#### La Covadonga Limited

## **Statements of Financial Position**

As of December 31, 2021 and 2022

(In thousands of US dollars)

Assets	December 2022 Unaudited		December 2021	
				Audited
Current assets:				
Cash	\$	4	\$	252
Due from related parties		14,123		15,577
Other accounts receivable		1,172		321
Prepaid expenses, net		23		21
Total current assets		15,322		16,171
Non-current assets:				
Jack ups and equipment, net		140,364		146,474
Deferred income taxes		17,497		12,675
Total non-current assets		157,861		159,149
Total assets	\$	173,183	\$	175,320
Liabilities and Stockholders' equity				
Liabilities and Stockholders' equity				
Current liabilities:				
Current liabilities: Trade accounts payable	\$	23	\$	21
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities	\$	3,797	\$	3,004
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities	\$	-	\$	
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities:	\$	<u>3,797</u> <u>3,820</u>	\$	3,004 3,025
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties	\$	3,797 3,820 137,728	\$	3,004 3,025 137,878
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties Total non-current liabilities	\$	3,797 3,820 137,728 137,728	\$	3,004 3,025 137,878 137,878
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties	\$	3,797 3,820 137,728	\$	3,004 3,025 137,878
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties Total non-current liabilities	\$	3,797 3,820 137,728 137,728	\$	3,004 3,025 137,878 137,878
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties Total non-current liabilities Total	\$	3,797 3,820 137,728 137,728	\$	3,004 3,025 137,878 137,878
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties Total non-current liabilities Total Stockholders' equity:	\$	3,797 3,820 137,728 137,728 141,548	\$	3,004 3,025 137,878 137,878 140,903
Current liabilities: Trade accounts payable Other accounts payable and accrued liabilities Total current liabilities Non-current liabilities: Due to related parties Total non-current liabilities Total Stockholders' equity: Capital stock	\$	3,797 3,820 <u>137,728</u> <u>137,728</u> 141,548 78,100	\$	3,004 3,025 137,878 137,878 137,878 140,903 78,100

### La Covadonga Limited Statements of Operations

For the years ended December 31, 2021 and 2022 (In thousands of US dollars)

	December 2022		December 2021		
Continuing operations:	Unaudited			Audited	
Operating lease revenues	\$	18,250	\$	18,250	
Operating cost		48		51	
Depreciation of assets under operating leases		12,228		11,988	
Gross profit		5,974		6,211	
Interest expenses, net		13,574		14,101	
Exchange loss (gain), net		5		(19)	
Loss before income taxes		(7,605)		(7,871)	
Deferred income tax		(4,823)		(3,071)	
Net loss	\$	(2,782)	\$	(4,800)	

#### La Covadonga Limited Statements of Cash Flows

# For the years ended December 31, 2021 and 2022 (In thousands of US dollars)

Cash flows from operating activitiesUnauditedAuditedNet loss\$ $(2,782)$ \$ $(4,800)$ Adjustments for:		December 2022			December 2021	
Adjustments for: Deferred income tax benefit(4,823)(3,071)Depreciation12,22811,988Exchange loss (gain), net5(19)Interest expense13,57414,101Interest expense13,57414,101(Increase) decrease in: Due from related parties1,4548,452Other accounts receivable(851)498Prepaid expenses(2)(1)Increase (decrease) in: Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable21Due to related parties19,44516,464Cash flows from investing activities: Purchase of equipment Net cash flows by investing activities(6,119)(2,113)Cash flows from financing activities: Interest paid(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net cash flows in financing activities(248)250Cash at the beginning of the year2522	Cash flows from operating activities		Unaudited		Audited	
Deferred income tax benefit $(4,823)$ $(3,071)$ Depreciation $12,228$ $11,988$ Exchange loss (gain), net $5$ $(19)$ Interest expense $13,574$ $14,101$ Interest expense $13,574$ $14,101$ Increase) decrease in: $18,202$ $18,199$ Other accounts receivable $(851)$ $498$ Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: $2$ $1$ Trade accounts payable $2$ $1$ Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities: $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Net loss	\$	(2,782)	\$	(4,800)	
Depreciation $12,228$ $11,988$ Exchange loss (gain), net5(19)Interest expense $13,574$ $14,101$ Interest expense $13,574$ $14,101$ Interest expense $13,574$ $14,101$ Increase) decrease in: $18,202$ $18,199$ Other accounts receivable(851) $498$ Prepaid expenses(2)(1)Increase (decrease) in: $2$ $1$ Trade accounts payable $2$ $1$ Due to related parties(150)(10,178)Other accounts payable and accrued liabilities $790$ (507)Net cash flows by operating activities: $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Net cash flows by investing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Adjustments for:					
Exchange loss (gain), net5(19)Interest expense $13,574$ $14,101$ Interest expense $13,574$ $14,101$ Is,202 $18,199$ Changes in working capital: (Increase) decrease in: Due from related parties $1,454$ $8,452$ Other accounts receivable $(851)$ $498$ Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: Trade accounts payable $2$ $1$ Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities: $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Net cash flows by investing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities: $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Deferred income tax benefit		(4,823)		(3,071)	
Interest expense $13,574$ $14,101$ Interest expense $13,574$ $14,101$ Interest expense $18,202$ $18,199$ Changes in working capital: (Increase) decrease in: Due from related parties $1,454$ $8,452$ Other accounts receivable $(851)$ $498$ Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: Trade accounts payable $2$ $1$ Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities: $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Depreciation		12,228		11,988	
Changes in working capital: (Increase) decrease in: Due from related parties18,20218,199(Increase) decrease in: Due from related parties1,4548,452Other accounts receivable(851)498Prepaid expenses(2)(1)Increase (decrease) in: Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable and accrued liabilities790(507)Net cash flows by operating activities19,44516,464Cash flows from investing activities: Purchase of equipment Net cash flows by investing activities:(13,574)(14,101)Cash flows from financing activities: Interest paid Net cash flows in financing activities(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net change in cash Cash at the beginning of the year(248)250	Exchange loss (gain), net		5		(19)	
Changes in working capital: (Increase) decrease in: Due from related parties1,4548,452Other accounts receivable(851)498Prepaid expenses(2)(1)Increase (decrease) in: Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable and accrued liabilities790(507)Net cash flows by operating activities19,44516,464Cash flows from investing activities: Purchase of equipment Net cash flows by investing activities:(6,119)(2,113)Cash flows from financing activities: Interest paid Net cash flows in financing activities(13,574)(14,101) (14,101)Net change in cash Cash at the beginning of the year(248)250	Interest expense		13,574		14,101	
(Increase) decrease in:Due from related parties1,4548,452Other accounts receivable(851)498Prepaid expenses(2)(1)Increase (decrease) in:721Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable and accrued liabilities790(507)Net cash flows by operating activities19,44516,464Cash flows from investing activities:(6,119)(2,113)Net cash flows by investing activities(6,119)(2,113)Cash flows from financing activities:(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net cash flows in financing activities(248)250Cash at the beginning of the year2522			18,202	_	18,199	
Due from related parties $1,454$ $8,452$ Other accounts receivable $(851)$ $498$ Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: $(2)$ $(1)$ Trade accounts payable $2$ $1$ Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Purchase of equipment $(6,119)$ $(2,113)$ Net cash flows by investing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net cash flows in financing activities $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Changes in working capital:					
Other accounts receivable $(851)$ $498$ Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: $Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable and accrued liabilities790(507)Net cash flows by operating activities19,44516,464Cash flows from investing activities:19,44516,464Cash flows from investing activities:(6,119)(2,113)Net cash flows by investing activities(6,119)(2,113)Cash flows from financing activities:(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net change in cash(248)250Cash at the beginning of the year2522$	(Increase) decrease in:					
Prepaid expenses $(2)$ $(1)$ Increase (decrease) in: Trade accounts payable21Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Due from related parties		1,454		8,452	
Increase (decrease) in: Trade accounts payable21Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities $19,445$ $16,464$ Cash flows from investing activities: $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Other accounts receivable		(851)		498	
Trade accounts payable21Due to related parties(150)(10,178)Other accounts payable and accrued liabilities $790$ (507)Net cash flows by operating activities19,44516,464Cash flows from investing activities: $(6,119)$ (2,113)Purchase of equipment $(6,119)$ (2,113)Net cash flows by investing activities $(6,119)$ (2,113)Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ 250Cash at the beginning of the year $252$ 2	Prepaid expenses		(2)		(1)	
Due to related parties $(150)$ $(10,178)$ Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Purchase of equipment $(6,119)$ $(2,113)$ Net cash flows by investing activities: $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Increase (decrease) in:					
Other accounts payable and accrued liabilities $790$ $(507)$ Net cash flows by operating activities $19,445$ $16,464$ Cash flows from investing activities: $(6,119)$ $(2,113)$ Purchase of equipment $(6,119)$ $(2,113)$ Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash $(248)$ $250$ Cash at the beginning of the year $252$ $2$	Trade accounts payable		2		1	
Net cash flows by operating activities19,44516,464Cash flows from investing activities: Purchase of equipment Net cash flows by investing activities $(6,119)$ $(6,119)$ $(2,113)$ $(2,113)$ Cash flows from financing activities: Interest paid Net cash flows in financing activities $(13,574)$ $(14,101)$ $(13,574)$ $(14,101)$ $(14,101)$ Net change in cash Cash at the beginning of the year $(248)$ $252$ $250$ $252$	Due to related parties		(150)		(10,178)	
Cash flows from investing activities: Purchase of equipment Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: Interest paid Net cash flows in financing activities $(13,574)$ $(13,574)$ $(14,101)$ $(14,101)$ Net change in cash Cash at the beginning of the year $(248)$ $252$ $250$ $252$	Other accounts payable and accrued liabilities		790		(507)	
Purchase of equipment Net cash flows by investing activities $(6,119)$ $(2,113)$ Cash flows from financing activities: Interest paid Net cash flows in financing activities $(13,574)$ $(14,101)$ Net cash flows in financing activities $(13,574)$ $(14,101)$ Net change in cash Cash at the beginning of the year $(248)$ $250$	Net cash flows by operating activities		19,445		16,464	
Net cash flows by investing activities(2,113)Cash flows from financing activities: Interest paid Net cash flows in financing activities(13,574)Net cash flows in financing activities(13,574)Net change in cash Cash at the beginning of the year(248)2522	Cash flows from investing activities:					
Cash flows from financing activities:(13,574)(14,101)Interest paid(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net change in cash(248)250Cash at the beginning of the year2522	Purchase of equipment		(6,119)		(2,113)	
Interest paid(13,574)(14,101)Net cash flows in financing activities(13,574)(14,101)Net change in cash(248)250Cash at the beginning of the year2522	Net cash flows by investing activities		(6,119)	_	(2,113)	
Net cash flows in financing activities(13,574)(14,101)Net change in cash(248)250Cash at the beginning of the year2522	Cash flows from financing activities:					
Net change in cash(248)250Cash at the beginning of the year2522	Interest paid		(13,574)		(14,101)	
Cash at the beginning of the year2522	Net cash flows in financing activities		(13,574)	_	(14,101)	
Cash at the beginning of the year2522	Net change in cash		(248)		250	
			252		2	
		\$	4	\$	252	