Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Separate Financial Statements for the Years Ended December 31, 2024 and 2023, and Independent Auditors’ Report April 25, 2025

Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Independent Auditors’ Report and Separate Financial Statements for 2024 and 2023

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Independent Auditors' Report to the Board of Directors and Stockholders of Latina Offshore Limited

Opinion

We have audited the Separate Financial Statements of Latina Offshore Limited (the "Entity"), which comprise the statements of financial position as of December 31, 2024 and 2023 and the statements of profit, statements of changes in Partners' equity and statements of cash flows for the years then ended, and notes to the Separate Financial Statements, including material accounting policy information.

In our opinion, the accompanying Separate Financial Statements present fairly, in all material respects, the financial position of the Entity as of December 31, 2024 and 2023, its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Separate Financial Statements* section of our report. We are independent of the Entity in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants* (including International Independence Standards) *(*IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to the Going Concern

We draw attention to Note 3a of the attached Separate Financial Statements describing the plans for the entity to continue as an operating company.

We draw your attention to Note 1b of the accompanying Separate Financial Statements that describe that on October 11, 2014, the Entity, issued an International Bond. As of December 31, 2024, the outstanding balance is $202,587. On January 31, 2023, the Entity obtained approval for restructuring this international bond by improving the interest rate, extending its long-term maturity and capitalizing part of the debt.

These events or conditions, indicate the existence of a material uncertainty that may cast significant doubt on the Entity's ability to continue as a going concern.

The attached Separate Financial Statements do not include adjustments related to the valuation and presentation and disclosure of assets and Presentation and disclosure the amount of liabilities. They may be necessary if the entity is unable to continue in operation and have been prepared on the assumption that the entity will continue as an operating company.

Our opinion has not been modified in relation to this matter.

Deloitte.

Paragraphs of Emphasis

As mentioned in Note 1, the Entity provides services exclusively to a related party. Accordingly, the accompanying Separate Financial Statements are not necessarily indicative of the prevailing conditions or results of operation and cash flows that the Entity would have obtained, if there were no such affiliation.

As mentioned in Nota 3d, the attached separate financial statements have been prepared to comply with legal provisions, requiring presentation of separate financial statements of the Entity as a legal entity. Separately, the Entity prepares consolidated financial statements.

Our opinion has not been modified in relation to this matter.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the Separate Financial Statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of Separate Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Separate Financial Statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Independent Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the Separate Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Separate Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Separate Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Plan and perform the entity audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the entity as a basis for forming an opinion on the Separate Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the entity audit. We remain solely responsible for our audit opinion

- Evaluate the overall presentation, structure and content of the Separate Financial Statements, including the disclosures, and whether the Separate Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient and appropriate audit evidence about the Entity's financial information and its business activities to express an opinion on the Separate Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We continue to be solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
Affiliated to a Member of Deloitte Touche Tohmatsu Limited

C. P. C. Juan Carlos Reynoso Degollado

México City, México
April 25, 2025

Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Separate Statements of Financial Position

As of December 31, 2024 and 2023
(In thousands of US dollars)

Assets	**Note**	**2024**	**2023**
Current assets:			
Cash		$ 29	$ 35
Due from related parties	12	283,091	272,881
Other accounts receivable		803	437
Prepaid expenses, net		114	196
Total current assets		284,037	273,549
Non-current assets:			
Investment in subsidiaries	5	99,369	93,064
Deferred income taxes	7	1,476	3,809
Total non-current assets		100,845	96,873
Total assets		$ 384,882	$ 370,422
Liabilities and Partners' equity			
Current liabilities:			
Current portion of long-term debt	6	$ 8,218	$ 4,062
Due to related parties	12	32,410	27,642
Trade accounts payable		81	39
Other accounts payable and accrued liabilities		2,763	1,118
Total current liabilities		43,472	32,861
Non-current liabilities:			
Long-term debt	6	198,545	201,393
Total liabilities		242,017	234,254
Partners' equity:			
Capital stock	9	180,712	180,712
Share subscription premium		35,059	34,685
Accumulated deficit		(72,906)	(79,229)
Total Partners' equity		142,865	136,168
Total Partners' equity and liabilities		$ 384,882	$ 370,422

See accompanying notes to the Separate Financial Statements.

Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Separate Statements of Profit
For the years ended December 31, 2024 and 2023
(In thousands of US dollars)

	Note	2024	2023
Continuing operations:			
Results of subsidiaries	5	$ 6,304	$ 10,356
Operating costs	10	502	506
Gross profit		5,802	9,850
Other income, net		-	(8)
Interest income	11	(21,614)	(27,262)
Interest expense	11	18,899	17,451
Exchange (gain) loss, net		(141)	258
Profit, before income taxes		8,657	19,411
Income tax expense (benefit)	7	2,334	(134)
Profit for the year		$ 6,323	$ 19,545

See accompanying notes to the Separate Financial Statements.

Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Separate Statements of Changes in Partners' Equity

For the years ended December 31, 2024 and 2023
(In thousands of US dollars)

	Capital stock	Share subscription premium	Accumulated deficit	Total Partners' equity
Balance as of December 31, 2022	$ 180,712	$ -	$ (98,774)	$ 81,938
Share subscription premium	-	34,685	-	34,685
Income for the year	-	-	19,545	19,545
Balance as of December 31, 2023	180,712	34,685	(79,229)	136,168
Share subscription premium	-	374	-	374
Income for the year	-	-	6,323	6,323
Balance as of December 31, 2024	$ 180,712	$ 35,059	$ (72,906)	$ 142,865

See accompanying notes to the Separate Financial Statements.

Latina Offshore Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Separate Statements of Cash Flows

For the years ended December 31, 2024 and 2023
(In thousands of US dollars)

	2024	2023
Cash flows from operating activities:		
Profit for the year	$ 6,323	$ 19,545
Adjustments for:		
Income tax expense (benefit)	2,333	(134)
Amortization of bond issuance costs	413	1,483
Benefit from amortized cost of debt	-	(5,646)
Results of subsidiaries	(6,305)	(10,356)
Exchange (gain) loss, net	(141)	259
Interest income	(21,613)	(25,759)
Interest expense	18,485	20,111
	(505)	(497)
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	11,400	35,818
Other accounts receivable	(366)	(248)
Prepaid expenses	82	(164)
(Decrease) increase in:		
Trade accounts payable	42	6
Due to related parties	2,650	14,129
Other accounts payable and accrued liabilities	1,724	(864)
Net cash flows generated by operating activities	15,027	48,180
Cash flows from financing activities:		
Long-term debt payments	(2,780)	(67,185)
Proceeds from debt	-	35,000
Bond issuance cost	(366)	(5,908)
Interest income	2	188
Interest paid	(11,889)	(20,689)
Net cash flows used in financing activities	(15,033)	(58,594)
Net decrease in cash	(6)	(10,414)
Cash and restricted cash at the beginning of the year	35	10,449
Cash and restricted cash at the end of the year	$ 29	$ 35

See accompanying notes to the Separate Financial Statements.

1. Activities

Latina Offshore Limited (the "Entity") is a Bermuda exempted company established on June 6, 2013 under the laws of Bermuda. The Entity has an office at Canon's Court 22 Victoria Street, Hamilton, Bermuda. For Mexican tax purposes, the Entity's address is Horacio 1855, 5th floor, Los Morales Polanco, Mexico City, Zip Code 11510.

The main activities of the Entity and its subsidiaries is the leasing of two Jack-ups ("Santa Maria" and "La Covadonga") for oil and gas drilling to Constructora y Perforadora Latina, S. A. de C. V., ("CP Latina") the indirect parent, company incorporated in Mexico.

The Entity's operating and administrative personnel are employed directly by a related party. Therefore, the Entity has no employees and is not subject to any labor obligations other than any joint and several obligations that may arise from the labor agreements executed with the related party.

Operations 2024 and 2023

a. ***Changes to the leases with CP Latina of Santa Maria and La Covadonga***

During 2024, the daily rate of Santa Maria and La Covadonga was $92 the first semester and $97 in the second semester.

During 2023, the daily rate of Santa Maria and La Covadonga was $72 the first semester and $76 in the second semester.

- ***Operational impacts.***

  During 2023 and 2024, the Entity and CP Latina signed modification agreements in the lease agreements where it was agreed that:

  - The Jack-ups applied a daily rate of $92 the first semester the 2024 and $97 in the second semester the 2024.

  - As of January 1, 2023, La Santa María and La Covadonga applied to the indexing mechanism established in the modifying agreements signed in 2018.

  - Santa Maria Jack-up extended the contract expiration date to January 31, 2026 and La Covadonga Jack-up extended the contract expiration date to October 28, 2025.

b. ***International bond $202,587 (original amount $350,000)***

The bondholders approved on November 29, 2022, to extend the maturity of the bond to January 31, 2023.

On January 27 and 30, 2023, the restructuring of the international bonds issued by the Entity, was approved and implemented during the year, improving the interest rate, extending their maturity to long term and capitalizing part of the debt, managing to reduce the negative working capital, with the following conditions:

- Maturity period of 5 years with quarterly amortizations on cash sweep.
- Quarterly interest payment with a fixed interest rate of 8.875% per year to 7% per year.
- Capitalization of debt in the amount of $ 34,685.
- Payment of debt in the amount of $60,000. The resources for this debt are $15,000 accounts receivable, $10,000 cash, $35,000 new debt.
- Derived from the above, the current debt balance decreased from $277,379 to $213,132.
- The new debt for $35,000 bears interest at 10% annually paid quarterly and capitalization of interest at 0.25% for each million dollars of the new debt. This debt is paid upon completion of the debt restructuring.

2. Adoption of new and amended International Financial Reporting Standards

a. ***New and amended Accounting Standards that are effective for the current year***

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements

The entity has adopted the amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures titled Supplier Finance Arrangements for the first time in the current year.

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of Separate Financial Statements to assess the effects of those arrangements on the entity’s liabilities and cash flows. In addition, IFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity’s exposure to concentration of liquidity risk.

The amendments contain specific transition provisions for the first annual reporting period in which the entity applies the amendments. Under the transitional provisions an entity is not required to disclose:

- Comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments

- The information otherwise required by IAS 7:44H(b)(ii)–(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

In the current year, the entity has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these Separate Financial Statements.

Amendments to IAS 1 Classification of Liabilities as Current or Non-current

The entity has adopted the amendments to IAS 1, published in January 2020, for the first time in the current year.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IAS 1 Presentation of Separate Financial Statements— Non-current Liabilities with Covenants

The entity has adopted the amendments to IAS 1, published in November 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period.

However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of Separate Financial Statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

Amendments to IFRS 16 Leases—Lease Liability in a Sale and Leaseback	The entity has adopted the amendments to IFRS 16 for the first time in the current year. The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date. The amendments do not affect the gain or loss recognized by the seller-lessee relating to the partial or full termination of a lease. Without these new requirements, a seller-lessee may have recognized a gain on the right of use it retains solely because of a remeasurement of the lease liability (for example, following a lease modification or change in the lease term) applying the general requirements in IFRS 16. This could have been particularly the case in a leaseback that includes variable lease payments that do not depend on an index or rate. As part of the amendments, the IASB amended an Illustrative Example in IFRS 16 and added a new example to illustrate the subsequent measurement of a right-of-use asset and lease liability in a sale and leaseback transaction with variable lease payments that do not depend on an index or rate. The illustrative examples also clarify that the liability that arises from a sale and leaseback transaction that qualifies as a sale applying IFRS 15 is a lease liability. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application, which is defined as the beginning of the annual reporting period in which the entity first applied IFRS 16.

b. ***New and revised IFRS Accounting Standards in issue but not yet effective***

At the date of authorization of these Separate Financial Statements, the entity has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosures in Separate Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

Management do not expect that the adoption of the standards listed above will have a material impact on the Separate Financial Statements of the entity in future periods, except if indicated below.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency.

The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- A spot exchange rate for a purpose other than that for which an entity assesses exchangeability.
- The first exchange rate at which an entity is able to obtain the other currency for the specified purpose after exchange ability of the currency is restored (first subsequent exchange rate).

An entity using another estimation technique may use any observable exchange rate—including rates from exchange transactions in markets or exchange mechanisms that do not create enforceable rights and obligations—and adjust that rate, as necessary, to meet the objective as set out above.

When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, the entity is required to disclose information that enables users of its Separate Financial Statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments add a new appendix as an integral part of IAS 21. The appendix includes application guidance on the requirements introduced by the amendments. The amendments also add new Illustrative Examples accompanying IAS 21, which illustrate how an entity might apply some of the requirements in hypothetical situations based on the limited facts presented.

In addition, the IASB made consequential amendments to IFRS 1 to align with and refer to the revised IAS 21 for assessing exchangeability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. An entity is not permitted to apply the amendments retrospectively. Instead, an entity is required to apply the specific transition provisions included in the amendments.

The directors of the company anticipate that the application of these amendments may have an impact on the group's consolidated Separate Financial Statements in future periods.

IFRS 18 Presentation and Disclosures in Separate Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 **introduces new requirements to:**

- Present specified categories and defined subtotals in the statement of profit or loss.
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the Separate Financial Statements.
- Improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the company anticipate that the application of these amendments may have an impact on the group's consolidated Separate Financial Statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its Separate Financial Statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated Separate Financial Statements available for public use that comply with IFRS Accounting Standards.

IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply IFRS 19 if, at the end of the reporting period:

- It is a subsidiary (this includes an intermediate parent)
- It does not have public accountability, and
- Its ultimate or any intermediate parent produces consolidated Separate Financial Statements available for public use that comply with IFRS Accounting Standards.

A subsidiary has public accountability if:

- Its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- It holds assets in a fiduciary capacity for a broad entity of outsiders as one of its primary businesses (for example, banks, credit unions, insurance entities, securities brokers/dealers, mutual funds and investment banks often meet this second criterion).

Eligible entities can apply IFRS 19 in their consolidated, separate or individual Separate Financial Statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate Separate Financial Statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted. If an entity elects to apply IFRS 19 for a reporting period earlier than the reporting period in which it first applies IFRS 18, it is required to apply a modified set of disclosure requirements set out in an appendix to IFRS 19. If an entity elects to apply IFRS 19 for an annual reporting period before it applied the amendments to IAS 21, it is not required to apply the disclosure requirements in IFRS 19 with regard to Lack of Exchangeability.

The directors of the company do not anticipate that IFRS 19 will be applied for purposes of the consolidated Separate Financial Statements of the entity.

3. Material accounting policies

a. ***Going concern***

We draw your attention to Note 6 of the accompanying Separate Financial Statements that describe that on October 11, 2014, Latina Offshore Limited, the Parent, issued an International Bond. As of December 31, 2024, the outstanding balance is $202,587 and it is due on April 13, 2028. The Jack-up owned by the Entity, is pledged as collateral and could be collected by the bondholders.

The Parent company dated January 31, 2023 obtained approval of the restructuring of these international bonds by improving the interest rate, extending its long-term maturity and capitalizing part of the debt.

Additionally, the Entity provides services exclusively to a related party. Accordingly, the accompanying Separate Financial Statements are not necessarily indicative of the prevailing conditions or results of operation and cash flows that the Entity would have obtained, if there were no such affiliation.

Due to these events or conditions, at the date of the Separate Financial Statements, this matter indicates the existence of a material uncertainty about the Entity's ability to continue as a going concern.

The plans of the Management of the Entity to continue as a going concern are as follows:

i. Improve the cost and profile of debt, including negotiations for the refinancing of short- to long-term liabilities, and seek alternative sources of financing.
ii. Operational efficiency in all projects that allows for adequate profitability.
iii. Ensure the continuity of workloads both in drilling equipment leasing teams and in shallow water drilling, avoiding unproductive time and improving leasing rates.

b. ***Statement of compliance***

The Separate Financial Statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).

c. ***Basis of preparation***

The accompanying Separate Financial Statements have been prepared on a historical cost basis; disclosures of fair value have been included where required by IFRS.

i. *Historical cost.*

Historical cost is generally measured as the fair value of the consideration given in exchange for goods and services.

ii. *Fair value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Entity considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements are categorized into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

d. ***Explanation on the preparation of Separate Financial Statements***

The attached Separate Financial Statements represent the Separate Financial Statements of the Entity without including the effects of consolidation. The investment in shares of subsidiaries that are presented in the attached separate statements of financial position have been valued using the equity method, as permitted by International Accounting Standard 27, Separate Financial Statements. The attached Separate Financial Statements have been prepared to comply with legal provisions requiring presentation of Separate Financial Statements of the Entity as a legal entity. Separately, the Entity prepares consolidated Financial Statements; these condensed consolidated Financial Statements are presented below, on which we issue an unqualified opinion, which must be consulted for decision making.

Consolidated statements of financial position	**2024**	**2023**
Total current assets	$ 122,186	$ 59,026
Jack-ups and equipment, net	250,634	275,283
Other long-term assets	32,121	48,628
Total assets	$ 404,941	$ 382,937
Total current liabilities	$ 63,531	$ 45,376
Long-term liabilities	198,545	201,393
Partners' equity:		
Controlling interest	142,865	136,168
Total Partners' equity and liabilities	$ 404,941	$ 382,937

Consolidated statements of income and other comprehensive income	**2024**	**2023**
Revenue from operating lease	$ 69,184	$ 54,032
Costs and expenses	28,547	27,906
Financial costs	17,807	15,859
Profit (loss) before income taxes	22,830	10,267
Deferred loss (income) tax benefit	16,507	(9,278)
Consolidated profit for the year	$ 6,323	$ 19,545

e. ***Financial instruments***

Financial assets and financial liabilities are recognized when the Entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

f. ***Financial assets***

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1. ***Classification of financial assets***

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):
- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the group may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below)
- The Entity may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below)

i) Amortized cost and effective interest method.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit - adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Entity recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit - impaired.

Interest income is recognized in profit or loss and is included in the "finance income - interest income".

(ii) Debt instruments classified as at FVTOCI

The corporate bonds held by the Entity are classified as at FVTOCI. Fair value is determined in the manner (i). The corporate bonds are initially measured at fair value plus transaction costs.

Subsequently, changes in the carrying amount of these corporate bonds as a result of foreign exchange gains and losses (see below), impairment gains or losses (see below), and interest income calculated using the effective interest method (see (i) above) are recognized in profit or loss. The amounts that are recognized in profit or loss are the same as the amounts that would have been recognized in profit or loss if these corporate bonds had been measured at amortized cost. All other changes in the carrying amount of these corporate bonds are recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. When these corporate bonds are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or

FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Entity designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).

- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Entity has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘Other gains and losses.

2. ***Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- Becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if it has been determined that they are not individually impaired. Objective evidence of impairment of a portfolio of receivables could include the Entity’s past experience in collecting payments, an increase in the number of late payments in the portfolio beyond an average credit period established by the Entity, as well as observable changes in national or local economic conditions that correlate with non-payment of receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of trade or lease receivables is reduced using an allowance account. When a trade or lease receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. ***Derecognition of financial assets***

The Entity derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

g. ***Cash***

Consists mainly of bank deposits in checking accounts, highly liquid and easily convertible into cash. Cash is stated at nominal value.

h. ***Foreign currencies***

In preparing the Separate Financial Statements of each individual entity, transactions in currencies other than the Entity's functional currency (US dollar) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The exchange rates used to convert foreign currency into US dollars were as follows:

	2024	2023
Mexican pesos per one US dollar	$ 20.2683	$ 16.8935

i. ***Income taxes***

Income tax represents the sum of current and deferred tax.

1. *Current tax*

Current income tax ("ISR") is recognized in the results of the year in which is incurred.

2. *Deferred tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Separate Financial Statements and the corresponding tax bases used in the computation of taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. *Current and deferred tax for the year*

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity.

j. ***Provisions***

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

k. ***Financial liabilities and equity instruments***

1. *Classification as debt or equity*

Debt and equity instruments issued by the Entity are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2. *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Entity after deducting all its liabilities. Equity instruments issued by an entity are recognized at the proceeds received, net of direct issue costs.

3. *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities.

Other financial liabilities, which include borrowings and trade and other payables, are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

l. ***Statement of cash flows***

The cash flows are used applying the indirect method. Interest received is classified as investing cash flows, while interest paid is classified as financing cash flows.

4. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in Note 3, the Entity's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Contingencies - By their nature, contingencies are settled when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the use of judgment and significant estimates related to the future outcome of those events.

a. ***Key sources of estimation uncertainty***

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Recovery of tax losses carryforwards - The Entity makes financial and tax projections for the purpose of maximizing efficiency with respect to accounting and tax results. For tax purposes, the Entity realized a significant loss due to the devaluation of the Mexican peso with respect to the US dollar during 2016 and 2015. The Entity expects to amortize tax losses against tax profits generated from subsequent years, with the normal operations of its operations.

5. Investments in subsidiaries

a. The Entity´s direct or indirect shareholding in the capital stock of the subsidiaries as of December 31 is shown below:

Subsidiaries	**Activity**	**% Ownership 2024 and 2023**
Santa Maria	Leasing of a Jack-up	100%
La Covadonga	Leasing of a Jack-up	100%

b. The amount of investments in shares of subsidiaries as of December 31 is integrated as follows:

Subsidiaries	**2024**	**2023**
Santa Maria	$ 59,546	$ 56,822
La Covadonga	39,823	36,242
	$ 99,369	$ 93,064

c. The participation in the results of subsidiaries is integrated as follows:

Subsidiaries	**Participation end resulted** 2024	2023
Santa Maria	$ 2,723	$ 5,749
La Covadonga	3,581	4,607
	$ 6,304	$ 10,356

6. Debt

	2024		2023	
Secured – at amortized cost				
Senior secured callable bond (ordinary bond) for $123,198 maturing on April 13, 2028, which accrues interest, payable quarterly, at a fixed rate of 7%. Capital is amortized quarterly on 50% of cash surpluses.	$	118,097	$	119,487
Senior secured callable bond (exit bond) for $54,934 maturing on April 13, 2028, which accrues interest, payable quarterly, at a fixed rate of 7%. Capital is amortized quarterly on 50% of cash surpluses. The capital payment is 78.8% of the balance, the remaining 21.2% will be share subscription premium, net of its amortized cost.		35,879		35,631
Senior secured callable bond for $35,000 maturing on April 13, 2028, which accrues interest, payable quarterly, at a fixed rate of 10%. Additionally, there is capitalization of interest at 8.75% annually on the paid capital of the two previous bonds. The capital is amortized at maturity.		48,611		50,375
Interest payable		8,218		4,062
		210,805		209,555
Less:				
Bond issuance cost, net		(4,042)		(4,100)
Less – Current portion		(8,218)		(4,062)
Long-term debt	$	198,545	$	201,393

The Entity entered into an agreement with the bondholders of the International Bond to modify certain conditions established in the contracts.

International Bond are guaranteed by jack ups.

The Entity may redeem the bond. Call option at any time to a nominal value.

The Entity shall ensure compliance with several negative and affirmative covenants. The relevant covenants are as follows:

- No payment of more than 50% of dividends on the profit.
- Do not contract new liens on assets.

At the date of the issuance of these Separate Financial Statements, the Entity has complied with the covenants established in the renegotiated agreement.

7. Income taxes

The Entity is not subject to income taxes in Bermuda. The Entity is subject to income tax (ISR, for its acronym in Spanish) in Mexico at the current rate of 30%.

a. ***Income tax recognized***

	2024		2023	
Income tax benefit:				
Deferred tax	$	2,334	$	(134)

The reconciliation of the statutory and effective ISR rate expressed in amounts of loss before tax is:

	2024	2023
Statutory rate	30%	30%
Effects of exchanges	99%	16%
Others,	(30%)	(12%)
Effective rate	99%	(2%)

b. ***Deferred tax in the statement of financial position***

The following is the analysis of deferred tax assets (liabilities) presented in the statements of financial position:

	2024	2023
Deferred ISR assets:		
Effect of tax loss carryforwards	$ 976	$ 3,548
Provisions	6	6
Others	494	255
Deferred ISR assets	$ 1,476	$ 3,809

c. The benefits of restated tax loss carryforwards for which the deferred ISR asset have been recognized and can be recovered subject to certain conditions. Expiration dates and restarted amounts as of December 31, 2024, are:

Year of expiration	Tax loss carryforwards
2028	$ 832
2029	146
2031	413
2032	138
2033	1,724
	$ 3,253

8. Financial risk management

a. ***Capital management***

The Entity manages its capital to ensure that it will continue as a going concern, while it maximizes returns to its Partners through the optimization of the balances of debt and equity. The capital structure of the Entity is composed by its net debt and Partners' equity.

The Entity is subject to an equity ratio covenant of a minimum of 17.5%.

	Amount
Equity	$ 142,865
Total assets	284,037
Equity ratio	50.29%

b. ***Interest rate risk management***

The Entity is exposed to interest rate risk as a result of fluctuations in market rates when compared to the fixed rates under which its debt accrues interest. The risk is not currently considered significant but may be managed in the future by entering into derivative financial instruments to hedge such risk.

c. ***Credit risk management***

Credit risk refers to the situation in which the borrower defaults on its contractual obligations, thereby generating a financial loss for the Entity and which is essentially derived from customer accounts receivable and liquid funds. The Entity does not believe it has a significant credit risk as of December 31, 2024 and 2023 a result of its financial position as of such date.

d. ***Liquidity risk management***

Corporate treasury has the ultimate responsibility for liquidity management and has established appropriate policies to control this through monitoring of working capital, managing short, medium and long-term funding requirements, maintaining cash reserves, continuously monitoring cash flows (projected and actual), and reconciling the maturity profiles of financial assets and liabilities.

The following table details the Entity's remaining contractual maturity for its liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows or financial liabilities based on the earliest date on which the Entity can be required to pay.

The table includes both interest and principal cash flows.

	December 31, 2024					
	Weighted average effective interest rate %	**1-6 months**	**6 months to 1 year**	**1 – 5 years**	**Total**	**Carrying amount**
Non-interest rate bearing		$ 8,218	$ -	$ -	$ 8,218	$ 8,218
Fixed interest rate instruments	7.75%	-	-	203,216	203,216	198,545
Total		$ 8,218	$ -	$ 203,216	$ 211,434	$ 206,763

	December 31, 2023					
	Weighted average effective interest rate %	**1-6 months**	**6 months to 1 year**	**1 – 5 years**	**Total**	**Carrying amount**
Non-interest rate bearing		$ 4,062	$ -	$ -	$ 4,062	$ 4,062
Fixed interest rate instruments	7.75%	-	-	206,131	206,131	201,393
Total		$ 4,062	$ -	$ 206,131	$ 210,193	$ 205,455

e. ***Fair value measurements***

The fair value of financial instruments presented below has been determined by the Entity using information available in the markets or other valuation techniques but require judgment with respect to their development and interpretation, in addition use assumptions that are based on market conditions existing at each date of the statements of financial position. Consequently, the estimated amounts presented below are not necessarily indicative of the amounts that the Entity could obtain in a current market exchange. The use of different assumptions and/or estimation methods could have a material effect on the estimated amounts of fair value.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

– Level 1 are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

– Level 2 are those derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

– Level 3 are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Entity considers that the carrying amount of cash and restricted cash, accounts receivable and accounts payable from third parties and to related parties and the current portion of bank loans approximate their fair values because they have short-term maturities. The Entity's long-term debt is recorded at amortized cost and incurs interest at fixed and variable rates that are related to market indicators.

The carrying amounts of financial instruments by category and their related fair values as of December 31 are as follows:

	Carrying amount	Fair value as of December 31, 2024
Financial assets:		
Cash and restricted cash (Level 1)	$ 29	$ 29
Due from related parties (Level 2)	283,091	283,091
Financial liabilities at amortized cost:		
Debt (Level 2)	$ 206,763	$ 206,763
Due to related parties (Level 2)	32,410	32,410

	Carrying amount	Fair value as of December 31, 2023
Financial assets:		
Cash and restricted cash (Level 1)	$ 35	$ 35
Due from related parties (Level 2)	272,881	272,881
Financial liabilities at amortized cost:		
Debt (Level 2)	$ 205,455	$ 205,455
Due to related parties (Level 2)	27,642	27,642

Management believes that the carrying value of receivables and payables to related parties approximate their fair values based on their nature and short-term maturities. The fair value of bonds was determined by the Entity's management using a level 2 valuation methodology. The fair value of the bonds was calculated by the Entity using discounted cash flow valuation technique at a discount rate of 7.75% for the $350,000 ($202,587 outstanding balance as of December 31, 2024).

9. Partners' equity

a. The historical amount of subscribed and paid-in common stock of the Entity as of December 31, 2024 and 2023, are as follows:

	Number of shares 2024	Amount 2024	Number of shares 2023	Amount 2023
Fixed:				
Series A	100	$ -	100	$ -
Variable:				
Series A	180,712,292	180,712	180,712,292	180,712
Share subscription premium	0.01	35,059	0.01	34,685
	180,712,392	$ 215,771	180,712,392	$ 215,397

Common stock consists of ordinary, nominative shares with par value of $1 US dollar.

10. Operating cost by nature

	2024	2023
Services	$ 501	$ 426
Others	1	80
	$ 502	$ 506

11. Interest profit

	2024	2023
Interest expense for senior secured callable bond	$ 16,304	$ 20,111
Interest expenses with related parties	2,118	1,502
Amortization of bond issuance cost	414	1,484
Benefit in amortized cost of debt	-	(5,646)
Tax surcharge	63	-
	$ 18,899	$ 17,451
Interest income, net from related parties	$ (21,611)	$ (27,080)
Interest income banks	(2)	(182)
	$ (21,613)	$ (27,262)

12. Balances and transactions with related parties

a. Transactions with related parties, carried out in the ordinary course of business were as follows:

	2024	2023
Interest income	$ 21,611	$ 27,080
Interest expenses	$ (2,118)	$ (1,502)

b. Balances with related parties are as follows:

		2024		2023
Due from related parties -				
Santa Maria	$	143,275	$	137,833
La Covadonga		139,816		135,048
	$	283,091	$	272,881
Due to related parties -				
Latina Offshore Holding Limited	$	32,410	$	27,642

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognized in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

13. Authorization to issue the Separate Financial Statements.

On April 25, 2025, the issuance of the accompanying Separate Financial Statements was authorized by C. P. C. Miguel Ruiz Tapia, Chief Executive Officer, the Audit Committee and the Board of Directors; consequently, they do not reflect events that occurred after that date, and are subject to the approval at the Entity’s Annual Ordinary Partners’ Meeting, where they may be modified.

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