

Santa Maria Offshore Limited

Statement 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	\$ 6	\$ 39
Due from related parties	30,065	26,656
Other accounts receivables	685	1,227
Prepaid expenses, net	5	19
Total current assets	<u>30,761</u>	<u>27,941</u>
Non-current assets:		
Jack ups and equipment, net	168,435	177,436
Deferred income tax	2,084	4,915
Total non-current assets	<u>170,519</u>	<u>182,351</u>
Total assets	<u>\$ 201,280</u>	<u>\$ 210,292</u>

Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 1	\$ 1
Other accounts payables and accrued liabilities	2,395	2,213
Total current liabilities	<u>2,396</u>	<u>2,214</u>
Non-current liabilities:		
Due to related parties	<u>138,879</u>	<u>141,486</u>
Total non-current liabilities	<u>138,879</u>	<u>141,486</u>
Total	<u>141,275</u>	<u>143,700</u>
Stockholders' equity:		
Capital stock	96,000	96,000
Deficit	<u>(35,995)</u>	<u>(29,408)</u>
Total stockholders' equity	<u>60,005</u>	<u>66,592</u>
Total stockholders' equity and liabilities	<u>\$ 201,280</u>	<u>\$ 210,292</u>

Santa Maria Offshore Limited

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 revenues	\$ 16,774	\$ 24,657
Operating cost	39	303
Depreciation of assets under operating leases	<u>11,145</u>	<u>16,234</u>
Gross profit	5,590	8,120
Other income - Net	(2)	-
Interest expenses, net	9,346	12,496
Exchange loss, net	<u>2</u>	<u>2</u>
Loss before income taxes	(3,756)	(4,378)
Deferred income tax	<u>2,831</u>	<u>(2,792)</u>
Net result	<u>\$ (6,587)</u>	<u>\$ (1,586)</u>

Santa Maria Offshore Limited

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		
Net result	\$ (6,587)	\$ (1,586)
Adjustments for:		
Deferred income tax benefit	2,831	(2,792)
Depreciation	11,145	16,234
Exchange (gain) loss	2	2
Interest expenses	9,346	12,496
	<u>16,737</u>	<u>24,354</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(3,410)	(1,085)
Other accounts receivables	542	1,345
Prepaid expenses	15	933
Increase (decrease) in:		
Trade accounts payable	-	(990)
Due to related parties	(2,607)	(6,583)
Other accounts payable and accrued liabilities	180	(563)
Net cash flows by operating activities	<u>11,457</u>	<u>17,411</u>
Cash flows from investing activities:		
Purchase of equipment	<u>(2,144)</u>	<u>(4,887)</u>
Net cash flows by investing activities	(2,144)	(4,887)
Cash flows from financing activities:		
Interest paid	<u>(9,346)</u>	<u>(12,496)</u>
Net cash flows in financing activities	<u>(9,346)</u>	<u>(12,496)</u>
Net change in cash	(33)	28
Cash at the beginning of the year	39	11
Cash at end of the year	<u>\$ 6</u>	<u>\$ 39</u>