

**Latina Offshore Holding Limited**  
**Unaudited consolidated financial information**  
**Fourth quarter results 2022**  
**(In thousands of US dollars)**

Mexico City, February 28, 2023, 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 December 31, 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 wells (exploration, production and repairing) contracts through Latina. La Santa Maria commenced operations on February 15<sup>th</sup>, 2014, La Covadonga on May 28<sup>th</sup>, 2014, and the Modular on July 5<sup>th</sup>, 2016.

La Covadonga and La Santa Maria were drilling wells in the Gulf of Mexico during the quarter. The Modular is suspended and is expected to resume operations in the coming year.

- La Santa Maria was drilling on an exploration field named Akal during the quarter;
- La Covadonga has 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 at this field. The Modular was suspended starting December 24<sup>th</sup>, 2021. Latina is actively pursuing a new assignment with Pemex for the Modular and at the time of this release it is expected that the Modular will re-commence drilling operation in 2023.

## **1. Contracts with Pemex**

On November, Latina signed the amendment agreements with the following main conditions: i) Increasing day rates starting January 1<sup>st</sup>, 2023, according with the base and minimum day rate of \$111.3/d and adjusting it with the Jack up Index every six months; and ii) extending the term for both Jack-ups until December 31<sup>st</sup>, 2024. Day rates for the Jack-ups for the first half of 2023 will be \$127.8/d.

## **2. Financing update**

The Company retained Clarksons, the investment bank that supported the original issuance of the bonds, to coordinate and implement a long-term solution for the Company’s debt financing.

On January and February, the Company reached an agreement and received approval from the bondholders to refinance the 8.875% (LOL Bond) and 10.00% (LOHL Bond) Secured Notes with the following main conditions:

#### LOL Bond

- A basket of \$60,000 to repurchase outstanding bonds at 67%.
- Five-year maturity and quarterly cash sweep installments.
- Quarterly Interest Coupon at a fix rate of 7%.
- Super Senior Bonds issuance by \$35,000 with a 10% interest coupon and PIK interest by 0.25% of every million dollars paid of the Senior bond; and payments to the principal amount once the Senior Bond is paid.
- Outstanding debt after the refinance is expected in the amount of 213,000.

#### LOHL Bond

- Seven-year maturity and quarterly interest coupon by 7%.
- Outstanding debt after the refinance is expected in the amount of 49,000.
- A shareholder support in the amount of \$15 per day to fulfill bond obligations.

Full implementation of the above is expected to be achieved before April 15<sup>th</sup>.

### 3. Operations Highlights

	Q4 2022	YTD 2022	Q4 2021	FY 2021
Revenue	9,200	36,500	10,712	42,726
EBITDA	9,285	36,185	10,575	42,183
Interest expenses	8,379	33,573	8,245	33,457
Total debt	333,124	333,124	334,874	334,874

	Efficiency					
	Santa Maria		Covadonga		Modular	
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q4 2022	100%	99.82%	100%	99.93%	n/a	n/a
YTD 2022	99.91%	99.66%	100%	99.97%	n/a	n/a
Q4 2021	100%	100%	100%	99.91%	100%	100%
FY 2021	100%	99.98%	99.67%	99.34%	100%	99.89%

#### Revenue

The revenue for Q4 2022 was \$9,200 and it is 14.11% lower than previous year same quarter because of the Modular suspension and its impact on 4Q 2022. The bareboat charters were as follows:

	<b>Q4 2022 bareboat rate</b>	<b>Q4 2022 revenues</b>	<b>Q4 2021 bareboat rate</b>	<b>Q4 2021 revenues</b>
La Santa María	50	4,600	50	4,600
La Covadonga	50	4,600	50	4,600
Modular	18	-	18	1,512

	<b>FY 2022 bareboat rate</b>	<b>FY 2022 revenues</b>	<b>FY 2021 bareboat rate</b>	<b>FY 2021 revenues</b>
La Santa María	50	18,250	50	18,050
La Covadonga	50	18,250	50	18,250
Modular	18	-	18	6,426

## EBITDA

The Q4 2022 EBITDA amount is \$9,285 and is 12.19% lower than Q4 2021 and is mainly impacted by the Modular suspensions.

## 4. Invoice and factoring

As of December 31, 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 30 September 2022	\$ 11,590	\$ 1,854	\$ 13,444	\$ -	\$ -	\$ -
Invoice in Q4 2022	-	-	-	19,425	3,108	22,533
Collection in Q4 2022	(11,590)	(1,854)	(13,444)	-	-	-
Balance as of 31 December 2022	-	-	-	19,425	3,108	22,533
Invoice in Q1 2023	5,890	942	6,832	-	-	-
Collection in Q1 2023	-	-	-	(6,413)	(1,026)	(7,439)
Balance as of today	\$ 5,890	\$ 942	\$ 6,832	\$ 13,012	\$ 2,082	\$ 15,094
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	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 30 September 2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Invoice in Q4 2022	-	-	-	-	-	-
Collection in Q4 2022	-	-	-	-	-	-
Balance as of 31 December 2022	-	-	-	-	-	-
Invoice in Q1 2023	-	-	-	-	-	-
Collection in Q1 2023	-	-	-	-	-	-
Balance as of today	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accounts Receivables			
Month	Jack ups	Modular	Balance as of today
June 2022	-	1,100	1,100
January 2023	7,929	-	7,929
February 2023	7,162	-	7,162
<b>Subtotal Accrued Receivables</b>	<b>15,092</b>	<b>1,100</b>	<b>16,192</b>
December 2022	6,832	-	6,832
January 2023	-	-	-
<b>Subtotal Invoiced Receivables</b>	<b>6,832</b>	<b>-</b>	<b>6,832</b>
<b>Total Receivables</b>	<b>21,924</b>	<b>1,100</b>	<b>23,024</b>

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 Q4 2022 was \$17,945 and it is 15.59% lower than previous year same quarter mainly due to the Modular suspension.

### EBITDA

The Q4 2022 EBITDA amount is \$9,544 and is 15.11% lower than Q4 2021 and is impacted by the Modular suspension. Operating expenses reduced due to the Modular suspension. Latina is seeking business opportunities related to the Modular; no opportunity has materialized at the time of writing and the Company has recognized a non-cash impairment for the Modular in the amount of \$7,488.

**For the year ended December 31, 2022 and 2021**

**(In thousands of US dollars)**

	<b>Q4 2022</b>			<b>Q4 2021</b>		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	17,480	465	17,945	17,480	3,780	21,260
Operating expenses:						
Operating cost and expenses	5,425	782	6,207	5,585	2,073	7,658
Other expenses (incomes), net	(14)	-	(14)	(84)	(41)	(125)
Corporate expenses	2,208	-	2,208	2,208	276	2,484
Depreciation	6,802	2,536	9,338	6,319	2,522	8,841
Total operating expenses	14,421	3,318	17,739	14,028	4,830	18,858
Operating results	3,059	(2,853)	206	3,452	(1,050)	2,402
EBITDA	<b>9,861</b>	<b>(317)</b>	<b>9,544</b>	<b>9,771</b>	<b>1,472</b>	<b>11,243</b>

	<b>FY 2022</b>			<b>FY 2021</b>		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	69,320	1,581	70,901	68,851	16,065	84,916
Operating expenses:						
Operating cost and expenses	22,108	8,480	30,588	21,840	8,630	30,470
Other expenses (incomes), net	(479)	-	(479)	(111)	(62)	(173)
Corporate expenses	8,760	-	8,760	8,760	1,095	9,855
Depreciation	26,385	10,088	36,473	25,734	10,157	35,891
Total operating expenses	56,774	18,568	75,342	56,223	19,820	76,043
Operating results	12,546	(16,987)	(4,441)	12,628	(3,755)	8,873
EBITDA	<b>38,931</b>	<b>(6,899)</b>	<b>32,032</b>	<b>38,362</b>	<b>6,402</b>	<b>44,764</b>