

Latina Modular 01 Limited

Statement of Financial Position

As of December 31, 2021 and 2022

(In thousands of US dollars)

Assets

	December 2022	December 2021
	Unaudited	Audited
Current assets:		
Cash	\$ 5	\$ 7
Due from related parties	4,626	5,006
Other accounts receivable	304	258
Prepaid expenses, net	23	21
Total current assets	<u>4,958</u>	<u>5,292</u>
Non-current assets:		
Modular rig and equipment, net	57,046	73,992
Deferred income taxes	11,928	5,346
Total non-current assets	<u>68,974</u>	<u>79,338</u>
Total assets	<u>\$ 73,932</u>	<u>\$ 84,630</u>

Liabilities and Stockholders' equity

Current liabilities:		
Due to related parties	\$ 874	\$ 832
Trade accounts payable	23	21
Other accounts payable and accrued liabilities	422	418
Total liabilities	<u>1,319</u>	<u>1,271</u>
Stockholders' equity:		
Capital stock	88,768	88,768
Deficit	(16,155)	(5,409)
Total stockholders' equity	<u>72,613</u>	<u>83,359</u>
Total stockholders' equity and liabilities	<u>\$ 73,932</u>	<u>\$ 84,630</u>

Latina Modular 01 Limited

Statements of Operations

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

	December 2022	December 2021
	Unaudited	Audited
Continuing operations:		
Operating lease revenues	\$ -	\$ 6,426
Operating cost	28	29
Depreciation of assets under operating leases	10,088	10,155
Loss of impairment	7,488	-
Loss profit	<u>(17,604)</u>	<u>(3,758)</u>
Interest income, net	\$ (290)	\$ (155)
Exchange loss (gain), net	13	0
Loss before income taxes	<u>(17,327)</u>	<u>(3,603)</u>
Deferred income tax	<u>(6,581)</u>	<u>(2,483)</u>
Net result	<u>\$ (10,746)</u>	<u>\$ (1,120)</u>

Latina Modular 01 Limited

Statements of Cash Flows

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

	December 2022	December 2021
	Unaudited	Audited
Cash flows from operating activities:		
Net result	\$ (10,746)	\$ (1,120)
Adjustments for:		
Depreciation	10,088	10,155
Loss of impairment	7,488	-
Interest income	(290)	(155)
Exchange (gain) loss	13	0
Deferred income tax benefit	(6,581)	(2,483)
	<u>(28)</u>	<u>6,397</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	380	(5,006)
Other accounts receivable	(46)	1,517
Prepaid expenses	(2)	(1)
Increase (decrease) in:		
Trade accounts payable	2	1
Due to related parties	42	(1,854)
Other accounts payables and accrued liabilities	(10)	(567)
Net cash flows by operating activities	<u>338</u>	<u>487</u>
Cash flows from investing activities:		
Interest gain collected	290	155
Purchase of equipment	(630)	(638)
Net cash flows in investing activities	<u>(340)</u>	<u>(483)</u>
Net change in cash	(2)	4
Cash at the beginning of the year	7	3
Cash at end of the year	<u>\$ 5</u>	<u>\$ 7</u>