

# Latina Offshore Holding Limited

## Statement of Financial Position

As of December 31, 2018 and 2017

(In thousands of US dollars)

<b>Assets</b>	<b>December 2018</b>	<b>December 2017</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Current assets:		
Cash and restricted cash	\$ 4	\$ 5
Due from related parties	4,844	9,274
Other accounts receivable	139	62
Prepaid expenses, net	<u>7</u>	<u>65</u>
Total current assets	4,994	9,406
Non-current assets:		
Investment in subsidiary	201,959	206,464
Deferred income taxes	<u>3,161</u>	<u>2,161</u>
Total non-current assets	<u>205,120</u>	<u>208,625</u>
Total assets	<u>\$ 210,114</u>	<u>\$ 218,031</u>
 <b>Liabilities and Stockholders' equity</b>		
Current liabilities:		
Current portion of long-term debt	\$ 49,172	\$ 51,000
Due to related parties	6,857	5,864
Other accounts payable and accrued liabilities	682	1,348
Interest payable	<u>3,435</u>	<u>876</u>
Total current liabilities	60,146	59,088
Stockholders' equity:		
Capital stock	227,727	227,727
Deficit	<u>(77,759)</u>	<u>(68,784)</u>
Total stockholders' equity	<u>149,968</u>	<u>158,943</u>
Total stockholders' equity and liabilities	<u>\$ 210,114</u>	<u>\$ 218,031</u>

# Latina Offshore Holding Limited

## Statements of Operations

For the years ended December 31, 2018 and 2017  
(In thousands of US dollars)

	December 2018	December 2017
	Unaudited	Unaudited
Continuing operations:		
Operating lease revenues	\$ -	\$ -
Operating cost	<u>136</u>	<u>186</u>
Gross Loss	(136)	(186)
Other income	-	(2)
Interest expense, net	5,313	7,315
Exchange loss, net	22	2
Participation in subsidiary	<u>4,505</u>	<u>7,764</u>
Loss before income taxes	(9,976)	(15,265)
Deferred income tax benefit	<u>(1,000)</u>	<u>(966)</u>
Net loss	<u>\$ (8,976)</u>	<u>\$ (14,299)</u>

# Latina Offshore Holding Limited

## Statement of Cash Flows

For the years ended December 31, 2018 and 2017

(In thousands of US dollars)

	December 2018	December 2017
	Unaudited	Unaudited
Cash flows from operating activities:		
Net loss	\$ (8,976)	\$ (14,299)
Adjustments for:		
Deferred income tax benefit	(1,000)	(965)
Amortization of bond issuance costs	(352)	1,867
Participation in subsidiary	4,505	7,764
Exchange loss	22	2
Interest expense	<u>5,666</u>	<u>5,448</u>
	(135)	(183)
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	4,430	3,143
Other accounts receivable	(77)	20
Prepaid expenses	58	(38)
Increase (decrease) in:		
Due to related parties	524	2,548
Other accounts payable and accrued liabilities	<u>(687)</u>	<u>(942)</u>
Net cash flows by operating activities	4,113	4,548
Cash flows from financing activities:		
Payments of long term-debt	(1,000)	-
Bonds issuance costs	(477)	(57)
Interest paid	<u>(2,637)</u>	<u>(4,499)</u>
Net cash flows in financing activities	<u>(4,114)</u>	<u>(4,556)</u>
Net change in cash	(1)	(8)
Cash at the beginning of the year	<u>5</u>	<u>13</u>
Cash at end of the year	<u>\$ 4</u>	<u>\$ 5</u>