

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

Mexico City, 28 February 2020, 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 December 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 (as part of services) 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^o April 2023
- La Covadonga on 14 March 2023
- Modular on 15 March 2021

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

1. Contracts with Pemex

The new daily rates from January 1st to June 30, 2020 are \$127,500 and \$60,250 for the Jack-ups and the Modular, respectively.

2. Operations Highlights

	Q4 2019	YTD 2019	Q4 2018	FY 2018
Revenue	16,284	56,547	12,550	57,438
EBITDA	16,068	55,101	11,669	53,867
Interest expenses	8,641	34,629	8,628	34,500
Total debt	352,408	352,408	355,250	355,250

	Santa Maria		Covadonga		Modular (1)	
	Efficiency					
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q4 2019	100%	99.84%	100%	100%	100%	99.93%
YTD 2019	100%	99.95%	100%	100%	97.33%	97.17%
Q4 2018	100%	99.73%	100%	100%	N/A	N/A
FY 2018	100%	99.85%	100%	99.99%	100%	99.91%

Revenue

The revenue for Q4 2019 was \$16,284, 29.76% higher than Q4, 2018 due to the Modular activity in Q4 2019 and the increased of the daily rate.

The bareboat charters were as follows:

	Q4 2019 bareboat rate	Q4 2019 revenues	Q4 2018 bareboat rate	Q4 2018 revenues
La Santa María	74.00	6,808	68.21	6,276
La Covadonga	74.00	6,808	68.21	6,276
Modular	29.00	2,668	-	-

	FY 2019 bareboat rate	FY 2019 revenues	FY 2018 bareboat rate	FY 2018 revenues
La Santa María	67.55	24,657	70.50	25,734
La Covadonga	67.55	24,657	70.50	25,734
Modular	27.18	7,233	24.57	5,971

As of January 1st 2020, the rate have increased to \$82 for Jack-ups and \$33 for the modular.

EBITDA

The EBITDA for Q4, 2019 was \$16,068, representing 37.70% higher than Q4, 2018. This corresponds to a percentage of accumulated revenue equal to 97.44%.

3. Invoice and factoring

As of 31 December 2019, and 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 30 September 2019	\$13,767	\$ 2,203	\$ 15,970	\$ -	\$ -	\$ -
Invoice in Q4 2019	21,845	3,495	25,341	14,812	2,370	17,182
Collection in Q4 2019	(13,768)	(2,203)	(15,971)	-	-	-
Balance as of 31 December 2019	21,845	3,496	25,341	14,812	2,370	17,182
Invoice in Q1 2020	7,713	1,234	8,947	-	-	-
Collection in Q1 2020	(7,167)	(1,147)	(8,314)	(14,812)	(2,370)	(17,182)
Balance as of today	\$22,391	\$ 3,583	\$ 25,974	\$ -	\$ -	\$ -

	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 30 September 2019	\$ -	\$ -	\$ -	\$ 3,112	\$ 498	\$ 3,610
Invoice in Q4 2019	-	-	-	6,887	1,102	7,988
Collection in Q4 2019	-	-	-	(3,112)	(498)	(3,610)
Balance as of 31 December 2019	-	-	-	6,887	1,102	7,988
Invoice in Q1 2020	-	-	-	3,618	579	4,196
Collection in Q1 2020	-	-	-	(6,887)	(1,102)	(7,988)
Balance as of today	\$ -	\$ -	\$ -	\$ 3,618	\$ 579	\$ 4,196

The account receivables are paid 90 days after issuing the invoices. The invoices factored have been made without any form of resource.

4. 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 year ended December 31, 2019 and 2018

(In thousands of US dollars)

	Q4 2019			Q4 2018		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	21,979	5,208	27,187	18,861	-	18,861
Operating expenses:						
Operating cost and expenses	5,599	2,248	7,847	5,626	-	5,626
Other expenses (incomes), net	(79)	(40)	(119)	37	(23)	14
Corporate expenses	2,760	276	3,036	2,208	276	2,484
Depreciation	11,441	5,031	16,472	7,456	2,221	9,677
Total operating expenses	19,721	7,515	27,236	15,327	2,474	17,801
Operating results	2,258	(2,307)	(49)	3,534	(2,474)	1,060
EBITDA	13,699	2,724	16,423	10,990	(253)	10,737

	FY 2019			FY 2018		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	82,440	14,147	96,587	76,227	12,073	88,300
Operating expenses:						
Operating cost and expenses	22,197	6,513	28,710	21,832	5,516	27,348
Other expenses (incomes), net	(297)	4,048	3,751	48	(126)	(78)
Corporate expenses	10,950	1,095	12,045	6,303	1,095	7,398
Depreciation	31,917	11,805	43,722	29,330	8,780	38,110
Total operating expenses	64,767	23,461	88,228	57,513	15,265	72,778
Operating results	17,673	(9,314)	8,359	18,714	(3,192)	15,522
EBITDA	49,590	2,491	52,081	48,044	5,588	53,632