

Latina Offshore Holding Limited and Subsidiaries

Consolidated Statements 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 and restricted cash	\$ 183	\$ 10,474
Due from related parties	3,759	15,474
Other accounts receivable	3,112	5,341
Prepaid expenses, net	385	158
Total current assets	<u>7,439</u>	<u>31,447</u>
Non-current assets:		
Jack ups and equipment, net	319,355	344,841
Deferred income taxes	61,650	49,887
Total non-current assets	<u>381,005</u>	<u>394,728</u>
Total assets	<u>\$ 388,444</u>	<u>\$ 426,175</u>
 Liabilities and Partners' equity		
Current liabilities:		
Current portion of long-term debt	\$ 6,007	\$ 342,661
Trade accounts payable	1,619	154
Other accounts payable and accrued liabilities	7,042	11,883
Total current liabilities	<u>14,668</u>	<u>354,698</u>
Non-current liabilities:		
Long-term debt	<u>257,042</u>	<u>-</u>
Total liabilities	<u>271,710</u>	<u>354,698</u>
Partners' equity:		
Capital stock	227,727	227,727
Accumulated deficit	(110,993)	(156,250)
Total partners' equity	<u>116,734</u>	<u>71,477</u>
Total liabilities and Partners' equity	<u>\$ 388,444</u>	<u>\$ 426,175</u>

Latina Offshore Holding Limited and Subsidiaries

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 Unaudited	December 2022 Audited
Continuing operations:		
Revenue from operating lease	\$ 26,064	\$ 36,500
Operating cost	275	542
Depreciation	17,370	36,455
Impairment loss	10,700	7,488
Gross loss	<u>(2,281)</u>	<u>(7,985)</u>
Other expenses (income), net	25	(227)
Interest expense, net	10,049	34,025
Exchange (profit) loss, net	(220)	559
Gross loss before income taxes	<u>(12,135)</u>	<u>(42,342)</u>
Income tax benefit	<u>(11,282)</u>	<u>(13,937)</u>
Consolidated loss for the year	<u>\$ (853)</u>	<u>\$ (28,405)</u>

Latina Offshore Holding Limited and Subsidiaries

Consolidated Statements 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 Unaudited	December 2022 Audited
Cash flows from operating activities		
Consolidated loss for the year	\$ (853)	\$ (28,405)
Adjustments for:		
Deferred income tax benefit	(11,762)	(13,937)
Depreciation	17,370	36,455
Impairment loss	10,700	7,488
Amortization of bond issuance costs	234	1,476
Interest income	(4,309)	(1,024)
Exchange loss	(220)	559
Interest expense	14,123	33,573
	<u>25,283</u>	<u>36,185</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	11,258	(826)
Other accounts receivable	2,229	(3,381)
Prepaid expenses	(228)	56
Increase (decrease) in:		
Trade accounts payable	1,464	10
Other accounts payable and accrued liabilities	(4,620)	3,133
Net cash flows by operating activities	<u>35,386</u>	<u>35,177</u>
Cash flows from investing activities:		
Purchase of machinery and equipment	(2,583)	(9,091)
Net cash flows by investing activities	<u>(2,583)</u>	<u>(9,091)</u>
Cash flows from financing activities:		
Payments of long term-debt	(60,000)	(4,468)
Proceeds from debt	35,184	-
Bonds issuance costs	(5,391)	(607)
Interest paid	(12,887)	(26,357)
Net cash flows in financing activities	<u>(43,094)</u>	<u>(31,432)</u>
Net change in cash and restricted cash	(10,291)	(5,346)
Cash and restricted cash at the beginning of the year	10,474	15,820
Cash and restricted cash at end of the year	<u>\$ 183</u>	<u>\$ 10,474</u>