

Santa Maria Offshore Limited

Statement of Financial Position

As of March 31, 2019 and December 31, 2018

(In thousands of US dollars)

Assets

	March 2019	December 2018
	Unaudited	Audited
Current assets:		
Cash	\$ 7	\$ 11
Due from related parties	23,089	25,571
Other accounts receivables	1,857	2,572
Prepaid expenses, net	734	952
Total current assets	<u>25,687</u>	<u>29,106</u>
Non-current assets:		
Jack ups and equipment, net	186,337	188,784
Deferred income tax	2,484	2,124
Total non-current assets	<u>188,821</u>	<u>190,908</u>
Total assets	<u>\$ 214,508</u>	<u>\$ 220,014</u>

Liabilities and Stockholders' equity

Current liabilities:		
Trade accounts payable	\$ 990	\$ 990
Due to related parties	144,245	148,070
Other accounts payables and accrued liabilities	1,866	2,776
Total current liabilities	<u>147,101</u>	<u>151,836</u>
Stockholders' equity:		
Capital stock	96,000	96,000
Deficit	(28,593)	(27,822)
Total stockholders' equity	<u>67,407</u>	<u>68,178</u>
Total stockholders' equity and liabilities	<u>\$ 214,508</u>	<u>\$ 220,014</u>

Santa Maria Offshore Limited

Statements of Operations

For the three months ended March, 2019 and for the year end December 31, 2018

(In thousands of US dollars)

	March 2019	December 2018
	Unaudited	Audited
Continuing operations:		
Operating leases revenues	\$ 5,490	\$ 25,734
Operating cost	247	1,201
Depreciation of assets under operating leases	<u>3,387</u>	<u>13,161</u>
Gross profit	1,856	11,372
Other expenses, net	-	8
Interest expenses, net	2,993	11,878
Exchange (gain) loss, net	<u>(6)</u>	<u>14</u>
Loss before income taxes	(1,131)	(528)
Deferred income tax benefit	<u>(360)</u>	<u>(1,047)</u>
Net result	<u>\$ (771)</u>	<u>\$ 519</u>

Santa Maria Offshore Limited

Statement of Cash Flows

For the three months ended March, 2019 and for the year end December 31, 2018

(In thousands of US dollars)

	March 2019	December 2018
	Unaudited	Audited
Cash flows from operating activities		
Net result	\$ (771)	\$ 519
Adjustments for:		
Deferred income tax benefit	(360)	(1,047)
Depreciation	3,387	13,161
Exchange (gain) loss	(6)	14
Interest expenses	2,993	11,878
	<u>5,243</u>	<u>24,525</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	2,482	186
Other accounts receivables	715	651
Prepaid expenses	218	(833)
Increase (decrease) in:		
Trade accounts payable	-	990
Due to related parties	(3,826)	(10,488)
Other accounts payable and accrued liabilities	(903)	1,026
Net cash flows by operating activities	<u>3,929</u>	<u>16,057</u>
Cash flows from investing activities:		
Purchase of equipment	<u>(940)</u>	<u>(4,190)</u>
Net cash flows by investing activities	(940)	(4,190)
Cash flows from financing activities:		
Interest paid	<u>(2,993)</u>	<u>(11,878)</u>
Net cash flows in financing activities	<u>(2,993)</u>	<u>(11,878)</u>
Net change in cash	(4)	(11)
Cash at the beginning of the year	11	22
Cash at end of the year	<u>\$ 7</u>	<u>\$ 11</u>