

Latina Offshore Holding Limited
Unaudited consolidated financial information
First quarter results 2019
(In thousands of US dollars)

Mexico City, 31 May 2019, Latina Offshore Holding Limited (the “Company”), a subsidiary of Constructora y Perforadora Latina, S.A. de C.V. (“Latina”), reports the unaudited consolidated financial results as of 31 March 2019.

The Company, through its subsidiaries, owns two (2) Jack-ups (La Santa Maria and La Covadonga, jointly referred to as the “Jack-ups”) and one (1) modular rig (Modular 01, referred to as the “Modular”). The Jack-ups and the Modular are indirectly leased to Pemex on long-term drilling and repairing contracts. La Santa Maria commenced operations on 15 February 2014, La Covadonga on 28 May 2014, and the Modular on 5 July 2016.

Latina has long-term drilling contracts that are expected to end as follows:

- La Santa Maria on 1 April 2023
- La Covadonga on 14 March 2023
- Modular on 8 September 2020

The Jack-ups are working to repair and drill wells in the Gulf of Mexico, La Santa Maria in Abkatun Pol Chuc, and La Covadonga and the Modular in Xanab-D, Litoral Tabasco.

1. Contracts with PEMEX

- In relation to the relocation or mobilization of the Modular, we announce the following conditions.
 - ✓ The Modular restarted operations on 8 April 2019.
 - ✓ The Modular’s relocation affected activity and operations were suspended without any day rate from September 1st 2,018 to 8 April 2019. The suspension period is going to be extended in the contract to March 2021
 - ✓ During the mobilization to Xanab-D oilfield, the Modular was not earn any day rate, but received a mobilization fee of \$3,764. The cost during the suspension period was approximately \$7,964.

The Relocation did not represent a material change to the Pemex Contract, due to the fact that such a relocation is included within the Pemex Contract.

2. Restructuring bonds

The Company is in talks with the bondholder for the new conditions for both bonds.

3. Operations Highlights

	Q1 2019	Q1 2018	FY 2018
Revenue	10,980	16,389	57,438
EBITDA	10,167	15,456	53,867
Interest expenses	8,538	8,468	34,500
Total debt	349,615	355,750	355,250

	Santa Maria		Covadonga		Modular (1)	
	Efficiency					
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2019	100%	100%	100%	100%	N/A	N/A
Q1 2018	100%	100%	100%	99.95%	100%	99.91%
YTD 2018	100%	99.85%	100%	99.99%	100%	99.91%

(1) In 2018 the Modular worked from January to September, in 2019 restarted operations on 8 April.

Revenue

The revenue for Q1 2019 was \$10,980, 33% less than Q1, 2018 because of the Modular's suspension.

The bareboat charters were as follows:

	Q1 2019 bareboat	Q1 2019 revenues	Q1 2018 bareboat	Q1 2018 revenues
La Santa María	61	5,490	77.51	\$6,976
La Covadonga	61	5,490	77.51	\$6,976
Modular	-	-	27.07	\$2,437

	FY 2019 bareboat	FY 2019 (revenues)	FY 2018 bareboat	FY 2018 (revenues)
La Santa María	61	5,490	70.50	25,734
La Covadonga	61	5,490	70.50	25,734
Modular	-	-	24.57	5,971

EBITDA

The EBITDA for Q1, 2019 was \$10,167, 34.21% less than Q1, 2018. This corresponds to a percentage of accumulated revenue equal to 92.59%.

4. Invoice and factoring

As of 31 March, 2019 up to today, Latina's account receivables are as follows:

	Jack-ups- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2018	\$18,657	\$ 2,985	\$ 21,642	\$ -	\$ -	\$ -
Invoice in Q1 2019	8,277	1,324	9,601	7,401	1,184	8,585
Collection in Q1 2019	(18,657)	(2,985)	(21,642)	-	-	-
Balance as of 31 March 2019	8,276	1,325	9,601	7,401	1,184	8,585
Invoice in Q2 2019	12,442	1,991	14,433	2,681	429	3,109
Collection in Q2 2019	(6,324)	(1,012)	(7,336)	(10,081)	(1,613)	(11,694)
Balance as of today	\$14,394	\$ 2,303	\$ 16,698	\$ -	\$ -	\$ -

	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2018	\$ 1,494	\$ 239	\$ 1,733	\$ -	\$ -	\$ -
Invoice in Q1 2019	-	-	-	-	-	-
Collection in Q1 2019	(1,494)	(239)	(1,733)	-	-	-
Balance as of 31 March 2019	-	-	-	-	-	-
Invoice in Q2 2019	-	-	-	4,700	752	5,452
Collection in Q2 2019	-	-	-	(4,700)	(752)	(5,452)
Balance as of today	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The account receivables are paid 90 days after issuing the invoices.

The invoices factored have been made without any form of recourse.

5. Latina's pro-forma consolidated income statement

The following consolidated income statements are included only for additional information, reflecting the business offshore as a project.

For the three months ended March 31, 2019 and 2018

(In thousands of US dollars)

	Q1 2019			Q1 2018		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	19,184	-	19,184	19,457	4,574	24,031
Operating expenses:						
Operating cost and expenses	5,449	-	5,449	5,392	2,187	7,579
Other expenses (incomes), net	(49)	4,014	3,965	(38)	(6)	(44)
Corporate expenses	2,700	270	2,970	1,350	270	1,620
Depreciation	7,079	2,253	9,332	9,384	2,804	12,188
Total operating expenses	15,179	6,537	21,716	16,088	5,255	21,343
Operating results	4,005	(6,537)	(2,532)	3,369	(681)	2,688
EBITDA	11,084	(4,284)	6,800	12,753	2,123	14,876

	FY 2019			FY 2018		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	19,184	-	19,184	76,227	12,073	88,300
Operating expenses:						
Operating cost and expenses	5,449	-	5,449	21,832	5,516	27,348
Other expenses (incomes), net	(49)	4,014	3,965	48	(126)	(78)
Corporate expenses	2,700	270	2,970	6,303	1,095	7,398
Depreciation	7,079	2,253	9,332	29,330	8,780	38,110
Total operating expenses	15,179	6,537	21,716	57,513	15,265	72,778
Operating results	4,005	(6,537)	(2,532)	18,714	(3,192)	15,522
EBITDA	11,084	(4,284)	6,800	48,044	5,588	53,632