

## Latina Offshore Limited and Subsidiaries

# Consolidated Statements of Financial Position

As of September 30, 2020 and December 31, 2019

(In thousands of US dollars)

### Assets

	September 2020	December 2019
	Unaudited	Audited
Current assets:		
Cash and restricted cash	\$ 15,198	\$ 17,493
Due from related parties	50,161	42,602
Other accounts receivable	1,635	2,604
Prepaid expenses, net	16	423
Total current assets	<u>67,010</u>	<u>63,122</u>
Non-current assets:		
Jack ups and equipment, net	328,409	346,199
Deferred income taxes	10,831	16,121
Total non-current assets	<u>339,240</u>	<u>362,320</u>
Total assets	<u>\$ 406,250</u>	<u>\$ 425,442</u>

### Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 8,035	5,079
Other accounts payables and accrued liabilities	7,244	7,463
Interest payable	5,827	6,071
Total current liabilities	<u>21,106</u>	<u>18,613</u>
Non-current liabilities:		
Long-term debt	<u>285,329</u>	<u>295,691</u>
Total liabilities	<u>306,435</u>	<u>314,304</u>
Stockholders' equity:		
Capital stock	180,712	180,712
Deficit	(80,897)	(69,574)
Total stockholders' equity	<u>99,815</u>	<u>111,138</u>
Total stockholders' equity and liabilities	<u>\$ 406,250</u>	<u>\$ 425,442</u>

**Latina Offshore Limited and Subsidiaries**  
**Consolidated Statements of Operations**

For the nine months ended September 30, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	September 2020	December 2019
	Unaudited	Audited
Continuing operations:		
Operating leases income	\$ 36,298	\$ 49,314
Operating cost	161	1,020
Depreciation of assets under operating leases	<u>21,980</u>	<u>31,903</u>
Gross profit	14,157	16,391
Others expenses, net	(15)	2
Interest expenses, net	20,433	25,601
Exchange (gain) loss, net	<u>(228)</u>	<u>141</u>
Loss before income taxes	(6,033)	(9,353)
Deferred income tax	<u>5,290</u>	<u>(5,561)</u>
Consolidated net loss	<u>\$ (11,323)</u>	<u>\$ (3,792)</u>

## Latina Offshore Limited and Subsidiaries

# Consolidated Statement of Cash Flows

For the nine months ended September 30, 2020 and for the year end December 31, 2019

(In thousands of US dollars)

	September 2020	December 2019
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated net loss	\$ (11,323)	\$ (3,792)
Adjustments for:		
Deferred income tax benefit	5,290	(5,561)
Depreciation	21,980	31,903
Amortization of bond issuance costs	786	(1,013)
Loss on disposal of equipment	-	-
Exchange loss	(228)	141
Interest income	(980)	(1,624)
Interest expenses	20,626	28,238
	<u>36,151</u>	<u>48,292</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	(6,618)	(9,538)
Other accounts receivable	970	970
Prepaid expenses	407	1,445
Increase (decrease) in:		
Trade accounts payable	-	(1,945)
Due to related parties	2,591	4,733
Other accounts payable and accrued liabilities	9	(1,904)
Net cash flows by operating activities	<u>33,510</u>	<u>42,053</u>
Cash flows from investing activities:		
Purchase of Jack-ups and equipment	(4,190)	(9,366)
Net cash flows by investing activities	<u>(4,190)</u>	<u>(9,366)</u>
Cash flows from financing activities:		
Payments of long term-debt	(10,417)	(8,232)
Bonds issuance costs	(730)	(751)
Interest income	39	247
Interest paid	(20,507)	(29,160)
Net cash flows in financing activities	<u>(31,615)</u>	<u>(37,896)</u>
Net change in cash and restricted cash	(2,295)	(5,209)
Cash and restricted cash at the beginning of the year	17,493	22,702
Cash and restricted cash at end of the year	<u>\$ 15,198</u>	<u>\$ 17,493</u>