

## Latina Offshore Holding Limited and Subsidiaries

# Consolidated Statements of Financial Position

As of December 31, 2019 and 2020

(In thousands of US dollars)

<b>Assets</b>	<b>December 2020</b>		<b>December 2019</b>	
		<b>Unaudited</b>		<b>Audited</b>
Current assets:				
Cash and restricted cash	\$	10,308	\$	17,500
Due from related parties		24,193		19,182
Other accounts receivable		4,364		6,012
Prepaid expenses, net		173		491
Total current assets		<u>39,038</u>		<u>43,185</u>
Non-current assets:				
Jack ups and equipment, net		407,573		439,289
Deferred income taxes		28,779		23,623
Total non-current assets		<u>436,352</u>		<u>462,912</u>
Total assets	\$	<u><u>475,390</u></u>	\$	<u><u>506,097</u></u>
 <b>Liabilities and Stockholders' equity</b>				
Current liabilities:				
Current portion of long-term debt	\$	53,258	\$	54,542
Trade accounts payable		139		5
Due to related parties		40		12
Other accounts payable and accrued liabilities		8,615		9,451
Interest payable		6,985		7,251
Total current liabilities		<u>69,037</u>		<u>71,261</u>
Non-current liabilities:				
Long-term debt		<u>285,350</u>		<u>295,691</u>
Total non-current liabilities		<u>285,350</u>		<u>295,691</u>
Total liabilities		<u>354,387</u>		<u>366,952</u>
Stockholders' equity:				
Capital stock		227,727		227,727
Deficit		<u>(106,724)</u>		<u>(88,582)</u>
Total stockholders' equity		<u>121,003</u>		<u>139,145</u>
Total stockholders' equity and liabilities	\$	<u><u>475,390</u></u>	\$	<u><u>506,097</u></u>

# Latina Offshore Holding Limited and Subsidiaries

## Consolidated Statements of Operations

For the years ended December 31, 2019 and 2020

(In thousands of US dollars)

	December 2020 Unaudited	December 2019 Audited
Continuing operations:		
Operating lease revenues	\$ 50,216	\$ 56,547
Operating cost	528	1,450
Depreciation of assets under operating leases	39,527	43,683
Gross profit	<u>10,161</u>	<u>11,414</u>
Other income	(15)	(4)
Interest expenses, net	33,545	31,971
Exchange (gain) loss, net	(70)	105
Loss before income taxes	<u>(23,299)</u>	<u>(20,658)</u>
Deferred income tax	<u>(5,157)</u>	<u>(9,837)</u>
Consolidated net loss	<u>\$ (18,142)</u>	<u>\$ (10,822)</u>

# Latina Offshore Holding Limited and Subsidiaries

## Consolidated Statements of Cash Flows

For the years ended December 31, 2019 and 2020

(In thousands of US dollars)

	December 2020	December 2019
	Unaudited	Audited
<b>Cash flows from operating activities</b>		
Consolidated net loss	\$ (18,142)	\$ (10,822)
Adjustments for:		
Deferred income tax benefit	(5,157)	(9,837)
Depreciation	39,527	43,683
Amortization of bond issuance costs	1,083	(872)
Interest income	(1,536)	(1,786)
Exchange (gain) loss	(70)	105
Interest expenses	33,998	34,630
	<u>49,703</u>	<u>55,101</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	(4,849)	(3,872)
Other accounts receivable	1,648	1,156
Prepaid expenses	318	1,883
Increase (decrease) in:		
Trade accounts payable	134	(2,450)
Due to related parties	28	(129)
Other accounts payable and accrued liabilities	(763)	(1,328)
Net cash flows by operating activities	<u>46,219</u>	<u>50,361</u>
<b>Cash flows from investing activities:</b>		
Purchase of machinery and equipment	(7,811)	(14,491)
Net cash flows by investing activities	<u>(7,811)</u>	<u>(14,491)</u>
<b>Cash flows from financing activities:</b>		
Payments of long term-debt	(11,669)	(2,842)
Bonds issuance costs	(1,040)	(912)
Interest paid	(32,891)	(37,328)
Net cash flows in financing activities	<u>(45,600)</u>	<u>(41,082)</u>
Net change in cash and restricted cash	(7,192)	(5,212)
Cash and restricted cash at the beginning of the year	17,500	22,712
Cash and restricted cash at end of the year	<u>\$ 10,308</u>	<u>\$ 17,500</u>