

## Constructora y Perforadora Latina , S.A. de C.V. and Subsidiaries

# Statement of Financial Position

As of June 30, 2020 and December 31, 2019

(In thousands of US dollars)

<b>Assets</b>	<b>June 2020</b>	<b>December 2019</b>
	<b>Unaudited</b>	<b>Unaudited</b>
Current assets:		
Cash and restricted cash	\$ 27,344	\$ 28,928
Trade accounts receivable	71,949	42,305
Due from related parties	28,275	27,514
Recoverable taxes and other accounts receivable	16,797	17,348
Inventories - net	11,046	9,738
Prepaid expenses	4,333	760
Total current assets	<u>159,744</u>	<u>126,593</u>
Non-current assets:		
Jack-ups and equipment – Net	426,237	441,181
Right of use assets	2,192	-
Investments in associates	22,831	12,860
Deferred income tax	21,598	23,623
Other assets, net	53	59
Total non-current assets	<u>472,911</u>	<u>477,723</u>
Total assets	<u>\$ 632,655</u>	<u>\$ 604,316</u>
<b>Liabilities and Stockholders' equity</b>		
Current liabilities:		
Current portion of long-term debt	\$ 60,049	\$ 64,992
Trade accounts payable	13,665	9,825
Taxes and accrued expenses	28,462	28,140
Advance to customers	12,852	16,023
Lease liabilities	3,487	-
Due to related parties	4,789	-
Other accounts payable	4	7
Interest payable	6,998	7,254
Total current liabilities	<u>130,306</u>	<u>126,241</u>
Non-current liabilities:		
Long-term debt	285,719	295,691
Deferred income taxes	1,223	782
Lease liabilities	6,692	-
Total non-current liabilities	<u>293,634</u>	<u>296,473</u>
Total liabilities	<u>423,940</u>	<u>422,714</u>
Stockholders' equity:		
Capital stock	341,245	317,508
Legal reserve	398	397
Deficit	(132,928)	(136,303)
Total stockholders' equity	<u>208,715</u>	<u>181,602</u>
Total stockholders' equity and liabilities	<u>\$ 632,655</u>	<u>\$ 604,316</u>

## Constructora y Perforadora Latina , S.A. de C.V. and Subsidiaries

### Statements of Profit and Loss

For the six months ended June, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	June 2020	December 2019
	Unaudited	Unaudited
Continuing operations:		
Operating income	\$ 143,582	\$ 97,774
Operating cost	94,993	22,197
Depreciation and amortization	20,006	44,062
Gross profit	<u>28,583</u>	<u>31,515</u>
Administrative expenses	12,678	17,395
Other expenses - Net	(295)	3,391
Interest expenses	16,969	33,534
Exchange (gain) loss, net	(633)	246
Equity method of subsidiary	<u>(9,971)</u>	<u>2,568</u>
Gross (loss) before income taxes	9,835	(25,619)
Income taxes	<u>6,460</u>	<u>(9,726)</u>
Consolidated net loss	<u>\$ 3,375</u>	<u>\$ (15,893)</u>

## Constructora y Perforadora Latina , S.A. de C.V. and Subsidiaries

### Statements of Cash Flows

For the six months ended June, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	June 2020	December 2019
	Unaudited	Unaudited
<b>Cash flows from operating activities:</b>		
Consolidated net loss	\$ 3,375	\$ (15,893)
Adjustments for:		
Income tax benefit	6,460	(9,726)
Depreciation and amortization	20,006	44,062
Equity in losses of associate	(9,971)	2,568
Amortization of bond issuance cost	449	(872)
Adjustment to cash flows due to exchange rate fluctuations	(633)	246
Interest expenses	16,520	34,406
	<u>36,206</u>	<u>54,791</u>
<b>Movements in working capital:</b>		
(Increase) decrease in:		
Trade accounts receivable	(29,643)	(10,091)
Due from related parties	(760)	(18,251)
Current taxes and other accounts receivable	550	(2,162)
Inventories	(1,308)	736
Prepaid expenses	(3,573)	1,682
Increase (decrease) in:		
Trade accounts payable	3,840	(1,015)
Taxes and accrued expenses	955	5,298
Advance to customers	(3,172)	16,023
Due to related parties	4,795	41
Net cash flows by operating activities	<u>7,890</u>	<u>47,052</u>
<b>Cash flows from investing activities:</b>		
Purchase of machinery and equipment	(5,061)	(14,302)
Income tax	(3,992)	-
Investment in subsidiary	0	(276)
Other assets	(4)	23
Net cash flows in investing activities	<u>(9,057)</u>	<u>(14,555)</u>
<b>Cash flows from financing activities:</b>		
Capital increase	23,737	11,412
Lease liability payments	7,986	-
Long-term debt payments	(15,191)	608
Interest paid	(16,776)	(37,993)
Bonds issuance cost	(173)	(1,412)
Net cash flows in financing activities	<u>(417)</u>	<u>(27,385)</u>
Net change in cash and restricted cash	(1,584)	5,112
Cash and restricted cash at the beginning of the year	28,928	23,816
Cash and restricted cash at end of the year	<u>\$ 27,344</u>	<u>\$ 28,928</u>