

Latina Offshore Holding Limited
Unaudited consolidated financial information
First quarter results 2020
(In thousands of US dollars)

Mexico City, 31 May 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 March 2020.

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

	Q1 2020	Q1 2019	FY 2019
Revenue	17,927	10,980	56,547
EBITDA	17,742	10,167	55,101
Interest expenses	8,540	8,538	34,629
Total debt	347,223	349,615	352,408

	Santa Maria		Covadonga		Modular (1)	
	Efficiency					
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2020	100%	99.86%	100%	99.89%	99.90%	99.62%
Q1 2019	100%	100%	100%	100%	N/A	N/A
YTD 2019	100%	99.95%	100%	100%	97.33%	97.17%

Revenue

The revenue for Q1 2020 was \$17,927, 61.25% higher than Q1, 2019 due to the Modular activity in Q1 2020 and the increased of the daily rate.

The bareboat charters were as follows:

	Q1 2020 bareboat rate	Q1 2020 revenues	Q1 2019 bareboat rate	Q1 2019 revenues
La Santa María	82	7,462	61	5,490
La Covadonga	82	7,462	61	5,490
Modular	33	3,003	-	-

	FY 2020 bareboat rate	FY 2020 revenues	FY 2019 bareboat rate	FY 2019 revenues
La Santa María	82	7,462	67.55	24,657
La Covadonga	82	7,462	67.55	24,657
Modular	33	3,003	27.18	7,233

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

EBITDA

The Q1 2020 EBITDA amounts \$17,742 and is 57.30% higher than Q1 2019. This amount corresponds to 98.97% of accumulated revenue.

3. Invoice and factoring

As of 31 March 2020, 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 31 December 2019	\$14,334	\$ 2,294	\$ 16,628	\$ 14,812	\$2,370	\$17,182
Invoice in Q1 2020	15,368	2,459	17,827	-	-	-
Collection in Q1 2020	(14,334)	(2,294)	(16,628)	(14,812)	(2,370)	(17,182)
Balance as of 31 March 2020	15,368	2,459	17,827	-	-	-
Invoice in Q2 2020	5,355	857	6,212	-	-	-
Collection in Q2 2020	(15,368)	(2,459)	(17,827)	-	-	-
Balance as of today	\$ 5,355	\$ 857	\$ 6,212	\$ -	\$ -	\$ -
	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
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 31 March 2020	-	-	-	3,618	579	4,196
Invoice in Q2 2020	1,868	299	2,167	1,742	279	2,021
Collection in Q2 2020	-	-	-	(3,618)	(579)	(4,196)
Balance as of today	\$ 1,868	\$ 299	\$ 2,167	\$ 1,742	\$ 279	\$ 2,021

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 three months ended March 31, 2020 and 2019

(In thousands of US dollars)

	Q1 2020			Q1 2019		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	23,262	5,478	28,740	19,184	-	19,184
Operating expenses:						
Operating cost and expenses	5,547	2,219	7,766	5,449	-	5,449
Other expenses (incomes), net	(87)	(35)	(122)	(49)	4,014	3,965
Corporate expenses	2,730	273	3,003	2,700	270	2,970
Depreciation	6,900	2,323	9,223	7,079	2,253	9,332
Total operating expenses	15,090	4,780	19,870	15,179	6,537	21,716
Operating results	8,172	698	8,870	4,005	(6,537)	(2,532)
EBITDA	15,072	3,021	18,093	11,084	(4,284)	6,800

	FY 2020			FY 2019		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	23,262	5,478	28,740	82,440	14,147	96,587
Operating expenses:						
Operating cost and expenses	5,547	2,219	7,766	22,197	6,513	28,710
Other expenses (incomes), net	(87)	(35)	(122)	(297)	4,048	3,751
Corporate expenses	2,730	273	3,003	10,950	1,095	12,045
Depreciation	6,900	2,323	9,223	31,917	11,805	43,722
Total operating expenses	15,090	4,780	19,870	64,767	23,461	88,228
Operating results	8,172	698	8,870	17,673	(9,314)	8,359
EBITDA	15,072	3,021	18,093	49,590	2,491	52,081