

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of September 30, 2022 and December 31, 2021

(In thousands of US dollars)

### Assets

	September 2022	December 2021
	Unaudited	Audited
Current assets:		
Cash	\$ 10	\$ 10
Due from related parties	4,537	5,006
Other accounts receivable	498	434
Prepaid expenses, net	11	43
Total current assets	<u>5,056</u>	<u>5,493</u>
Non-current assets:		
Modular rig and equipment, net	67,071	73,992
Deferred income taxes	9,543	5,348
Total non-current assets	<u>76,614</u>	<u>79,340</u>
Total assets	<u>\$ 81,670</u>	<u>\$ 84,833</u>

### Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 1,276	\$ 1,212
Trade accounts payable	-	43
Other accounts payable and accrued liabilities	447	428
Total liabilities	<u>1,723</u>	<u>1,683</u>
Stockholders' equity:		
Capital stock	88,500	88,500
Deficit	<u>(8,553)</u>	<u>(5,350)</u>
Total stockholders' equity	<u>79,947</u>	<u>83,150</u>
Total stockholders' equity and liabilities	<u>\$ 81,670</u>	<u>\$ 84,833</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the nine months ended September 30, 2022 and for the year end December 31, 2021

(In thousands of US dollars)

	September 2022	December 2021
	Unaudited	Audited
Continuing operations:		
Operating leases revenues	\$ -	\$ 6,426
Operating cost	43	57
Depreciation of assets under operating leases	7,552	10,155
Loss profit	<u>(7,595)</u>	<u>(3,786)</u>
Other expenses - Net	57	-
Interest income	(279)	(151)
Exchange loss, net	13	0
Loss before income taxes	<u>(7,386)</u>	<u>(3,635)</u>
Deferred income tax	<u>(4,183)</u>	<u>(2,486)</u>
Consolidated net result	<u>\$ (3,203)</u>	<u>\$ (1,149)</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the nine months ended September 30, 2022 and for the year end December 31, 2021

(In thousands of US dollars)

	September 2022	December 2021
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated net profit	\$ (3,203)	\$ (1,149)
Adjustments for:		
Depreciation	7,552	10,155
Interest gain	(279)	(220)
Exchange (gain) loss	13	-
Deferred income tax benefit	(4,194)	(2,487)
	<u>(111)</u>	<u>6,299</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	469	(5,006)
Other accounts receivable	(64)	1,665
Prepaid expenses	32	(2)
Increase (decrease) in:		
Trade accounts payable	(43)	2
Due to related parties	64	(1,816)
Income tax	11	-
Other accounts payable and accrued liabilities	(7)	(720)
Net cash flows by operating activities	<u>351</u>	<u>422</u>
Cash flows from investing activities:		
Purchase of equipment	(630)	(638)
Net cash flows in investing activities	<u>(630)</u>	<u>(638)</u>
Cash flows from financing activities:		
Interest paid	279	220
Net cash flows by financing activities	<u>279</u>	<u>220</u>
Net change in cash	0	4
Cash at the beginning of the year	10	6
Cash at end of the year	<u>\$ 10</u>	<u>\$ 10</u>