

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of March 31, 2020 and December 31, 2019

(In thousands of US dollars)

### Assets

	March 2020	December 2019
	Unaudited	Audited
Current assets:		
Cash	\$ 8	\$ 4
Other accounts receivable	2,183	3,190
Prepaid expenses, net	<u>30</u>	<u>40</u>
Total current assets	<u>2,221</u>	<u>3,234</u>
Non-current assets:		
Modular rig and equipment, net	91,544	93,090
Deferred income taxes	<u>3,024</u>	<u>3,319</u>
Total non-current assets	<u>94,568</u>	<u>96,409</u>
Total assets	<u>\$ 96,789</u>	<u>\$ 99,643</u>

### Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 10,458	\$ 12,567
Other accounts payable and accrued liabilities	<u>230</u>	<u>1,395</u>
Total liabilities	<u>10,688</u>	<u>13,962</u>
Stockholders' equity:		
Capital stock	88,500	88,500
Deficit	<u>(2,399)</u>	<u>(2,819)</u>
Total stockholders' equity	<u>86,101</u>	<u>85,681</u>
Total stockholders' equity and liabilities	<u>\$ 96,789</u>	<u>\$ 99,643</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the three months ended March, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	March 2020	December 2019
	Unaudited	Audited
Continuing operations:		
Operating leases revenues	\$ 3,003	\$ 7,233
Operating cost	24	236
Depreciation of assets under operating leases	<u>2,322</u>	<u>11,781</u>
Gross profit (loss)	657	(4,784)
Interest income	(60)	(163)
Exchange loss (gain), net	<u>3</u>	<u>(19)</u>
Gain (loss) before income taxes	714	(4,602)
Deferred income tax benefit	<u>294</u>	<u>(3,254)</u>
Consolidated net result	<u>\$ 420</u>	<u>\$ (1,348)</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the three months ended March, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	March 2020	December 2019
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated net result	\$ 420	\$ (1,348)
Adjustments for:		
Depreciation	2,322	11,781
Interest income	(60)	(163)
Exchange loss (gain)	3	(19)
Deferred income tax benefit	294	(3,254)
	<u>2,979</u>	<u>6,997</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Other accounts receivable	1,008	265
Prepaid expenses	10	459
Increase (decrease) in:		
Trade accounts payable	-	(510)
Due to related parties	(2,109)	(2,901)
Other accounts payable and accrued liabilities	(1,167)	652
Net cash flows by operating activities	<u>721</u>	<u>4,962</u>
Cash flows from investing activities:		
Purchase of equipment	(777)	(5,126)
Net cash flows in investing activities	<u>(777)</u>	<u>(5,126)</u>
Cash flows from financing activities:		
Interest gain	60	163
Net cash flows by financing activities	<u>60</u>	<u>163</u>
Net change in cash	4	(1)
Cash at the beginning of the year	4	5
Cash at end of the year	<u>\$ 8</u>	<u>\$ 4</u>