract by another 3x2 months.

As the necessary preparatory work for both the Equinor and AkerBP contracts were completed ahead of the Draupner contract, and associated cost were incurred in the same period, the Company has booked 100% of the mobilization fee related to Equinor, as well as a significant part of the mobilization fee associated with the AkerBP contract in Q4.

The Company generated an EBITDA of 14.4 MUSD in Q4.

Jacktel’s strong order backlog provides a solid foundation for stable operations and predictable cash flow through the end of 2027. Additionally, the potential exercise of options would reduce the gap between the Draupner and Valhall contracts and potentially enhance earnings.

The Company has secured the following order backlog and options including mob and demob fees:

MUSD	2025	2026	2027	2028
Fixed	44	44	40	-
Options	20	11	30	6

The board has initiated a process to pursue a listing on Euronext Growth and expects to be in a position to get a listing in Q1 2025.

Harald Thorstein, Chairman of Jacktel AS, commented: *“We are pleased to deliver safe and reliable service, with 100% gangway connection, since arriving at Draupner. With a solid backlog and expected strong cash flow going forward, Jacktel is well positioned to initiate dividend payments in the second half of 2025. We expect to achieve a listing on Euronext Growth in March 2025.”*

Operations

After completing its yard stay at Westcon, Haven received its AoC from Havtil on October 1, 2024, and was therefore ready to commence operations at Draupner on the Norwegian Continental Shelf (NCS). However, due to challenging weather conditions, the tow to Draupner was delayed by approximately one month. Haven was successfully installed at the Draupner field on the NCS early November, marking the start of a 10-month firm contract with Equinor. Since arriving at Draupner, Haven has maintained a 100% gangway connection, ensuring seamless and safe access for personnel between Haven and Draupner.

Financial

The un-audited consolidated financial reports for the Jacktel group include Jacktel AS and its 100% owned subsidiary Haven Rigco AS (owner of Haven). The Interim Financial Statements are prepared in accordance with IAS 34.

Quarterly figures, Q4 2024

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

Operating income for the fourth quarter amounted to 23.1 MUSD (8.4 MUSD) which consists of charter hire from the Draupner contract, mobilization fees as well as cost for additional services reimbursed by clients.

Operating expenses equalled 8.7 MUSD (3.8 MUSD), of which 5.3 MUSD (2.3 MUSD) related to vessel OPEX, and 2.0 MUSD (0.5 MUSD) relates to reimbursable and mobilisation cost. Additional 1.4 MUSD (1.0 MUSD) is related to SG&A. This resulted in an EBITDA of 14.4 MUSD (4.6 MUSD) and an operating profit of 10.6 MUSD (1.6 MUSD).

Net financial items for the fourth quarter equalled 2.1 MUSD (2.3 MUSD) of which 2.1 MUSD (2.1 MUSD) related to interest expenses.

Net profit for the fourth quarter amounted to 8.5 MUSD (Loss of 0.7 MUSD).

YTD figures 2024

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

Operating income amounted to 51.7 MUSD (32.6 MUSD).

Operating expenses equalled 31.9 MUSD (15.2 MUSD), of which 16.3 MUSD (10.4 MUSD) related to vessel OPEX and 12.4 MUSD (2.2 MUSD) to reimbursable and mobilisation cost. Additionally, 3.2 MUSD (2.6 MUSD) related to SG&A. This resulted in an EBITDA of 19.8 MUSD (17.4 MUSD) and an operating profit of 6.8 MUSD (5.3 MUSD).

Accumulated financial expenses for 2024 equalled 8.4 MUSD (9.6 MUSD).

Net loss for 2024 equalled 1.6 MUSD (4.3 MUSD)

Cash flow and liquidity Q4 2024

The group generated 9.3 MUSD in operational cash flow during the fourth quarter due to Haven commencing the contract at Draupner. The Company spent 3.8 MUSD on investing activities which relates to installation of additions, contract specific preparations related to NCS operations and SPS activities on Haven. Negative cash flow from financing activities amounted to 4.2 MUSD due to monthly instalments of 1.2 MUSD from November 2024 and interest payments.

Net cash flow in the fourth quarter totalled 1.3 MUSD.

Total current cash at the end of the quarter equalled 5.2 MUSD.

Finance

The group is financed through an 80 MUSD senior secured loan with a subsidiary of Maritime Asset Partners Ltd. The senior secured loan has a fixed interest rate of 10.1% payable monthly in advance, an amortization profile tailored to Haven's contracted backlog and finally matures December 31st, 2027. Jacktel commenced payment of monthly instalments to MAP in November 2024. Total interest-bearing debt amounted to 78 MUSD per year end 2024.

Risk

The group 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 derivatives to reduce the risk is considered regularly. Per end of the fourth quarter the group 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.

Outlook

Jacktel has strong contract backlog on the Norwegian Continental Shelf (NCS), extending through 2027 and into 2028 when including options. On the current contracts with Equinor and Aker BP, Jacktel will support two important upgrade and life time extension projects. We believe the project activity will remain high in this segment on the NCS going forward. Being the only jack up accommodation rig that can operate on the NCS, Jacktel is well positioned for further work in this market.

Following a period with high focus on renewables projects, demand for accommodation services in the offshore wind sector is increasing. As wind farms move further offshore and into deeper waters, the board expects demand for high end accommodation Jack Ups to increase.

Oil and gas will, however, continue to play an important role in the world's energy mix, and several projects are planned and developed in different regions of the world.

Jacktel will continue to focus on winning contracts in both the renewables and Oil & Gas segments and the board is optimistic it will be able to maintain a high utilization of Haven in the period after the expiry of the Aker BP contract.

Sandnes, 17 February 2025

Harald Thorstein
Chairman

Morten E Astrup
Board member

Condensed Consolidated Income Statement

As of December 31st, 2024

In USD 1,000'	Note	Un-audited Q4-2024	Un-audited Q4-2023	Audited 2023	Un-audited 12M- 2024
Operating income		23 105	8 444	32 570	51 693
Operating expenses		-8 705	-3 805	-15 158	-31 908
EBITDA		14 401	4 639	17 412	19 786
Depreciation	5	-3 837	-3 050	-12 109	-12 992
OPERATING PROFIT/(LOSS) - EBIT		10 564	1 589	5 303	6 794
Interest income		120	59	182	219
Interest expenses		-2 054	-2 065	-7 905	-8 204
Other financial items		-125	-260	-1 879	-379
NET FINANCIAL ITEMS		-2 058	-2 266	-9 602	-8 363
PROFIT/(LOSS) BEFORE TAX		8 506	-677	-4 299	-1 569
NET PROFIT (LOSS)		8 506	-677	-4 299	-1 569

Statement of Comprehensive Income

In USD 1,000'	Un-audited Q4-2024	Un-audited Q4-2023	Audited 2023	Un-audited 12M- 2024
Net profit this period	8 506	-677	-4 299	-1 569
COMPREHENSIVE INCOME	8 506	-677	-4 299	-1 569

Condensed Consolidated Statement of Financial Position

In USD 1,000'	Note	Un-audited 31.12.2024	Audited 31.12.2023
ASSETS			
Non-current assets:			
Property, plant and equipment	5	145 657	143 773
Restricted cash	4	5 000	5 000
Total non-current assets		150 657	148 773
Current assets:			
Accounts receivable		6 653	221
Other current assets		2 465	4 299
Cash and cash equivalents	6	5 211	6 142
Total current assets		14 330	10 662
TOTAL ASSETS		164 987	159 435
EQUITY AND LIABILITIES			
Equity:			
Issued capital		30 984	30 984
Share premium		273 883	273 883
Retained losses		-227 447	-225 875
Total equity		77 420	78 992
Non-current liabilities:			
Other interest-bearing debt	4	64 687	74 941
Total long-term liabilities		64 687	74 941
Current liabilities:			
Accounts payable		8 440	1 265
Current interest-bearing debt	4	10 980	2 440
Other current liabilities		3 461	1 797
Total current liabilities		22 880	5 502
Total liabilities		87 567	80 443
TOTAL EQUITY AND LIABILITIES		164 987	159 435

Consolidated 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) 2024	-	-	-1 569	-1 569
Transaction cost			-3	-3
Equity as at December 31st, 2024 (Un-audited)	30 984	273 883	-227 447	77 420

Consolidated Cash Flow Statement

	Un-audited Q4-2024	Un-audited Q4-2023	Audited 2023	Un-audited 12M- 2024
In USD 1,000'				
Net profit(loss) before tax	8 506	-677	-4 299	-1 569
Depreciation and impairment	3 837	3 050	12 109	12 992
Financial income	-120	-59	-182	-219
Financial expenses	2 179	2 325	9 784	8 583
Changes in working capital	-5 061	-1 759	1 138	4 048
Net cash from operating activities	9 341	2 880	18 550	23 835
Cash flow from investing activities				
Interest received	120	59	182	219
Acquisition of PPE	-3 900	-587	-2 362	-14 877
Net cash from investing activities	-3 780	-528	-2 180	-14 658
Cash flow from financing activities				
Instalment super senior loan	0	0	-3 884	0
Repayment of Senior Secured Bonds	0	0	-74 189	0
Proceeds - MAP loan	0	0	75 000	0
Instalment MAP loan	-2 440	0	0	-2 440
Interest paid	-2 054	-2 065	-6 104	-8 203
Refinancing cost	0	-136	-2 757	0
Paid financial expenses	-14	0	-983	-39
Net realized agio	267	-49	390	574
Net cash from financing activities	-4 241	-2 250	-12 527	-10 108
Net change in cash and cash equivalents	1 320	102	3 843	-931
Cash and cash equivalents, opening balance	3 891	6 040	2 299	6 142
Cash and cash equivalents, closing balance	5 211	6 142	6 142	5 211

Notes to the interim report

1. General information

The Jacktel group consist of Jacktel AS and Haven Rigco AS (owner of Haven). 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 group, 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 consolidated interim financial statements for Q4 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 financial statements have been prepared based on the going concern assumption. The consolidated financial statements have not been subject to auditing.

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 group 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 group’s ability to meet it current liabilities.

3. Significant accounting policies

The accounting policies adopted in the preparation of the consolidated 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

31.12.2024 Long-term interest-bearing debt (un-audited)

<i>(In USD 1000')</i>				
Description	Lender/Trustee	Nominal amount USD	Interest rate	Book value USD
80 MUSD Loan	MAP	80 000	10,1%	75 667
Current portion				10 980
Long-term interest bearing debt - USD		80 000		64 687

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	14 876
Depreciation	-12 992
31st December 2024	145 657

Capitalized amounts relate entirely to the group's accommodation rig Haven. Additions in 2024 mainly relates to installation of add-ons as well as contract specific preparations related to NCS operations and SPS activities on Haven.

The group did not identify any impairment indicators per Q4 2024.

6. Cash

<i>(1.000 USD)</i>	2024 (un-audited)	2023
Cash and bank deposits	5 209	6 135
Restricted cash*	2	7
Cash and cash equivalents in the balance sheet	5 211	6 142

* Restricted cash relates to tax withholding account