

Latina Modular 01 Limited

Statement of Financial Position

As of September 30, 2023 and December 31, 2022

(In thousands of US dollars)

Assets

	September 2023	December 2022
	Unaudited	Audited
Current assets:		
Cash	\$ 4	\$ 5
Due from related parties	4,865	4,626
Other accounts receivable	206	304
Prepaid expenses, net	11	23
Total current assets	<u>5,086</u>	<u>4,958</u>
Non-current assets:		
Modular rig and equipment, net	41,066	57,046
Deferred income taxes	21,896	11,928
Total non-current assets	<u>62,962</u>	<u>68,974</u>
Total assets	<u>\$ 68,048</u>	<u>\$ 73,932</u>

Liabilities and Partners' equity

Current liabilities:		
Due to related parties	\$ 896	\$ 874
Trade accounts payable	-	23
Other accounts payable and accrued liabilities	357	422
Total liabilities	<u>1,253</u>	<u>1,319</u>
Partners' equity:		
Capital stock	88,768	88,768
Accumulated deficit	(21,973)	(16,155)
Total partners' equity	<u>66,795</u>	<u>72,613</u>
Total partners' equity and liabilities	<u>\$ 68,048</u>	<u>\$ 73,932</u>

Latina Modular 01 Limited

Statements of Operations

For the nine months ended September, 2023 and for the year end December 31, 2022
(In thousands of US dollars)

	September 2023 Unaudited	December 2022 Audited
Continuing operations:		
Revenue from operating lease	\$ 61	\$ -
Operating cost	26	29
Depreciation of assets under operating leases	5,280	10,088
Impairment loss	10,700	7,488
Gross loss	<u>(15,945)</u>	<u>(17,605)</u>
Interest income, net	\$ (161)	\$ (290)
Exchange loss, net	2	13
Loss before income taxes	<u>(15,786)</u>	<u>(17,328)</u>
Deferred income tax benefit	<u>(9,968)</u>	<u>(6,582)</u>
Net loss	<u><u>\$ (5,818)</u></u>	<u><u>\$ (10,746)</u></u>

Latina Modular 01 Limited

Statements of Cash Flows

For the nine months ended September, 2023 and for the year end December 31, 2022
(In thousands of US dollars)

	September 2023	December 2022
	Unaudited	Audited
Cash flows from operating activities:		
Net loss	\$ (5,818)	\$ (10,746)
Adjustments for:		
Depreciation	5,280	10,088
Impairment loss	10,700	7,488
Interest income	(161)	(290)
Exchange loss	2	13
Deferred income tax benefit	(9,968)	(6,582)
	<u>35</u>	<u>(29)</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(239)	380
Other accounts receivable	98	(46)
Prepaid expenses	12	(2)
Increase (decrease) in:		
Trade accounts payable	(23)	2
Due to related parties	22	42
Other accounts payables and accrued liabilities	(67)	(9)
Net cash flows by operating activities	<u>(162)</u>	<u>338</u>
Cash flows from investing activities:		
Interest income	161	290
Purchase of equipment	(0)	(630)
Net cash flows in investing activities	<u>161</u>	<u>(340)</u>
Net change in cash	(1)	(2)
Cash at the beginning of the year	5	7
Cash at end of the year	<u>\$ 4</u>	<u>\$ 5</u>