

Latina Modular 01 Limited

Statement of Financial Position

As of March 31, 2016 and December 31, 2015

(In thousands of US dollars)

Assets	March 2016	December 2015
	(Unaudited)	(Audited)
Current assets:		
Cash	\$ 9	\$ 9
Other accounts receivables	2,124	1,724
Total current assets	<u>2,133</u>	<u>1,733</u>
Non-current assets:		
Modular rig and equipment	98,815	94,102
Total assets	<u>\$ 100,948</u>	<u>\$ 95,835</u>
Equity and Liabilities		
Current liabilities:		
Trade accounts payables	\$ 209	\$ -
Due to related parties	31,661	27,334
Other accounts payables and accrued liabilities	1	225
Total current liabilities	<u>31,871</u>	<u>27,559</u>
Non-current liabilities:		
Due to related parties	42,400	42,400
Deferred income tax	1,677	876
Total non-current liabilities	<u>44,077</u>	<u>43,276</u>
Total liabilities	75,948	70,835
Stockholders' equity:		
Capital stock	25,000	-
Contributions for future capital increases	-	25,000
Total stockholders' equity	<u>25,000</u>	<u>25,000</u>
Total stockholders' equity and liabilities	<u>\$ 100,948</u>	<u>\$ 95,835</u>

Latina Modular 01 Limited

Statements of Profit and Loss

For the three months ended March 31, 2016 and for the year end December 31, 2015

(In thousands of US dollars)

	March 2016 (Unaudited)	December 2015 (Audited)
Continuing operations:		
Administrative expenses	\$ -	\$ -
Exchange loss (gain), net	<u>-</u>	<u>-</u>
Loss before tax	-	-
Income tax expense	<u>-</u>	<u>-</u>
Net result	<u>\$ -</u>	<u>\$ -</u>

Latina Modular 01 Limited

Statements of Cash Flows

For the three months ended March 31, 2016 and for the year end December 31, 2015

(In thousands of US dollars)

	March 2016	December 2015
	(Unaudited)	(Audited)
Cash flows from operating activities:		
Net result	\$ -	\$ -
Adjustments for:		
Income tax recognized in results	<u>-</u>	<u>-</u>
	-	-
Movements in working capital:		
(Increase) decrease in:		
Other accounts receivables	(400)	(1,688)
Increase (decrease) in:		
Trade accounts payables	209	-
Due to related parties	4,327	17,314
Other accounts payables and accrued liabilities	<u>578</u>	<u>202</u>
Net cash flows generated by operating activities	4,713	15,828
Cash flows from investing activities:		
Purchase of machinery and equipment	<u>(4,713)</u>	<u>(40,219)</u>
Net cash flows used in investing activities	(4,713)	(40,219)
Cash flows from financing activities:		
Payments to long-term debt	-	(600)
Contribution for future capital increases	<u>-</u>	<u>25,000</u>
Net cash flows provided by financing activities	-	24,400
Net increase in cash	<u>0</u>	<u>9</u>
Cash at the beginning of the year	<u>9</u>	<u>-</u>
Cash at end of the year	<u>\$ 9</u>	<u>\$ 9</u>