



**Jacktel AS**  
Company Update  
March 2023



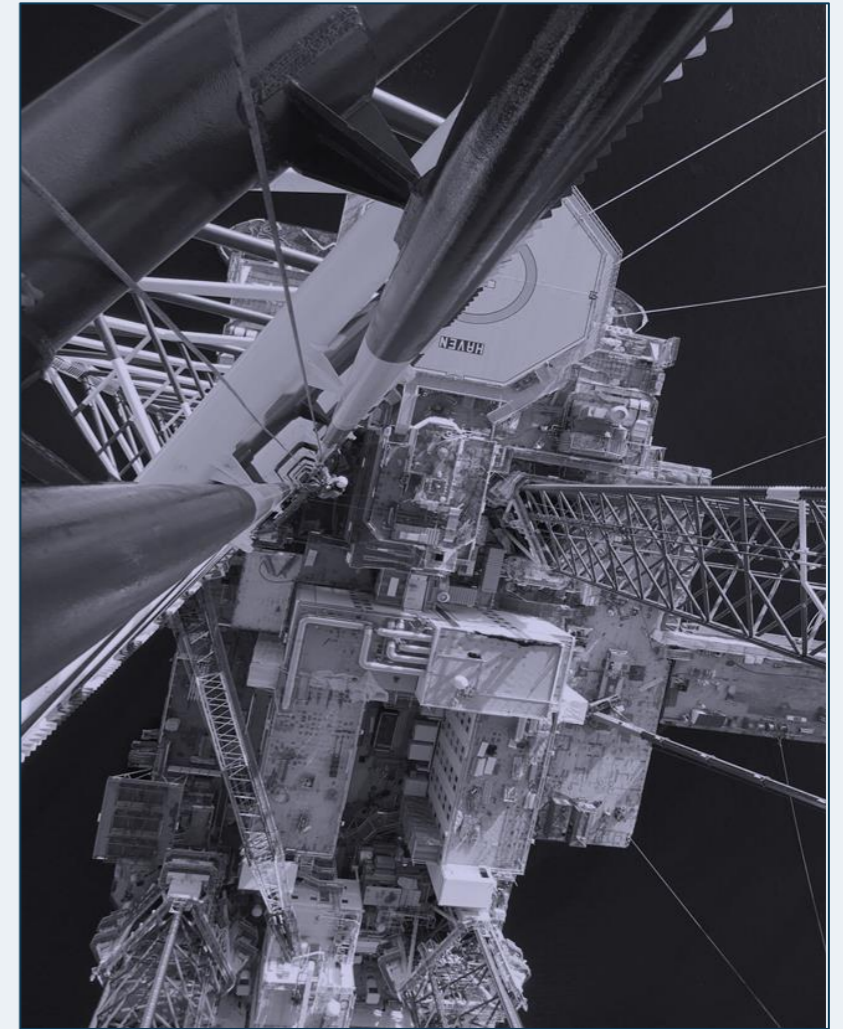
# Agenda

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**Commercial and Financial Update**

**Jacktel AS - Background**

**Market Fundamentals**



# Summary of commercial and financial updates

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## Commercial Update




- **Company has secured firm backlog of \$189m<sup>1)</sup> through Q2-2027, plus 2 x 6 months of Options**
  - ***5<sup>th</sup> of March 2023- Company announced contract with Equinor for Draupner Project***
    - Contract to commence in Q4-24 and has a firm period of 10 months, with 6 months option
    - Estimated firm contract value of USD 58m, including mobilization and demobilization
  - ***16<sup>th</sup> of December 2022 - Company announced contract to provide accommodation services to Aker BP's Valhall PWP - Fenris project***
    - Contract will commence Q2-2026 and has a firm period of 15 months, with 6 months option
    - Estimated fixed contract value of USD 87m, including mobilization and demobilization
  - ***12<sup>th</sup> September 2022 - Company announced extension of current contract with TotalEnergies EP Denmark***
    - Contract is extended until June 30, 2024
    - The Company saw a material uplift on the time charter rates, with the new contract valued at USD 53m

## Financial Update

- Super Senior Bond repaid in full at the March 2023 Interest Payment Date (\$3,884,043)
- Subsequently the Senior Bond will start to pay cash interest from June-2023 Interest Payment Date
- Outstanding amount of Senior Bonds - \$74,188,600
- Strong backlog allows the Company to focus on optimizing current capital structure and create shareholder value
- The Company is pursuing multiple tracks for refinancing the Senior Bond ahead of maturity in Dec-2023

# Overview of current backlog: Firm backlog of USD 189m to strong counterparts

## Backlog overview and contract details

	2023	2024	2025	2026	2027
 TotalEnergies	Firm contract Tyra Field - 18 months				
 equinor		Firm contract Draupner - 10 months	Option 6 months		
 AkerBP				Firm contract Fenris Project - 15 months	Option 6 months

	Tyra Field <i>Contract extension</i>	Draupner Project <i>New contract</i>	Fenris Project <i>New contract</i>
<b>Counterparty</b>	Total Energies	Equinor	AkerBP
<b>Location</b>	Tyra Field, Denmark	Draupner, Norway	Valhall, Norway
<b>Duration</b>	18 months, option to extend	10 months, 6 months option period	15 months, 6 months option period
<b>Contract value</b>	Total contract value for firm period is USD 53m	Total fixed contract value is USD 58m, including mob. and demob.	Total fixed contract value is USD 87m, including mob. and demob.
<b>Other assumptions</b>	Start date: 01.01.2023 OPEX: USD ~29,000 per day	Start date: Q4-24 OPEX: USD ~45,000-50,000 per day	Start date: Q2-26 OPEX: USD ~45,000-50,000 per day

*Current contract*

**Total Firm Backlog<sup>1)</sup>**  
As of 31.03.2023  
**USD 189m**

1) Includes Mob and Demob

# Focus on optimizing the capital structure, and addressing upcoming debt maturities



## The company is in a strong financial position...

### Secured significant backlog

- \$189m in firm backlog through Q2-2027
- All counterparties are investment grade (AA- to BBB S&P rating)
- Substantial value in Options on both Equinor and AkerBP contract
- Expected rig EBITDA<sup>1)</sup> of ~ \$125m from firm backlog

### Strong cash conversion

- Company expects to spend ~\$20m in capex and mob/demob costs through Q1-2028. Mob/demob is included in total contract values
- Transparent cost structure:
  - ✓ NOK 21m annual management fee
  - ✓ Management incentive bonus (performance based)
  - ✓ NOK 1-2m annual Other G&A
- Ability to reduce Opex between contracts if options are not exercised



## ...and is now focused on upcoming debt maturities

### Optimize capital structure

- \$74.2m in Senior Bonds to be refinanced before Dec-23
- Company is exploring multiple sources of financing and structures
- Generating sufficient cash flow to substantially deleverage and return cash to shareholders

### Outstanding debt

<b>ISIN</b>	NO 0010836778
<b>Status</b>	Senior Bond
<b>Amount</b>	USD 74.2m
<b>Maturity</b>	4 <sup>th</sup> of December 2023
<b>Interest Rate</b>	10% (PIK'ed until Super Senior is fully repaid. Cash thereafter)
<b>Amortization</b>	None
<b>Call</b>	Jun 22 – Jun 23 @ 105% Jun 23 – Dec 23 @ 101%

1) Assumes \$47,500/day in Opex for Equinor and AkerBP contract. From 31.03.2023

# Jacktel AS – PnL and Balance Sheet per Q4-22

Figures in kUSD

	Audited	Un-audited	
PnL	2021	2022	Q4-22
Operating income	12 354	28 030	11 101
Operating expenses	(19 286)	(14 990)	(3 896)
<b>EBITDA</b>	<b>(6 932)</b>	<b>13 040</b>	<b>7 205</b>
Depreciation & Impairment	(11 669)	(10 849)	(2 338)
<b>Operating Profit (Loss)</b>	<b>(18 601)</b>	<b>2 191</b>	<b>4 867</b>
Interest income	208	62	43
Interest expense	(16 329)	(9 364)	(1 953)
Other financial items	(811)	(1 549)	(97)
<b>Net Financial Items</b>	<b>(16 932)</b>	<b>(10 852)</b>	<b>(2 007)</b>
<b>Profit (Loss) Before Tax</b>	<b>(35 532)</b>	<b>(8 661)</b>	<b>2 860</b>
<b>Net Profit (Loss)</b>	<b>(35 532)</b>	<b>(8 661)</b>	<b>2 860</b>

	Audited		Un-audited
BALANCE SHEET	2020	2021	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	162 844	163 132	153 520
<b>Total non-current assets</b>	<b>162 844</b>	<b>163 132</b>	<b>153 520</b>
<b>Current assets</b>			
Accounts receivable	893	2 828	3 998
Cash and cash equivalents	9 970	3 065	2 299
Other current assets	3 141	1 114	5 513
<b>Total current assets</b>	<b>14 004</b>	<b>7 007</b>	<b>11 810</b>
<b>Total Assets</b>	<b>176 848</b>	<b>170 139</b>	<b>165 330</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term debt	148 142	173 940	-
<b>Total long-term liabilities</b>	<b>148 142</b>	<b>173 940</b>	<b>-</b>
<b>Current liabilities</b>			
Accounts payable	899	583	1 189
Short-term interest bearing debt	1 250	1 366	76 426
Other current liabilities	1 409	4 635	4 424
<b>Total short-term liabilities</b>	<b>3 558</b>	<b>6 584</b>	<b>82 039</b>
<b>Total liabilities</b>	<b>151 700</b>	<b>180 524</b>	<b>82 039</b>
<b>EQUITY</b>			
Issued capital	19 740	19 740	30 984
Additional paid in capital	182 793	182 793	273 883
Retained earnings (losses)	(177 385)	(212 918)	(221 576)
<b>Total equity</b>	<b>25 148</b>	<b>(10 385)</b>	<b>83 291</b>
<b>Total Equity &amp; Liabilities</b>	<b>176 848</b>	<b>170 139</b>	<b>165 330</b>

- 28/02/2022: Record date of the debt-to-equity conversion, \$102,333,333.33 of Senior Bonds was converted into equity in Jacktel AS
- Re-instated debt post restructuring:
  - Senior Bond ISIN: NO 0010836778 – \$67,101,939
  - Super Senior Bond ISIN: NO 0010969207 – \$10,000,000
- Current outstanding debt per March 2022 Interest Payment Date:
  - Senior Bond ISIN: NO 0010836778 – \$74,188,600
- Book value of Haven per 31.12.2022 is USD 153m, based on “value in use” assessment

# Agenda

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# Jacktel AS – Summary of background

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## Jacktel AS owns the offshore accommodation unit, Haven

- Jacktel AS owns 100% of Haven, a harsh environment jack-up accommodation rig
- 5-year special survey and yard upgrade was concluded in 2021
- Haven is on contract with TotalEnergies Denmark until June 2024, with subsequent contracts with Equinor and AkerBP until Q1-2028
- Macro Offshore Management is managing the unit

## Balance sheet restructuring is completed

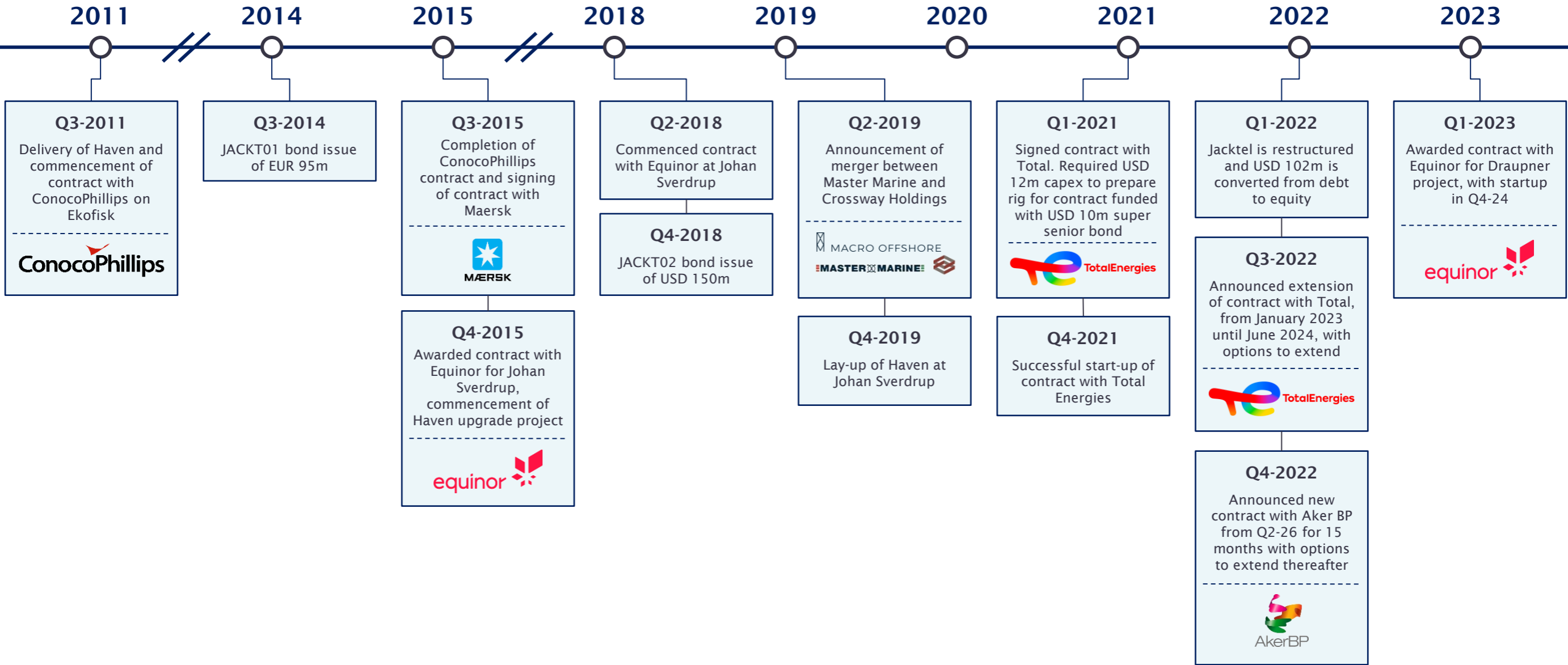
- A comprehensive restructuring was concluded in March 2022
- \$102m of debt converted into equity, leaving \$77m as outstanding debt in Jacktel AS
- Improved terms on management contract with Macro Offshore Management

## Focus on commercial execution and capital structure

- Since the restructuring, the management has worked diligently on executing on existing contracts while working on new tenders
- Repaid the \$10m Super Senior Bond in full
- Firm backlog of \$189m is secured through Q2-2027, and the focus is now shifting towards:
  - A. Successful commercial execution and preparation for new projects**
  - B. Optimizing the capital structure**

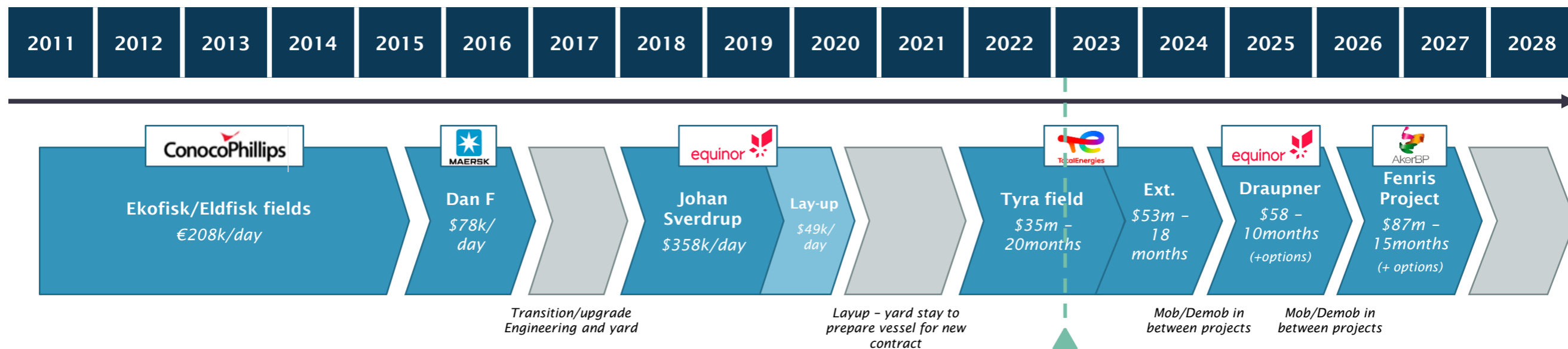


# Company timeline



# Successful deployment of Haven since delivery

## Contract timeline



- Haven has had close to 100% uptime since delivery in 2011
- The rig is currently on an extended 18-month contract with Total Energies
- In Q4-24 Haven will commence a 10-month Equinor contract with options, for the Draupner project (\$58m value)
- In Q2- 26 Haven will commence a 15-month AkerBP contract with options, to the Valhall PWP – Fenris Project (\$87m value)
- Haven was on Johan Sverdrup contract until Dec’ 2019 before entering “lay-up contract” until mid-April 2020 at \$49k/day. Adjusted for rig upgrade, paid for by Equinor through increased charter hire, the clean rate was \$220k/day
- In between the Equinor and Total Energies contract the rig was in drydock for 5-year classing and to remove suction caissons, purpose built for Johan Sverdrup

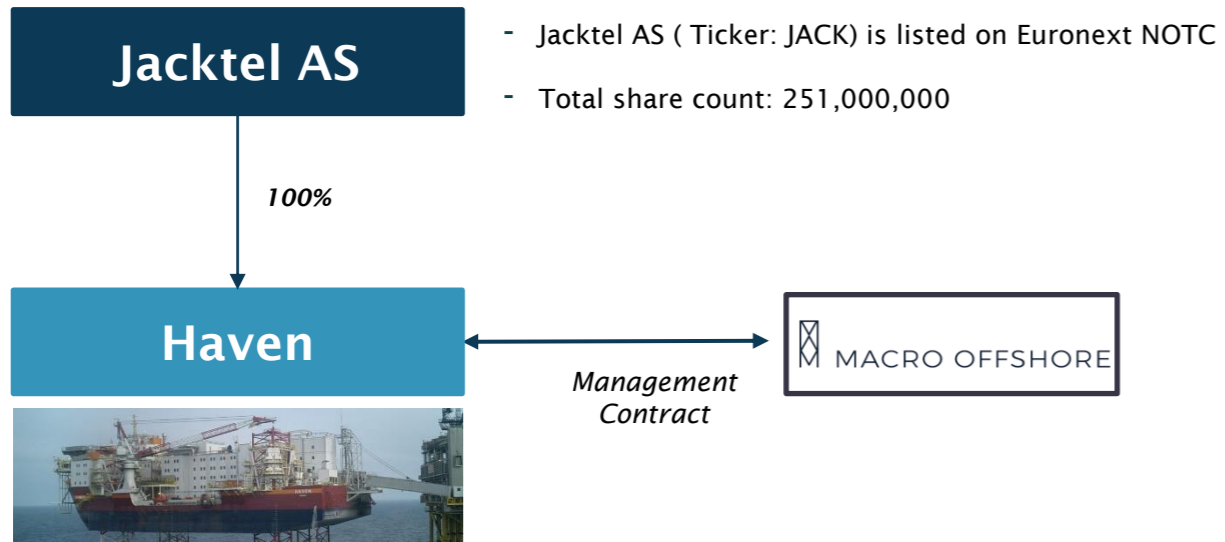
# Haven – Rig specifications

Rig Specifications	
Water depth capacity	Up to 106 meters
Year built	2011
Bed capacity	444
Overall length x width	118m x 50m
Free deck area	450 m <sup>2</sup>
Additional deck load capacity	4,500 tons
Crane capacity	75 tons @ 16m
Bridge length	30m+
Offices and meeting rooms	64 for client use
Recreational areas	Cinema, gym, catering, gallery, mess rooms, coffee and reading lounges accommodating 400 guests
Other facilities	Hospital facilities, self sufficient and potable water The unit provides clients with power, fuel and water across gangway



# Jacktel AS – Corporate structure

## Corporate Structure



## Board of Directors



**Harald L. Thorstein**  
Chairman of the Board

- Founder of Arkwright London Ltd.
- 18 years of experience from finance, energy and shipping, incl. nine years in Seatankers Group
- Extensive M&A transaction experience within the energy sector
- Currently on Board of Directors of B2 Holding, Odfjell Drilling, DOF Subsea, Altus Intervention, Jacktel AS and AquaShip AS



**Alf Ragnar Løvdal**  
Board Member

- Has 35 years of experience from the O&G industry
- Recently CEO of North Atlantic Management AS, a subsidiary of Seadrill Limited
- Has also held several other senior positions in the industry



# Macro Offshore Management – Commercial and technical Manager

## About Macro Offshore Management



- **Macro Offshore Management is a management company offering high-end offshore accommodation vessels and is headquartered in Stavanger, Norway**
- Long track record from operating assets in Denmark, UK and on the NCS
- High focus on cost efficient operations has resulted in substantially reduced operating cost since taking over as technical manager of Haven in 2020
- **Experienced management with deep understanding of market drivers secures high utilization of Haven at acceptable commercial terms**
  - Initial contract at Tyra was the only available contract in the market in 2020
    - Contract has been improved as a result of strong cooperation with client and understanding their needs
    - Extended term at improved day rates
    - Flexible conclusion of contract improves utilization
- **Contracts with Equinor and AkerBP safeguards utilization until end 2027 at acceptable terms**
  - Manager to work with customers to maximize utilization and improve earnings

## Management Team

### **Bjørn Henriksen** CEO

- 25 years of offshore industry experience
- Previously held the position as CEO of Prosafe Production, President of Prosafe's Accommodation Business and CFO and COO of Prosafe SE in addition to various managerial positions in Transocean and Arthur Andersen
- State Authorized Public Accountant

### **Daniel Samuelsen** CFO

- Several years of experience from various industries, including cost controller of the Haven at Johan Sverdrup Project, Team Leader and controller in Finero AS, as well as project financial controller in Aker Solutions
- MSc. in Finance from the University in Stavanger

### **Tom Friestad** COO

- 20 years of oil & gas experience
- Previously held position as Operations & Technical Manager of Macro Offshore Management AS, Completion Manager of the Haven @ Johan Sverdrup Project, CEO of Sandaband AS, Operations Manager at Prosafe Drilling Services AS as well as experience from offshore operation

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# Providing accommodation capacity for engineering and construction services during offshore project work



1

## Hook-up & Commissioning of new fields

*Present during the installation, construction, hook-up and commissioning of new facilities*

~15 %

Activity in field development

Discoveries

Oil price

2

## Maintenance and Modification on existing fields

*Present during repair, upgrade, maintenance or modification (MMO) of existing installations or hook-up of satellite fields*

### Historical market share of North Sea Demand

~80%

### Key demand drivers

MMO spending

Age of installations

Lifetime extensions

3

## Decommissioning at end of life

*Provides extra capacity during decommissioning of offshore installations*

~5%

P&A and decommissioning activity

Age of installations and field economics

Regulations

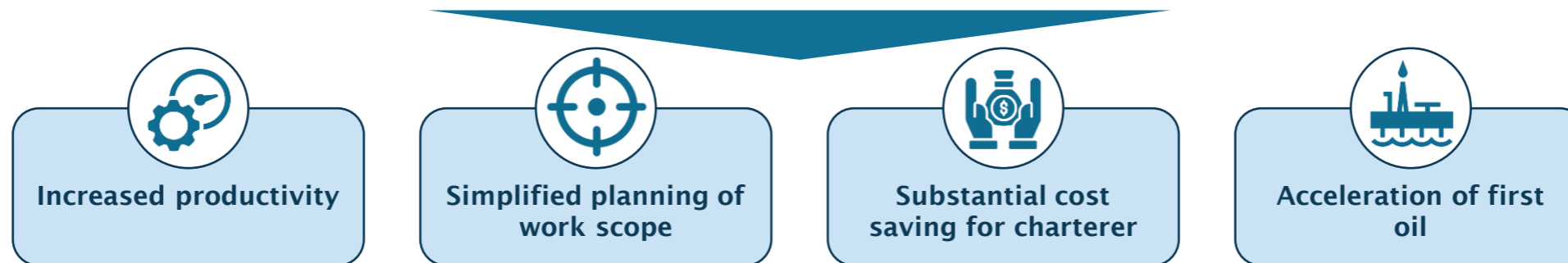


# Jack-ups standing firmly on seabed has proven to be an attractive solution for operators, resulting in a reduced environmental footprint



- Safe, comfortable and reliable accommodation services
- No disconnection of gangway during severe winter storms
- Haven with proven track record of running on power from shore causing a significant reduction in carbon footprint

## Reliable gangway connection provides



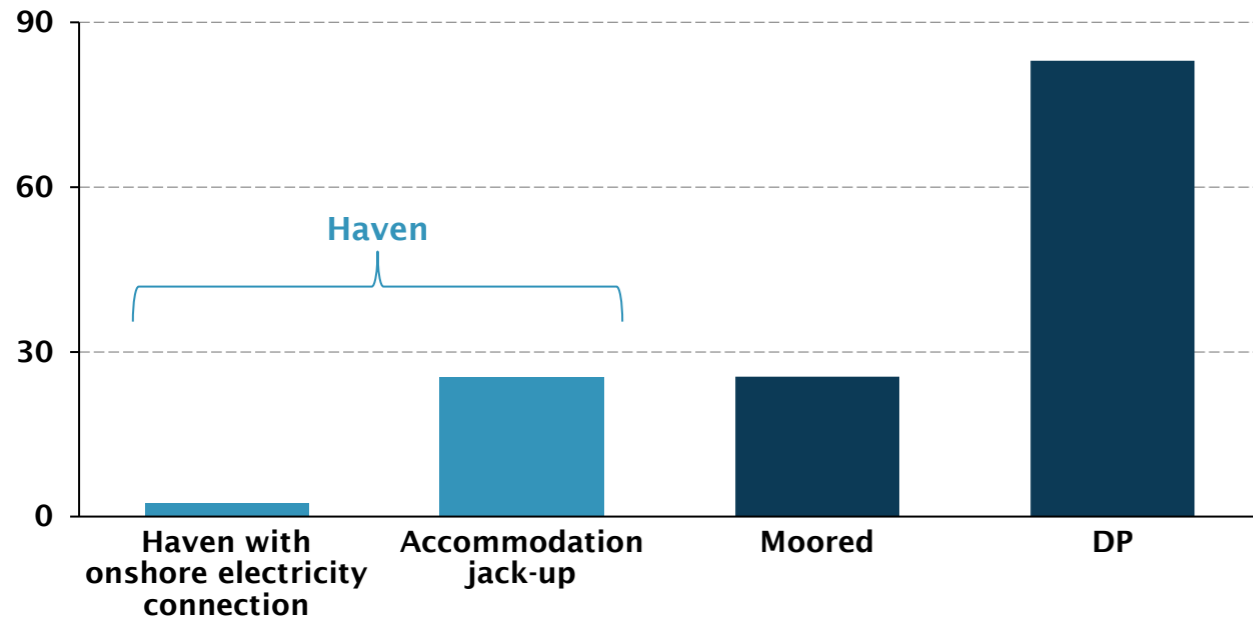
*Jack-ups will be an attractive solution once demand returns*



# Accommodation Jack-ups have a superior emissions profile

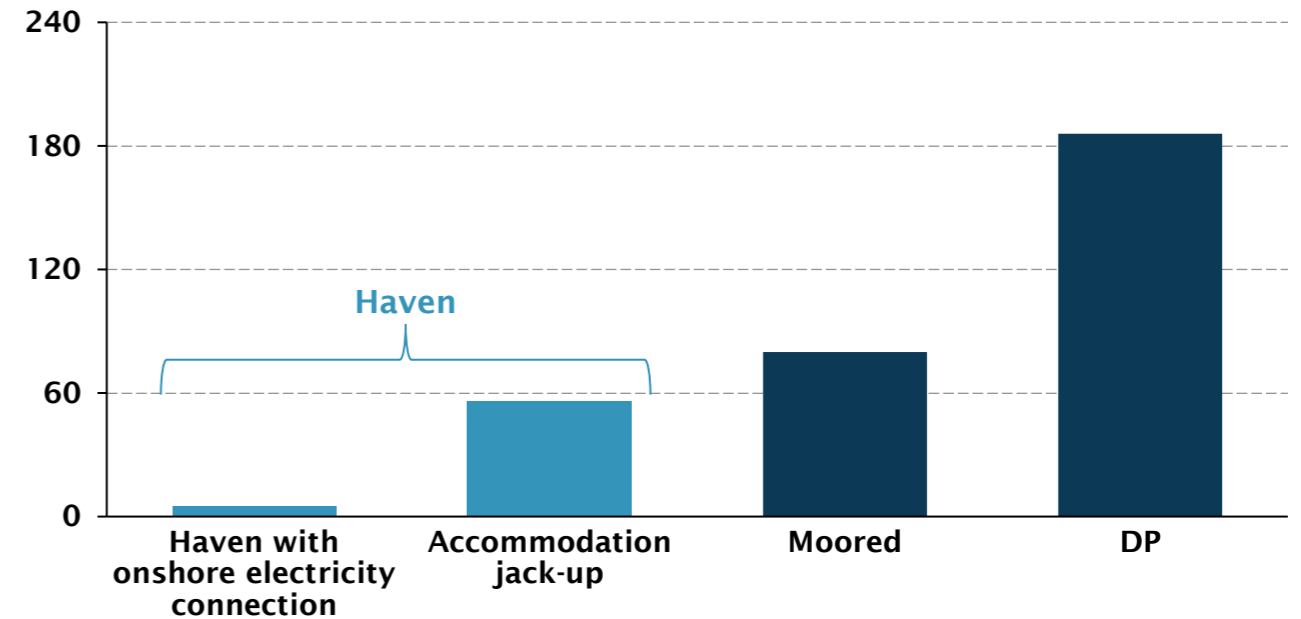
## CO<sub>2</sub> emissions per day

Tonnes CO<sub>2</sub> emissions per day for various asset types



## CO<sub>2</sub> emissions per bed

Kg CO<sub>2</sub> emissions per bed per day for various asset types

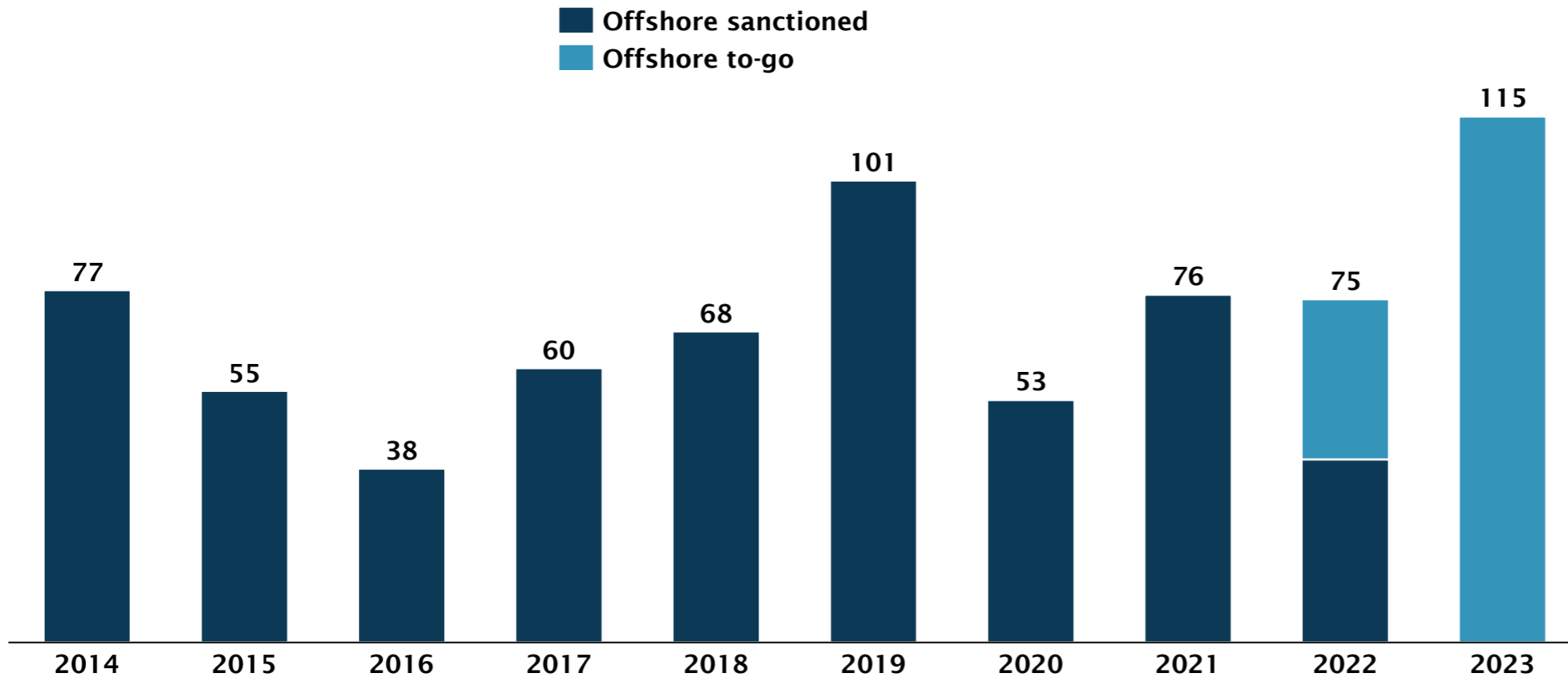


- Haven is currently the only accommodation jack-up rig capable of running on renewable electricity generated onshore
- While working for Equinor on Johan Sverdrup, Haven was connected to onshore electrical grid. This resulted in an emission reduction of 620k tons CO<sub>2</sub> on average per year during the field life
- As a jack-up is able to achieve higher uptime compared to semi subs - operating at a rate of 80-85% utilization - Haven can achieve more efficient employment of resources and labor, further reducing carbon footprint relative to other solutions

# Growth in project sanctioning expected from 2020 lows

## Global offshore sanctioning status and outlook

Offshore project sanctioning status by commitment year in bUSD<sup>1)</sup>



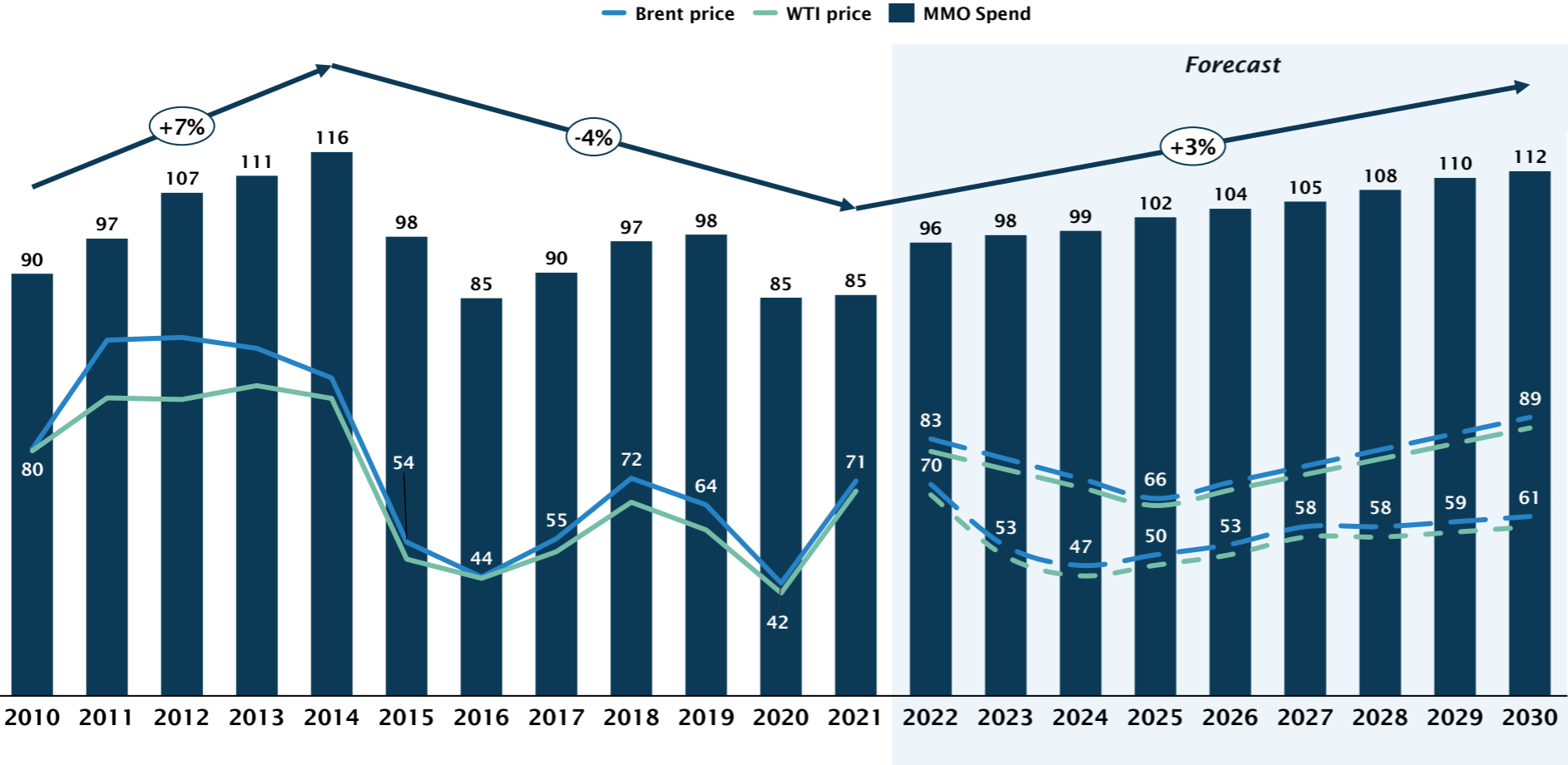
## Key observations

- Strong growth in offshore project sanctioning is expected
- However, higher inflation has seen several operators delay project approvals, such as Equinor's deep-water Wisting development in Norway
- Accommodation demand mainly for modifications on processing platforms

# Continued growth in MMO spend globally expected going forward

## Global MMO spending and oil price development

Figures in bUSD<sup>1)</sup> and USD/bbl



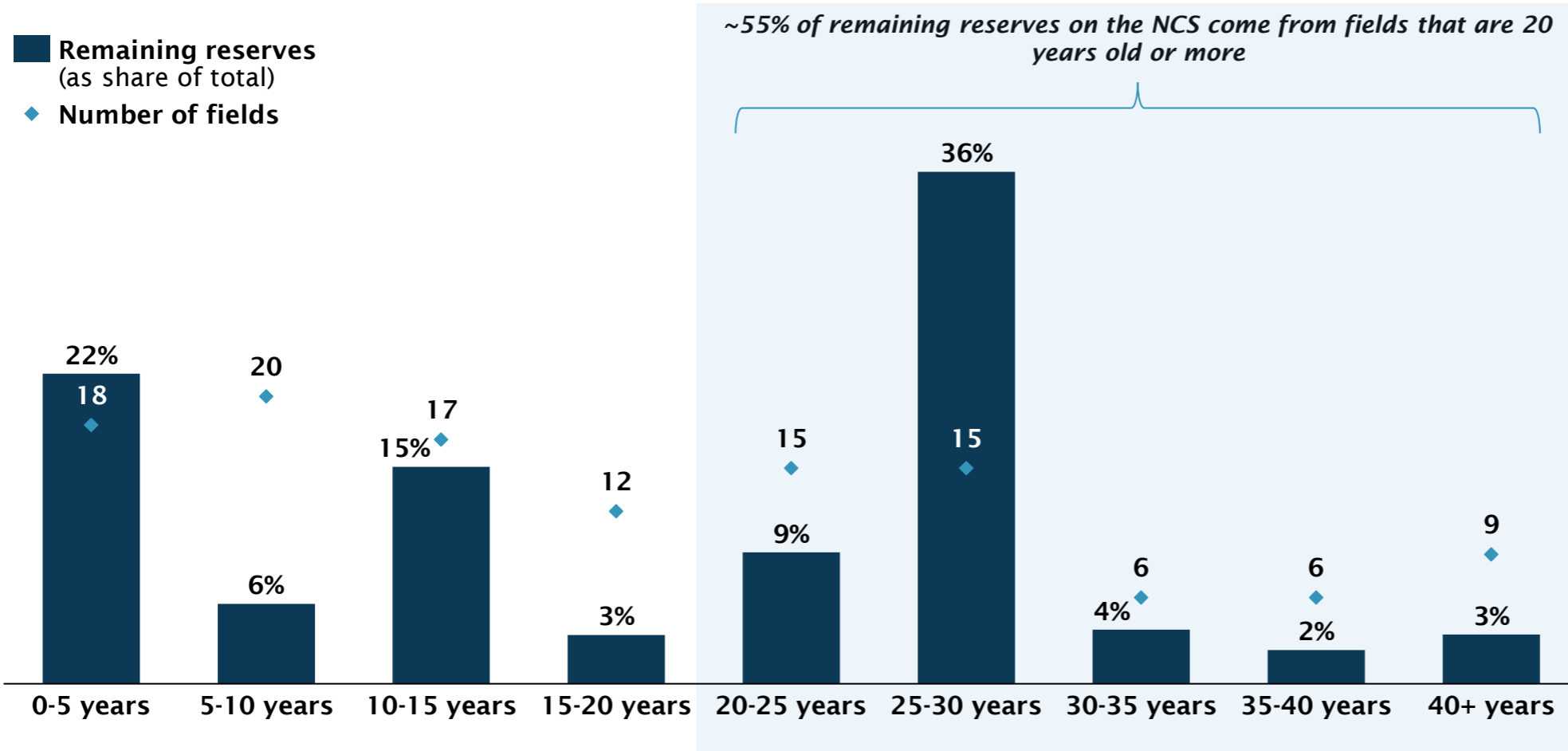
## Key observations

- Ageing assets and maintenance lag is expected to drive continued MMO spending growth
- Oil price improvements is expected to increase spending

Source: Rystad, EIA  
 1) Global MMO spend excluding onshore construction services per Jan'22

# Ageing infrastructure on the NCS is a key demand driver

Share of remaining reserves and number of fields by field age



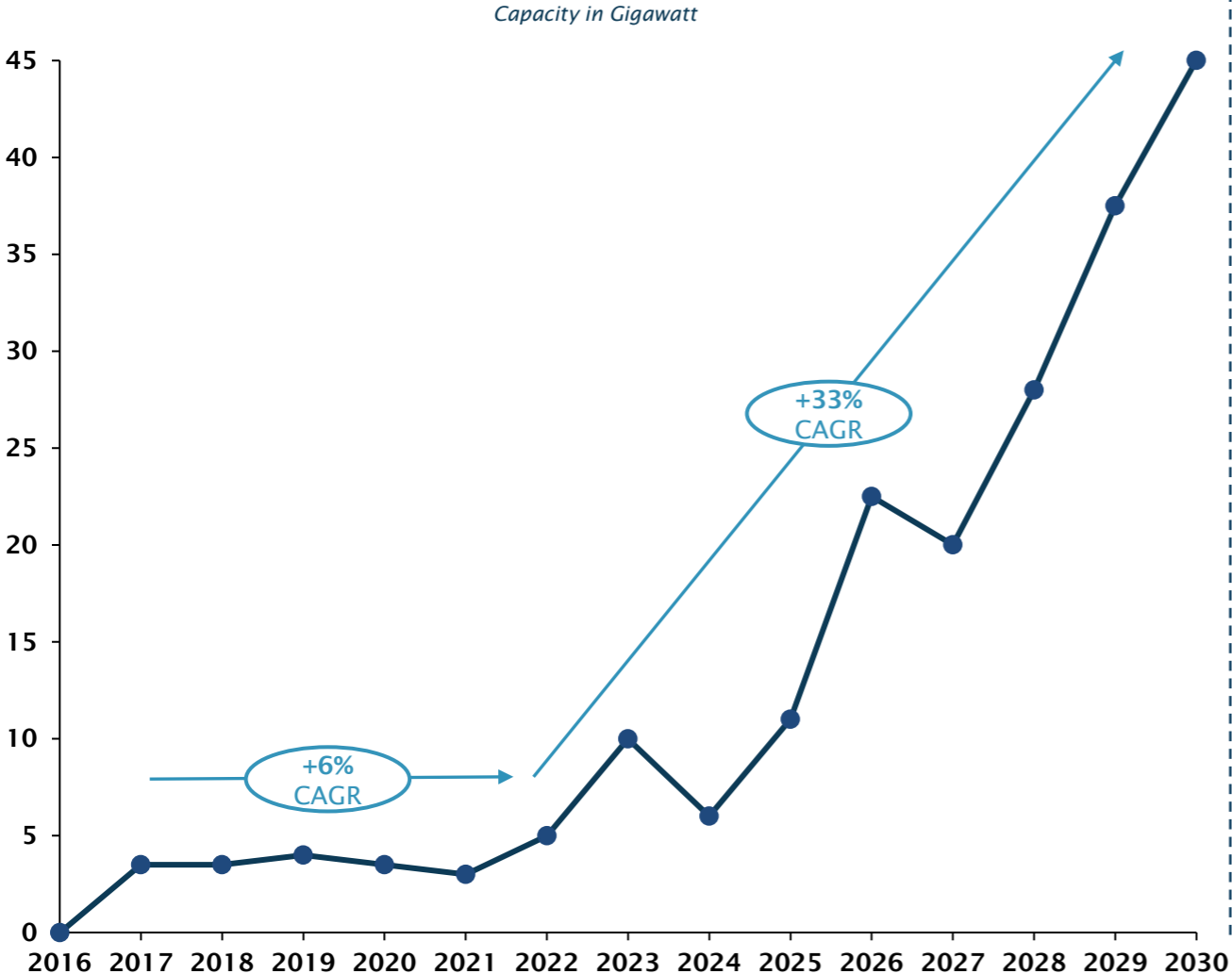
## Key observations

- A substantial portion of the remaining oil reserves are from fields that are 20 years old and more
- Improvements in reservoir management and production drilling has increased the percentage of recoverable oil and economic life of fields

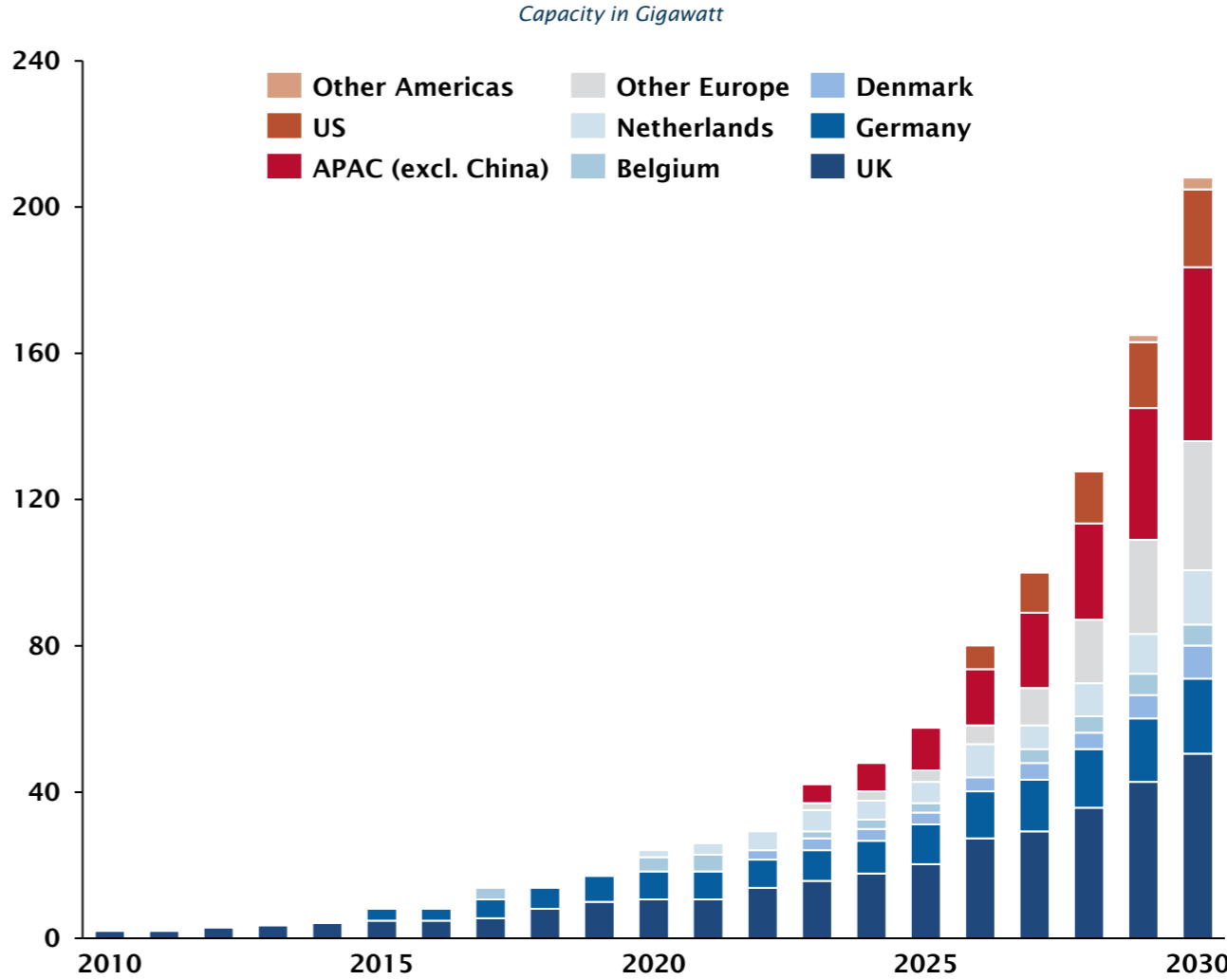


# Offshore wind additions to grow by 33% annually to 2030 – Europe continues to be the key region

Offshore wind capacity additions excl. China



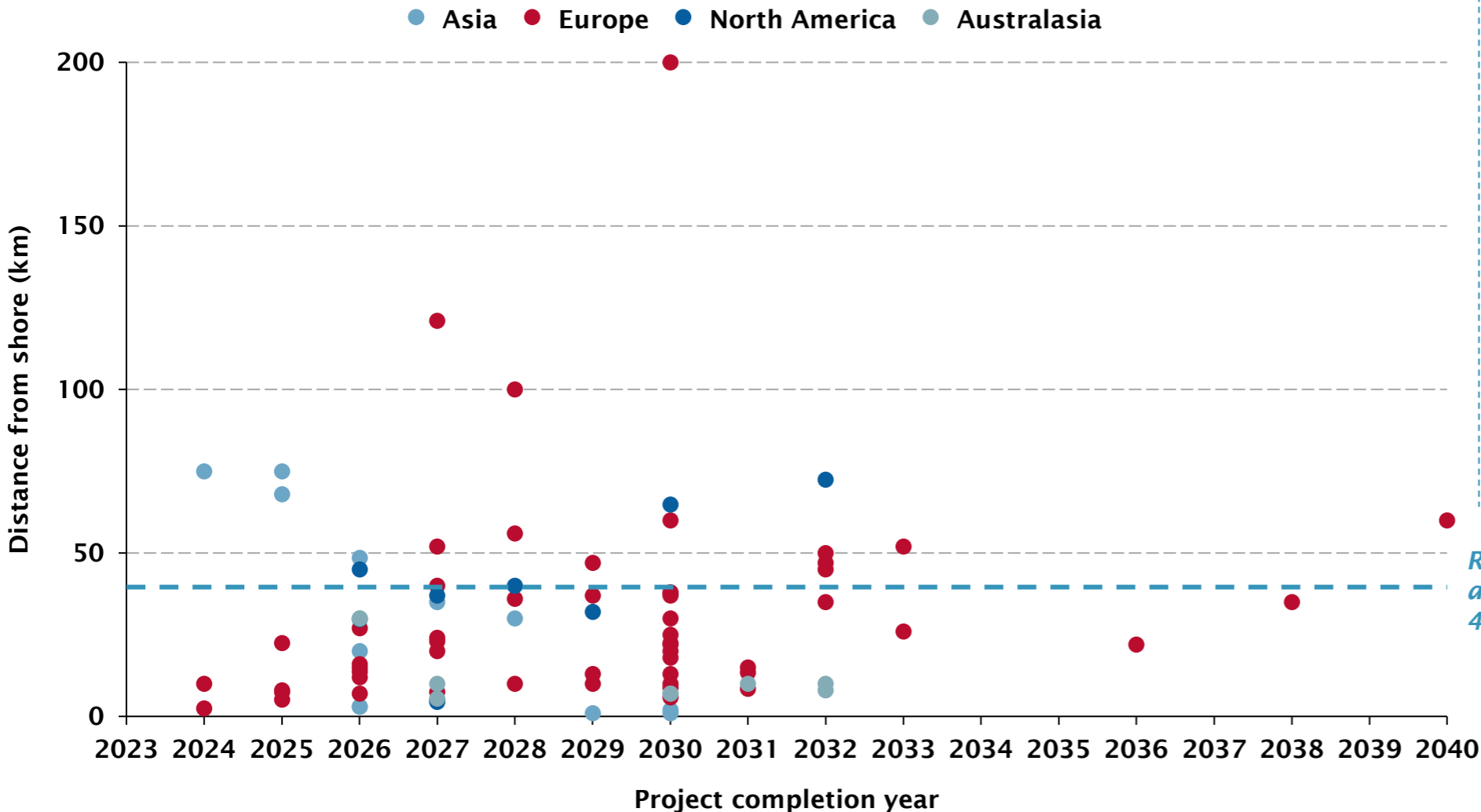
Cumulative offshore capacity by country/region excl. China



# Demand for accommodation vessels for the offshore wind market could potentially become material

## Offshore wind projects by completion year and distance from shore

*Offshore wind projects with water depth above 50 meters and below 100 meters<sup>1)</sup>, by completion year and distance from shore in km, per region*



## Potential demand from offshore wind

- Increased share of offshore wind installations are being installed further from shore, increasing the need for accommodation units during construction
- Graph shows number of projects by year that are between 50m and 100m water depth
- We believe Haven will be a good candidate for projects with installations between 50m and 100m water depth, and further than 40km from shore
- There is a particular need for the hook up and commissioning of substations connected to the offshore wind parks

*Relevant projects for accommodation units > 40 km*

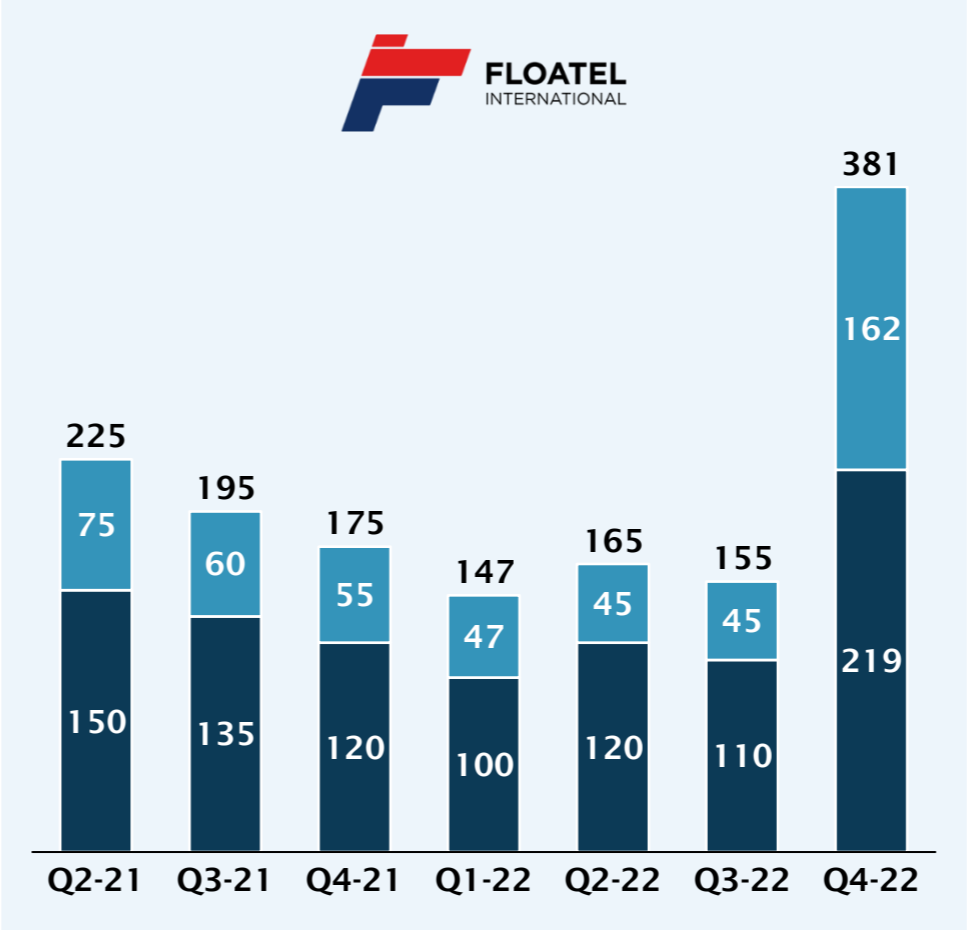
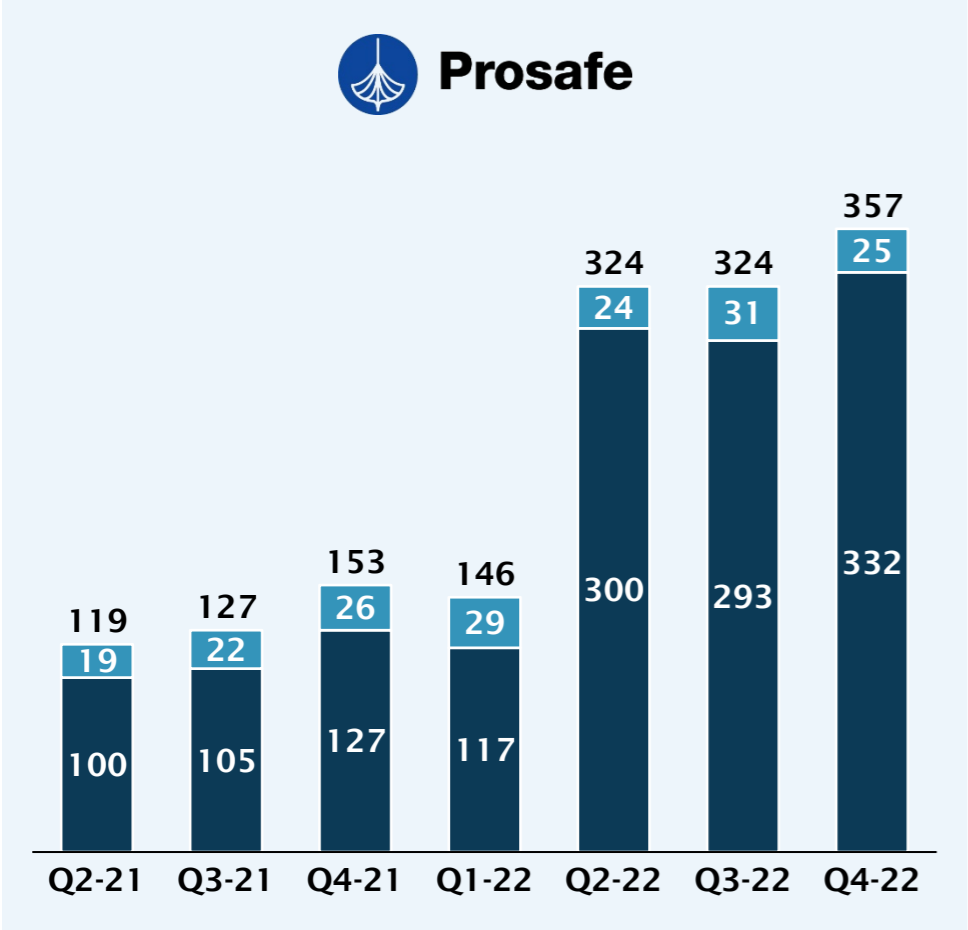
Source: 4C Offshore Wind Database  
 1) Graph only shows offshore wind projects with water depth between 50m and 100m, Haven's maximum water depth  
 2) Projects that are not disclosing water depth and distance from shore is excluded

# Increasing activity in the market proven by improved contract backlog

Contract backlog per Q4-22 for selected competitors

Figures in mUSD

Options Firm contracts



## Key observations

- Increasing activity in the market proven by improved order backlog among competitors
- Prosafe** – 8<sup>th</sup> December 2022
  - Safe Zephyrus
  - 650 days firm period, with Petrobras in Brazil
  - Commencement 1<sup>st</sup> May 2023.
  - USD 112.5k per day
- Floatel SE** – 16<sup>th</sup> December 2022
  - Floatel Superior and Floatel Endurance
  - Mid-2026 startup with 7 to 10 months duration respectively
  - Rate – NA

## Overview of harsh environment accommodation rigs

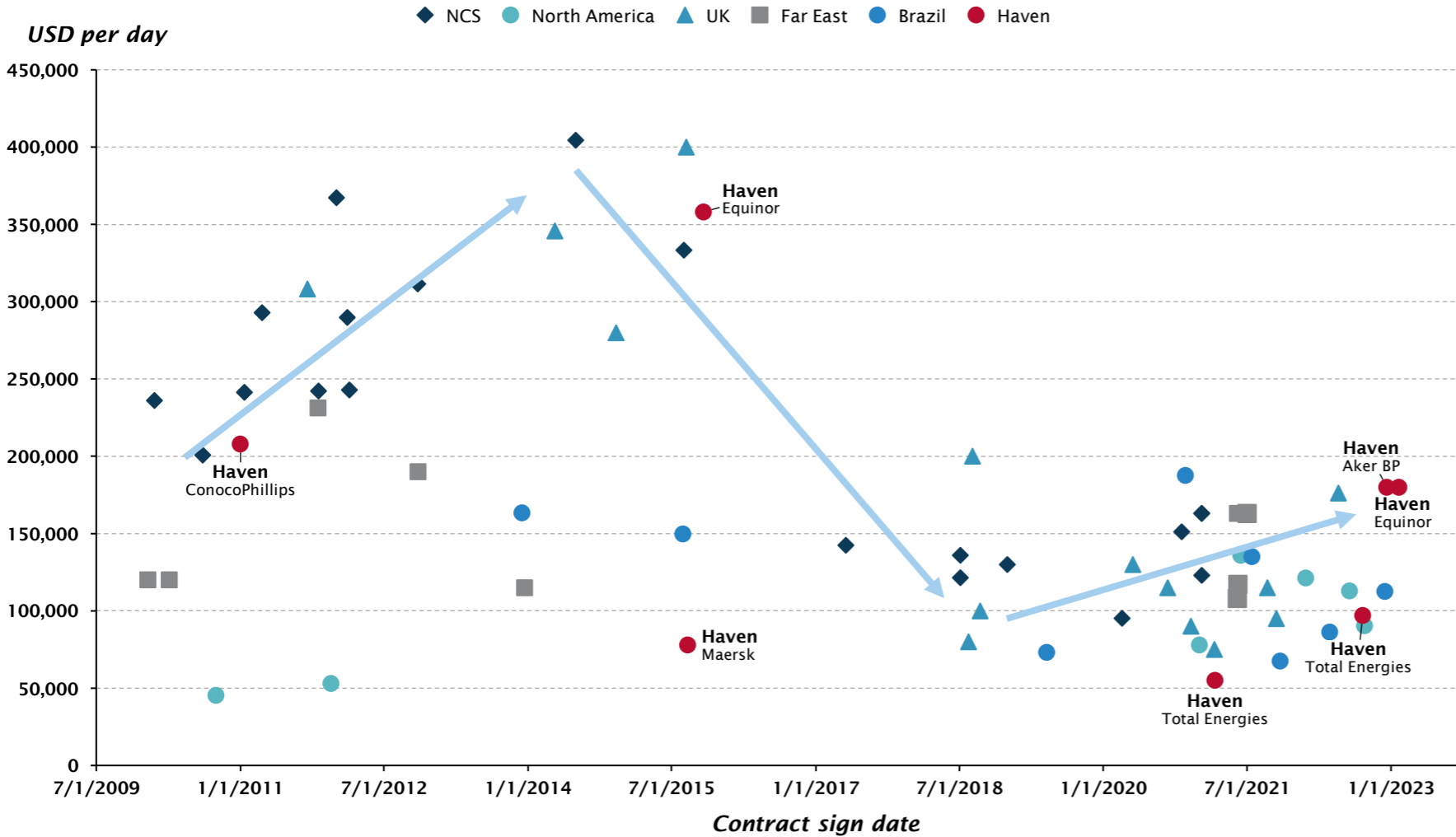
Vessel	Owner	NCS	UKCS/ Harsh	DP3	Bed capacity (max)	Current status	Built	Location	Type	Build yard
Haven	Jacktel	X	X		444	Contracted	2011	Denmark	Jack-up	Drydocks World/Numo/Lamprell
Crossway Eagle	Macro Offshore		X		354	Contracted	2016	Denmark	Jack-up	DSIC Offshore, China
Safe Boreas	Prosafe	X	X	X	450	Lay up	2015	NCS	Semi	Jurung, Singapore
Safe Notos	Prosafe		X	X	500	Contracted	2016	Brazil	Semi	COSCO Quidong, China
Safe Zephyrus	Prosafe	X	X	X	450	Contracted	2016	UK (Brazil from 2023)	Semi	Jurung, Singapore
Safe Eurus	Prosafe		X	X	500	Contracted	2019	Brazil	Semi	COSCO Quidong, China
Floatel Superior	Floatel Intl.	X	X	X	440	Contracted	2010	NCS	Semi	KeppelFELS Singapore
Floatel Victory	Floatel Intl.		X	X	560	Contracted	2013	Brazil	Semi	KeppelFELS Singapore
Floatel Endurance	Floatel Intl.	X	X	X	440	Contracted	2015	NCS	Semi	KeppelFELS Singapore
Floatel Triumph	Floatel Intl.		X	X	500	Paid standby	2016	Taiwan	Semi	KeppelFELS Singapore
POSH Xanadu	POSH		X	X	750	Contracted	2014	Brazil	Semi	PaxOcean Zhoushan
POSH Arcadia	POSH		X	X	750	Contracted	2016	Brazil	Semi	PaxOcean Zhoushan
Edda Fides	Østensjø		Summer only	X	600	Contracted	2011	Senegal	Monohull	Astilleros HJ Barreras, Spain

*Haven is the only NCS capable accommodation jack-up*

# Haven have achieved higher dayrates relative to duration compared to competitors for contracts signed post January 2021 – in line with the company’s strategy

## Global dayrate development

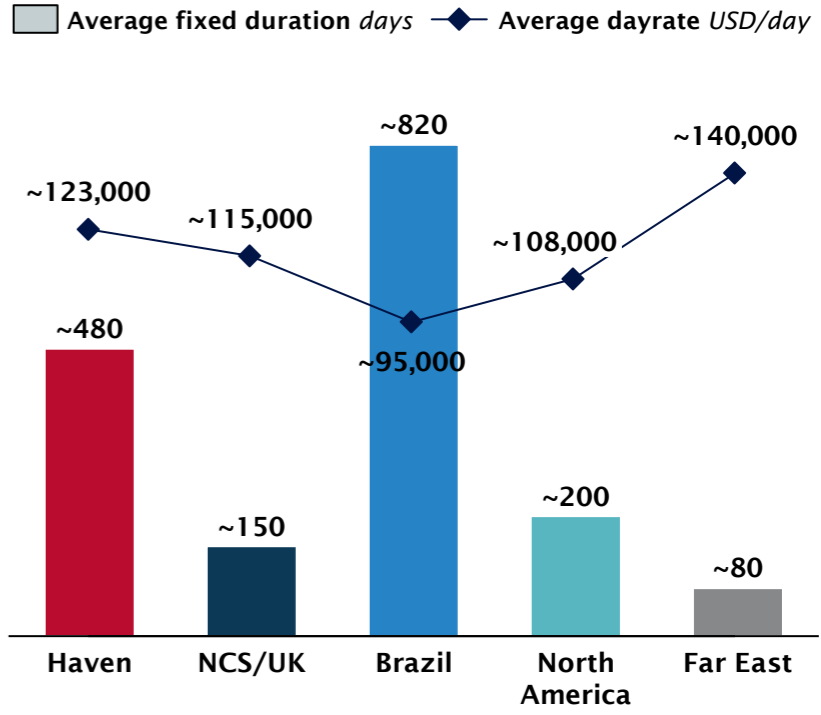
Dayrate in USD/day observed at time of contract signing



## Average firm operating days per region

For contracts signed post January 2021

- When looking at contracts signed post Jan’21 Haven has been successful in securing longer duration contracts at good rates
- This is in line with the company’s strategy





# Disclaimer

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This presentation contains certain forward looking statements which reflect Jacktel's current views and estimates. The forward looking statements involve certain risks and uncertainties that may cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations and regulatory developments.