

Latina Modular Holding Limited and Subsidiary

Consolidated Statement of Financial Position

As of December 31, 2023 and 2022

(In thousands of US dollars)

Assets

	December 2023	December 2022
	Unaudited	Audited
Current assets:		
Cash	\$ 7	\$ 8
Due from related parties	4,066	4,626
Other accounts receivable	403	494
Prepaid expenses, net	51	46
Total current assets	<u>4,527</u>	<u>5,174</u>
Non-current assets:		
Modular rig and equipment	34,656	57,046
Deferred income taxes	23,951	11,934
Total non-current assets	<u>58,607</u>	<u>68,980</u>
Total assets	<u>\$ 63,134</u>	<u>\$ 74,154</u>

Liabilities and Partners' equity

Current liabilities:		
Due to related parties	\$ 455	\$ 1,313
Trade accounts payable	51	46
Other accounts payable and accrued liabilities	406	441
Total liabilities	<u>912</u>	<u>1,800</u>
Partners' equity:		
Capital stock	88,500	88,500
Accumulated deficit	(26,278)	(16,146)
Total partners' equity	<u>62,222</u>	<u>72,354</u>
Total liabilities and Partners' equity	<u>\$ 63,134</u>	<u>\$ 74,154</u>

Latina Modular Holding Limited and Subsidiary

Consolidated Statements of Operations

For the years ended December 31, 2023 and 2022

(In thousands of US dollars)

	December 2023	December 2022
	Unaudited	Audited
Continuing operations:		
Revenue from operating lease	\$ 94	\$ -
Operating cost	71	58
Depreciation of assets under operating leases	6,690	10,088
Impairment loss	15,700	7,488
Gross loss	<u>(22,367)</u>	<u>(17,634)</u>
Other expenses, net	50	89
Interest income	(268)	(354)
Exchange loss, net	1	13
Loss before income taxes	<u>(22,150)</u>	<u>(17,382)</u>
Deferred income tax benefit	<u>(12,018)</u>	<u>(6,586)</u>
Consolidated loss for the year	<u>\$ (10,132)</u>	<u>\$ (10,796)</u>

Latina Modular Holding Limited and Subsidiary

Consolidated Statement of Cash Flows

For the years ended December 31, 2023 and 2022

(In thousands of US dollars)

	December 2023	December 2022
	Unaudited	Audited
Cash flows from operating activities:		
Consolidated loss for the year	\$ (10,132)	\$ (10,796)
Adjustments for:		
Depreciation	6,690	10,088
Impairment loss	15,700	7,488
Interest income	(268)	(354)
Exchange loss	1	13
Deferred income tax benefit	(12,018)	(6,586)
	<u>(27)</u>	<u>(147)</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	560	380
Other accounts receivable	91	(60)
Prepaid expenses	(5)	(3)
Increase (decrease) in:		
Trade accounts payable	5	3
Due to related parties	(858)	101
Other accounts payable and accrued liabilities	(35)	-
Net cash flows by operating activities	<u>(269)</u>	<u>274</u>
Cash flows from investing activities:		
Purchase of equipment	(0)	(630)
Interest income	268	354
Net cash flows in investing activities	<u>268</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>