

## Latina Modular Holding Limited and Subsidiary

# Consolidated Statement of Financial Position

As of June 30, 2023 and December 31, 2022

(In thousands of US dollars)

### Assets

	June 2023	December 2022
	Unaudited	Audited
Current assets:		
Cash	\$ 7	\$ 8
Due from related parties	4,742	4,626
Other accounts receivable	396	494
Prepaid expenses, net	23	46
Total current assets	<u>5,168</u>	<u>5,174</u>
Non-current assets:		
Modular rig and equipment	42,493	57,046
Deferred income taxes	19,665	11,934
Total non-current assets	<u>62,158</u>	<u>68,980</u>
Total assets	<u>\$ 67,326</u>	<u>\$ 74,154</u>

### Liabilities and Partners' equity

Current liabilities:		
Due to related parties	\$ 1,314	\$ 1,313
Trade accounts payable	-	46
Other accounts payable and accrued liabilities	367	441
Total liabilities	<u>1,681</u>	<u>1,800</u>
Partners' equity:		
Capital stock	88,500	88,500
Accumulated deficit	(22,855)	(16,146)
Total partners' equity	<u>65,645</u>	<u>72,354</u>
Total liabilities and Partners' equity	<u>\$ 67,326</u>	<u>\$ 74,154</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statements of Operations

For the six months ended June, 2023 and for the year end December 31, 2022

(In thousands of US dollars)

	June 2023	December 2022
	Unaudited	Audited
Continuing operations:		
Operating cost	\$ 32	\$ 58
Depreciation of assets under operating leases	3,854	10,088
Impairment loss	10,700	7,488
Gross loss	<u>(14,586)</u>	<u>(17,634)</u>
Other expenses, net	-	89
Interest income	(150)	(354)
Exchange loss, net	-	13
Loss before income taxes	<u>(14,436)</u>	<u>(17,382)</u>
Deferred income tax benefit	<u>(7,727)</u>	<u>(6,586)</u>
Consolidated loss for the year	<u>\$ (6,709)</u>	<u>\$ (10,796)</u>

# Latina Modular Holding Limited and Subsidiary

## Consolidated Statement of Cash Flows

For the six months ended June, 2023 and for the year end December 31, 2022

(In thousands of US dollars)

	June 2023	December 2022
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated loss for the year	\$ (6,709)	\$ (10,796)
Adjustments for:		
Depreciation	3,854	10,088
Impairment loss	10,700	7,488
Interest income	(150)	(354)
Exchange loss	-	13
Deferred income tax benefit	(7,731)	(6,586)
	<u>(36)</u>	<u>(147)</u>
<b>Changes in working capital:</b>		
(Increase) decrease in:		
Due from related parties	(116)	380
Other accounts receivable	99	(60)
Prepaid expenses	23	(3)
Increase (decrease) in:		
Trade accounts payable	(46)	3
Due to related parties	1	101
Other accounts payable and accrued liabilities	(76)	-
Net cash flows by operating activities	<u>(151)</u>	<u>274</u>
Cash flows from investing activities:		
Purchase of equipment	(0)	(630)
Interest income	150	354
Net cash flows in investing activities	<u>150</u>	<u>(276)</u>
Net change in cash	(1)	(2)
Cash at the beginning of the year	8	10
Cash at the end of the year	<u>\$ 7</u>	<u>\$ 8</u>