

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of December 31, 2019 and 2020

(In thousands of US dollars)

### Assets

	December 2020	December 2019
	Unaudited	Audited
Current assets:		
Cash	\$ 6	\$ 4
Other accounts receivable	2,098	3,190
Prepaid expenses, net	41	40
Total current assets	<u>2,145</u>	<u>3,234</u>
Non-current assets:		
Modular rig and equipment, net	83,509	93,090
Deferred income taxes	2,862	3,319
Total non-current assets	<u>86,371</u>	<u>96,409</u>
Total assets	<u>\$ 88,516</u>	<u>\$ 99,643</u>

### Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 3,028	\$ 12,567
Trade accounts payable	41	-
Other accounts payable and accrued liabilities	1,148	1,395
Total liabilities	<u>4,217</u>	<u>13,962</u>
Stockholders' equity:		
Capital stock	88,500	88,500
Deficit	(4,201)	(2,819)
Total stockholders' equity	<u>84,299</u>	<u>85,681</u>
Total stockholders' equity and liabilities	<u>\$ 88,516</u>	<u>\$ 99,643</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the years ended December 31, 2019 and 2020

(In thousands of US dollars)

	December 2020	December 2019
	Unaudited	Audited
Continuing operations:		
Operating leases revenues	\$ 9,318	\$ 7,233
Operating cost	95	236
Depreciation of assets under operating leases	<u>10,357</u>	<u>11,781</u>
Loss profit	(1,134)	(4,784)
Interest income	(204)	(163)
Exchange gain, net	<u>(5)</u>	<u>(19)</u>
Loss before income taxes	(925)	(4,602)
Deferred income tax	<u>457</u>	<u>(3,254)</u>
Consolidated net result	<u>\$ (1,382)</u>	<u>\$ (1,348)</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the years ended December 31, 2019 and 2020

(In thousands of US dollars)

	December 2020	December 2019
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated net profit	\$ (1,382)	\$ (1,348)
Adjustments for:		
Depreciation	10,357	11,781
Interest gain	(204)	(163)
Exchange gain	(5)	(19)
Deferred income tax benefit	457	(3,254)
	<u>9,223</u>	<u>6,997</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Other accounts receivable	1,092	265
Prepaid expenses	(1)	459
Increase (decrease) in:		
Trade accounts payable	41	(510)
Due to related parties	(9,538)	(2,901)
Other accounts payable and accrued liabilities	(242)	652
Net cash flows by operating activities	<u>575</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 paid	204	163
Net cash flows by financing activities	<u>204</u>	<u>163</u>
Net change in cash	2	(1)
Cash at the beginning of the year	4	5
Cash at end of the year	<u>\$ 6</u>	<u>\$ 4</u>