

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of December 31, 2021 and 2020

(In thousands of US dollars)

### Assets

	December 2021	December 2020
	Unaudited	Audited
Current assets:		
Cash	\$ 10	\$ 6
Due from related parties	5,006	-
Other accounts receivable	433	2,098
Prepaid expenses, net	43	41
Total current assets	<u>5,492</u>	<u>2,145</u>
Non-current assets:		
Modular rig and equipment, net	73,993	83,509
Deferred income taxes	5,348	2,862
Total non-current assets	<u>79,341</u>	<u>86,371</u>
Total assets	<u>\$ 84,833</u>	<u>\$ 88,516</u>

### Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 1,212	\$ 3,028
Trade accounts payable	43	41
Other accounts payable and accrued liabilities	429	1,148
Total liabilities	<u>1,684</u>	<u>4,217</u>
Stockholders' equity:		
Capital stock	88,500	88,500
Deficit	<u>(5,351)</u>	<u>(4,201)</u>
Total stockholders' equity	<u>83,149</u>	<u>84,299</u>
Total stockholders' equity and liabilities	<u>\$ 84,833</u>	<u>\$ 88,516</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the years ended December 31, 2021 and 2020

(In thousands of US dollars)

	December 2021	December 2020
	Unaudited	Audited
Continuing operations:		
Operating leases revenues	\$ 6,426	\$ 9,318
Operating cost	57	95
Depreciation of assets under operating leases	<u>10,155</u>	<u>10,357</u>
Loss profit	(3,786)	(1,134)
Other income - Net	70	-
Interest income	(220)	(204)
Exchange gain, net	<u>0</u>	<u>(5)</u>
Loss before income taxes	(3,636)	(925)
Deferred income tax	<u>(2,487)</u>	<u>457</u>
Consolidated net result	<u>\$ (1,149)</u>	<u>\$ (1,382)</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the years ended December 31, 2021 and 2020

(In thousands of US dollars)

	December 2021	December 2020
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated net profit	\$ (1,149)	\$ (1,382)
Adjustments for:		
Depreciation	10,155	10,357
Interest gain	(220)	(204)
Exchange (gain) loss	0	(5)
Deferred income tax benefit	(2,487)	457
	<u>6,299</u>	<u>9,223</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	(5,006)	-
Other accounts receivable	1,665	1,092
Prepaid expenses	(2)	(1)
Increase (decrease) in:		
Trade accounts payable	2	41
Due to related parties	(1,816)	(9,538)
Income tax	-	(0)
Other accounts payable and accrued liabilities	(720)	(242)
Net cash flows by operating activities	<u>422</u>	<u>575</u>
Cash flows from investing activities:		
Purchase of equipment	(638)	(777)
Net cash flows in investing activities	<u>(638)</u>	<u>(777)</u>
Cash flows from financing activities:		
Interest paid	220	204
Net cash flows by financing activities	<u>220</u>	<u>204</u>
Net change in cash	4	2
Cash at the beginning of the year	6	4
Cash at end of the year	<u>\$ 10</u>	<u>\$ 6</u>