

Latina Offshore Holding Limited
Unaudited consolidated financial information
Results for the First quarter of 2022
(In thousands of US dollars)

Mexico City, May 31st, 2022, 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 March 31st, 2022.

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 Petróleos Mexicanos, S.A. de C.V. (“Pemex”) on long-term drilling well (exploration, production and repairing) contracts through Latina. La Santa Maria commenced operations on February 15th, 2014, La Covadonga on May 28th, 2014, and the Modular on July 5th, 2016.

La Covadonga and La Santa Maria were drilling wells in the Gulf of Mexico during the quarter. The Modular was drilling until its suspension on December 24th, 2021 and demobilized from Xanab (production).

- La Santa Maria was drilling on an exploration field named Akal during the quarter;
- La Covadonga had a continuous drilling program on the Pokche field;
- The Modular finalized its program on the Xanab field and no further drilling activities will be carried on this field. The Modular was temporarily suspended starting December 24th, 2022. Latina is actively pursuing a new assignment with Pemex for the Modular and at the time of this release no specific additional workload has been assigned and we do not know when its operation activities may resume.

1. Contracts with Pemex

Day rates for the Jack-ups of \$95.00 and Modular of \$45.00 applied from July 1st, 2020, to December 31st, 2021. Day rates were agreed to be restated to the formula based on the Global Jack-ups Index published by Clarkson Research as of January 1st, 2022. However, Pemex requested Latina to maintain the above rates for another year from January 1st, 2022, to December 31st, 2022. Latina is discussing with Pemex regarding this request.

Pemex contracts maturity dates are as follows: La Santa Maria maturity date is March 31st, 2024, and La Covadonga maturity date is March 13th, 2024. As mentioned above, the Modular activities were suspended on December 24th, 2021, and its contract ends on December 31st, 2022.

2. Agreement with the Bondholders

As a result of the Modular temporary suspension, the Company received a waiver for the coupon payment due on April 15th, 2022, for the 10.000% Secured Notes. The maturity date of the 10.000% Secured Notes is December 31st, 2022, and the amount outstanding as of March 31st, 2022, is US\$53,298.00.

The maturity date of the 8.875% Secured Notes is October 31st, 2022, and the amount outstanding as of March 21st, 2022, is \$280,933.00. The Company plans to engage with its bondholders to implement a potential maturity extension, given the current contract maturity date once discussions with Pemex conclude related to day rates and expected workload.

3. Operations Highlights

	Q1 2022	Q1 2021	FY 2021
Revenue	9,000	10,420	42,726
EBITDA	8,872	10,288	42,183
Interest expenses	8,400	8,382	33,457
Total debt	335,620	340,100	334,874

	Efficiency					
	Santa Maria		Covadonga		Modular	
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2022	99.82%	99.60%	100%	100%	n/a	n/a
Q1 2021	100%	99.90%	99.96%	99.78%	100%	100%
YTD 2021	100%	99.98%	99.67%	99.34%	100%	99.89%

Revenue

The revenue for Q1 2022 was \$9,000 and it is 13.62% lower than previous year same quarter because of the Modular suspension. The bareboat charters were as follows:

	Q1 2022 bareboat rate	Q1 2022 revenues	Q1 2021 bareboat rate	Q1 2021 revenues
La Santa María	50	4,500	50	4,300
La Covadonga	50	4,500	50	4,500
Modular	18	-	18	1,620

	FY 2022 bareboat rate	FY 2022 revenues	FY 2021 bareboat rate	FY 2021 revenues
La Santa María	50	4,500	50	18,050
La Covadonga	50	4,500	50	18,250
Modular	18	-	18	6,426

EBITDA

The Q1 2022 EBITDA amount is \$8,872 and is 13.76% lower than Q1 2021 and is mainly impacted by the Modular suspensions.

4. Invoice and factoring

As of March 31st, 2022, 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 2021	\$ 17,260	\$ 2,762	\$ 20,022	\$ -	\$ -	\$ -
Invoice in Q1 2022	14,440	2,310	16,750	2,660	426	3,086
Collection in Q1 2022	(11,465)	(1,834)	(13,300)	-	-	-
Balance as of 31 March 2022	20,235	3,238	23,473	2,660	426	3,086
Invoice in Q2 2022	11,560	1,850	13,410	-	-	-
Collection in Q2 2022	(11,685)	(1,870)	(13,555)	-	-	-
Balance as of today	\$ 20,110	\$ 3,218	\$ 23,328	\$ 2,660	\$ 426	\$ 3,086
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	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2021	\$ -	\$ -	\$ -	\$ 4,095	\$ 655	\$ 4,750
Invoice in Q1 2022	-	-	-	1,035	166	1,201
Collection in Q1 2022	-	-	-	(4,095)	(655)	(4,750)
Balance as of 31 March 2022	-	-	-	1,035	166	1,201
Invoice in Q2 2022	90	14	104	-	-	-
Collection in Q2 2022	-	-	-	(1,035)	(166)	(1,201)
Balance as of today	\$ 90	\$ 14	\$ 104	\$ -	-\$ 0	\$ -

Accounts Receivables			
Month	Jack ups	Modular	Balance as of today
January 2022	-	991	991
February 2022	-	898	898
March 2022	-	1,264	1,264
April 2022	-	611	611
May 2022	5,890	-	5,890
Subtotal Accrued Receivables	5,890	3,764	9,654
January 2022	6,832	-	6,832
February 2022	3,086	-	3,086
March 2022	6,814	-	6,814
April 2022	6,596	104	6,700
Subtotal Invoiced Receivables	23,328	104	23,432
Total Receivables	29,218	3,868	33,085

The account receivables payment terms 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 2022 was \$17,084 and it is 17.54% lower than previous year same quarter due to the Modular suspension.

EBITDA

The Q1 2022 EBITDA amount is \$9,537 and is 12.21% lower than Q1 2021 and is impacted by lower utilization. Operating expenses reduced due to the Modular suspension. The Modular demobilization costs were capitalized, assuming further activity. Further evaluation will be provided on the second quarter.

For the year ended March 31, 2022 and 2021

(In thousands of US dollars)

	Q1 2022			Q1 2021		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	17,084	3,153	17,084	16,669	4,050	20,719
Operating expenses:						
Operating cost and expenses	5,580	-	5,580	5,183	2,145	7,328
Other expenses (incomes), net	(193)	3,153	(193)	82	15	97
Corporate expenses	2,160	-	2,160	2,160	270	2,430
Depreciation	6,552	2,507	6,552	6,818	2,555	9,373
Total operating expenses	14,099	5,660	14,099	14,243	4,985	19,228
Operating results	2,985	(2,507)	2,985	2,426	(935)	1,491
EBITDA	9,537	-	9,537	9,244	1,620	10,864

	FY 2022			FY 2021		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	17,084	3,153	17,084	68,851	16,065	84,916
Operating expenses:						
Operating cost and expenses	5,580	-	5,580	21,840	8,630	30,470
Other expenses (incomes), net	(193)	3,153	(193)	(111)	(62)	(173)
Corporate expenses	2,160	-	2,160	8,760	1,095	9,855
Depreciation	6,552	2,507	6,552	25,734	10,157	35,891
Total operating expenses	14,099	5,660	14,099	56,223	19,820	76,043
Operating results	2,985	(2,507)	2,985	12,628	(3,755)	8,873
EBITDA	9,537	-	9,537	38,362	6,402	44,764