

Latina Offshore Holding Limited and Subsidiaries

Consolidated Statements 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 and restricted cash	\$ 61	\$ 10,474
Due from related parties	214	15,474
Other accounts receivable	7,476	5,341
Prepaid expenses, net	430	158
Total current assets	<u>8,181</u>	<u>31,447</u>
Non-current assets:		
Jack ups and equipment, net	309,939	344,841
Deferred income taxes	72,584	49,887
Total non-current assets	<u>382,523</u>	<u>394,728</u>
Total assets	<u>\$ 390,704</u>	<u>\$ 426,175</u>
 Liabilities and Partners' equity		
Current liabilities:		
Current portion of long-term debt	\$ 4,964	\$ 342,661
Trade accounts payable	188	154
Other accounts payable and accrued liabilities	14,710	11,883
Total current liabilities	<u>19,862</u>	<u>354,698</u>
Non-current liabilities:		
Long-term debt	249,378	-
Total liabilities	<u>269,240</u>	<u>354,698</u>
Partners' equity:		
Capital stock	227,727	227,727
Accumulated deficit	(106,263)	(156,250)
Total partners' equity	<u>121,464</u>	<u>71,477</u>
Total liabilities and Partners' equity	<u>\$ 390,704</u>	<u>\$ 426,175</u>

Latina Offshore Holding Limited and Subsidiaries

Consolidated Statements of Operations

For the years ended December 31, 2023 and 2022

(In thousands of US dollars)

	December 2023 Unaudited	December 2022 Audited
Continuing operations:		
Revenue from operating lease	\$ 54,126	\$ 36,500
Operating cost	895	542
Depreciation	33,956	36,455
Impairment loss	15,700	7,488
Gross profit (loss)	<u>3,575</u>	<u>(7,985)</u>
Other expenses (income), net	946	(227)
Interest expense, net	21,082	34,025
Exchange loss, net	(67)	559
Loss before income taxes	<u>(18,386)</u>	<u>(42,342)</u>
Income tax benefit	<u>(21,296)</u>	<u>(13,937)</u>
Consolidated profit (loss) for the year	<u>\$ 2,910</u>	<u>\$ (28,405)</u>

Latina Offshore Holding Limited and Subsidiaries

Consolidated Statements 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 profit (loss) for the year	\$ 2,910	\$ (28,405)
Adjustments for:		
Income tax benefit	(22,696)	(13,937)
Depreciation	33,956	36,455
Impairment loss	15,700	7,488
Amortization of bond issuance costs	789	1,476
Interest income	(4,262)	(1,024)
Exchange loss	(67)	559
Interest expense	24,555	33,573
	<u>50,885</u>	<u>36,185</u>
Changes in working capital:		
Decrease (increase) in:		
Due from related parties	13,621	(826)
Other accounts receivable	(2,135)	(3,381)
Prepaid expenses	(273)	56
(Decrease) increase in:		
Trade accounts payable	34	10
Other accounts payable and accrued liabilities	2,893	3,133
Net cash flows by operating activities	<u>65,025</u>	<u>35,177</u>
Cash flows from investing activities:		
Purchase of machinery and equipment	(14,753)	(9,091)
Net cash flows by investing activities	<u>(14,753)</u>	<u>(9,091)</u>
Cash flows from financing activities:		
Payments of long term-debt	(67,185)	(4,468)
Proceeds from debt	35,000	-
Bonds issuance costs	(5,846)	(607)
Interest paid	(22,654)	(26,357)
Net cash flows in financing activities	<u>(60,685)</u>	<u>(31,432)</u>
Net change in cash and restricted cash	(10,413)	(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>\$ 61</u>	<u>\$ 10,474</u>