

**Latina Offshore Holding Limited**  
**Unaudited consolidated financial information**  
**First quarter results 2021**  
**(In thousands of US dollars)**

Mexico City, 31 May 2021, Latina Offshore Holding Limited (the “Company”), a subsidiary of Constructora y Perforadora Latina, S.A. de C.V. (“Latina”), reports the unaudited consolidated financial results as of 31 March 2021.

The Company, through its subsidiaries, owns two (2) Jack-ups (La Santa Maria and La Covadonga, jointly referred to as the “Jack-ups”) and one (1) modular rig (Modular 01, referred to as the “Modular”). The Jack-ups and the Modular are indirectly leased (as part of services) to Pemex on long-term exploration, drilling and repairing contracts through Latina. La Santa Maria commenced operations on 15 February 2014, La Covadonga on 28 May 2014, and the Modular on 5 July 2016.

During this quarter, La Covadonga and the Modular were drilling wells in the Gulf of Mexico; Pokche and Xanab fields, respectively. On the other side, La Santa Maria restarted operation on January 5<sup>th</sup>, 2021 in Ixtal field.

## **1. Contracts with Pemex**

The Pandemic declared by the WHO generated a lower oil demand and consequently a significant oil price reduction that resulted in Pemex rationalizing their investments, so Latina entered discussions with Pemex.

The following conditions were agreed and amendment agreements signed:

- i) A temporary suspension of La Santa Maria from August 7<sup>th</sup>, 2020 to January 5<sup>th</sup>, 2021;
- ii) Day rates for the Jack-ups of \$95.000 and \$45.000 for the Modular from July 1<sup>st</sup>, 2020 to December 31<sup>st</sup>, 2021. As of January 1<sup>st</sup>, 2022, day rates will be restated to the formula based on the Global Jack-ups Index published by Clarkson Research;
- iii) An increase to the credit term from 90 to 180 days till December 31<sup>st</sup>, 2020; and
- iv) An extension to the Pemex contracts, as follows: La Santa Maria extended from April 1<sup>st</sup>, 2023, to March 31<sup>st</sup>, 2024; La Covadonga from March 14<sup>th</sup>, 2023 to March 13<sup>th</sup>, 2024; and the Modular from March 16<sup>th</sup>, 2021 to December 31<sup>st</sup>, 2022.

## 2. Amendments to the Bond Agreement with the Creditor

As a result of the agreements with Pemex, as mentioned above, Latina will propose the following amendments to their outstanding bonds:

### Key amendments to the USD \$53,390 Bond:

1. The minimum daily rate as set out in the definition of "Employment Contract" shall be reduced from USD48,200 to USD 45,000 from July 1st to December 31, 2021; and
2. An extension of the maturity date till December 31<sup>st</sup>, 2022, in line to the Pemex contract extension.

### Key amendments to the USD \$287,601 Bond:

1. The minimum daily rate as set out in the definition of "Charter Contract" shall be reduced from USD 100,000 to USD 95,000; and
2. An extension of the maturity date till March 13<sup>th</sup>, 2024, in line to the Pemex contract extension.

## 3. Operations Highlights

	Q1 2021	Q1 2020	FY 2020
Revenue	10,420	17,927	50,216
EBITDA	10,288	17,742	49,703
Interest expenses	8,382	8,540	33,998
Total debt	340,100	347,223	340,739

	Efficiency					
	Santa Maria		Covadonga		Modular	
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2021	100%	99.90%	99.96%	99.78%	100%	100%
Q1 2020	100%	99.86%	100%	99.89%	99.90%	99.62%
YTD 2020	100%	99.95%	100%	99.82%	99.98%	99.90%

### Revenue

The revenue for Q1 2021 was \$10,420 and it is 42% lower than previous year same quarter due to daily rate reduction. The bareboat charters were as follows:

	<b>Q1 2021 bareboat rate</b>	<b>Q1 2021 revenues</b>	<b>Q1 2020 bareboat rate</b>	<b>Q1 2020 revenues</b>
La Santa María	50	4,300	82	7,462
La Covadonga	50	4,500	82	7,462
Modular	18	1,620	33	3,003

	<b>FY 2021 bareboat rate</b>	<b>FY 2021 revenues</b>	<b>FY 2020 bareboat rate</b>	<b>FY 2020 revenues</b>
La Santa María	50	4,300	76.59	16,774
La Covadonga	50	4,500	65.91	24,124
Modular	18	1,620	25.46	9,318

## EBITDA

The Q1 2021 EBITDA amount is \$10,288 and is 42% lower than Q1 2020 and is impacted by revenue reduction.

## 4. Invoice and factoring

As of 31 March 2021, and up to today, the movement of Latina's invoiced account receivables are as follows:

	Jack-ups- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2020	\$ 5,034	\$ 805	\$ 5,839	\$ 30,132	\$4,821	\$34,954
Invoice in Q1 2021	8,408	1,345	9,753	2,274	364	2,638
Collection in Q1 2021	(2,008)	(321)	(2,329)	(9,883)	(1,581)	(11,464)
Balance as of 31 March 2021	11,433	1,829	13,263	22,523	3,604	26,127
Invoice in Q2 2021	14,430	2,309	16,738	-	-	-
Collection in Q2 2021	(81)	(13)	(94)	(17,399)	(2,784)	(20,183)
Balance as of today	\$25,782	\$ 4,125	\$ 29,907	\$ 5,124	\$ 820	\$ 5,944
			-			-
	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2020	\$ -	\$ -	\$ -	\$ 10,500	\$1,680	\$12,180
Invoice in Q1 2021	-	-	-	2,790	446	3,236
Collection in Q1 2021	-	-	-	(1,808)	(289)	(2,097)
Balance as of 31 March 2021	-	-	-	11,483	1,837	13,320
Invoice in Q2 2021	272	44	315	1,260	202	1,462
Collection in Q2 2021	-	-	-	(2,790)	(446)	(3,236)
Balance as of today	\$ 272	\$ 44	\$ 315	\$ 9,953	\$1,592	\$11,545

Accounts Receivables			
Month	Jack ups	Modular	Balance as of today
March 2021	-	1,123	1,123
April 2021	196	1,350	1,546
May 2021	5,859	1,395	7,254
<b>Subtotal Accrued Receivables</b>	<b>6,055</b>	<b>3,868</b>	<b>9,923</b>
October 2020	3,416	-	3,416
December 2020	3,416	-	3,416
January 2021	6,337	-	6,337
February 2021	3,533	-	3,533
March 2021	6,875	315	7,191
April 2021	6,330	-	6,330
<b>Subtotal Invoiced Receivables</b>	<b>29,907</b>	<b>315</b>	<b>30,223</b>
<b>Total Receivables</b>	<b>35,962</b>	<b>4,184</b>	<b>40,145</b>

The account receivables payment term are 90 days after issuing the invoices. The invoices factored are a non-recourse factoring.

## 5. Latina's pro-forma consolidated income statement

The following consolidated income statements are included only for additional information, reflecting the offshore business as a project.

### Revenue

The revenue for Q1 2021 was \$20,719 and it is 28% lower than previous year same quarter due to daily rate reduction. During 1Q 2020, the daily rates for the Jack Ups reduced to US\$95,000 from USD127,500, and the Modular reduced to USD45,000 from USD60,250.

### EBITDA

The Q1 2021 EBITDA amount is \$10,864 and is 40% lower than Q1 2020 and is impacted by revenue reduction. Operating expenses reduced 3% because of the cost reduction plan. EBITDA was used to pay interest

**For the three months ended March 31, 2021 and 2020**

**(In thousands of US dollars)**

	<b>Q1 2021</b>			<b>Q1 2020</b>		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	16,669	4,050	20,719	23,262	5,478	28,740
Operating expenses:						
Operating cost and expenses	5,183	2,145	7,328	5,547	2,219	7,766
Other expenses (incomes), net	82	15	97	(87)	(35)	(122)
Corporate expenses	2,160	270	2,430	2,730	273	3,003
Depreciation	6,818	2,555	9,373	6,900	2,323	9,223
Total operating expenses	14,243	4,985	19,228	15,090	4,780	19,870
Operating results	2,426	(935)	1,491	8,172	698	8,870
EBITDA	<b>9,244</b>	<b>1,620</b>	<b>10,864</b>	<b>15,072</b>	<b>3,021</b>	<b>18,093</b>

  

	<b>FY 2021</b>			<b>FY 2020</b>		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	16,669	4,050	20,719	67,618	19,240	86,858
Operating expenses:						
Operating cost and expenses	5,183	2,145	7,328	20,894	8,868	29,762
Other expenses (incomes), net	82	15	97	(426)	(76)	(502)
Corporate expenses	2,160	270	2,430	9,875	1,098	10,973
Depreciation	6,818	2,555	9,373	29,181	10,469	39,650
Total operating expenses	14,243	4,985	19,228	59,524	20,359	79,883
Operating results	2,426	(935)	1,491	8,094	(1,119)	6,975
EBITDA	<b>9,244</b>	<b>1,620</b>	<b>10,864</b>	<b>37,275</b>	<b>9,350</b>	<b>46,625</b>