

Latina Modular 01 Limited

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	\$ 7	\$ 3
Due from related parties	5,006	-
Other accounts receivable	257	1,774
Prepaid expenses, net	21	20
Total current assets	<u>5,291</u>	<u>1,797</u>
Non-current assets:		
Modular rig and equipment, net	73,993	83,509
Deferred income taxes	5,346	2,863
Total non-current assets	<u>79,339</u>	<u>86,372</u>
Total assets	<u>\$ 84,630</u>	<u>\$ 88,169</u>

Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 832	\$ 2,686
Trade accounts payable	21	20
Other accounts payable and accrued liabilities	418	984
Total liabilities	<u>1,271</u>	<u>3,690</u>
Stockholders' equity:		
Capital stock	88,768	88,768
Deficit	(5,409)	(4,289)
Total stockholders' equity	<u>83,359</u>	<u>84,479</u>
Total stockholders' equity and liabilities	<u>\$ 84,630</u>	<u>\$ 88,169</u>

Latina Modular 01 Limited

Statements of Operations

For the years ended December 31, 2021 and 2020
(In thousands of US dollars)

	December 2021 Unaudited	December 2020 Audited
Continuing operations:		
Operating lease revenues	\$ 6,426	\$ 9,318
Operating cost	29	37
Depreciation of assets under operating leases	10,155	10,357
Loss profit	<u>(3,758)</u>	<u>(1,076)</u>
Interest income, net	\$ (155)	\$ (142)
Exchange loss (gain), net	0	(5)
Loss before income taxes	<u>(3,603)</u>	<u>(929)</u>
Deferred income tax	<u>(2,483)</u>	<u>456</u>
Net result	<u>\$ (1,120)</u>	<u>\$ (1,385)</u>

Latina Modular 01 Limited

Statements 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:		
Net result	\$ (1,120)	\$ (1,385)
Adjustments for:		
Depreciation	10,155	10,357
Interest income	(155)	(142)
Exchange (gain) loss	0	(5)
Deferred income tax benefit	(2,483)	456
	<u>6,397</u>	<u>9,281</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(5,006)	-
Other accounts receivable	1,517	957
Prepaid expenses	(1)	-
Increase (decrease) in:		
Trade accounts payable	1	20
Due to related parties	(1,854)	(9,538)
Other accounts payables and accrued liabilities	(567)	(84)
Net cash flows by operating activities	<u>487</u>	<u>636</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 gain	155	142
Net cash flows by financing activities	<u>155</u>	<u>142</u>
Net change in cash	4	1
Cash at the beginning of the year	3	2
Cash at end of the year	<u>\$ 7</u>	<u>\$ 3</u>