

La Covadonga Limited

Statements of Financial Position

As of March 31, 2024 and December 31, 2023

(In thousands of US dollars)

Assets

	March 2024	December 2023
	Unaudited	Audited
Current assets:		
Cash	\$ 5	\$ 4
Due from related parties	21,089	17,871
Other accounts receivable	1,966	1,978
Prepaid expenses, net	19	27
Total current assets	<u>23,079</u>	<u>19,880</u>
Non-current assets:		
Jack-up and equipment, net	133,253	135,296
Deferred income taxes	22,170	21,663
Total non-current assets	<u>155,423</u>	<u>156,959</u>
Total assets	<u>\$ 178,502</u>	<u>\$ 176,839</u>

Liabilities and Partners' equity

Current liabilities:		
Trade accounts payable	\$ -	\$ 26
Other accounts payable and accrued liabilities	4,492	5,524
Total current liabilities	<u>4,492</u>	<u>5,550</u>
Non-current liabilities:		
Due to related parties	135,629	135,047
Total non-current liabilities	<u>135,629</u>	<u>135,047</u>
Total liabilities	140,121	140,597
Partners' equity:		
Capital stock	78,100	78,100
Accumulated deficit	(39,719)	(41,858)
Total partners' equity	<u>38,381</u>	<u>36,242</u>
Total partners' equity and liabilities	<u>\$ 178,502</u>	<u>\$ 176,839</u>

La Covadonga Limited

Statements of Operations

For the three months ended March, 2024 and for the year end December 31, 2023

(In thousands of US dollars)

	March 2024	December 2023
	Unaudited	Audited
Continuing operations:		
Revenue from operating lease	\$ 8,372	\$ 27,016
Operating cost	24	60
Depreciation of assets under operating leases	<u>3,342</u>	<u>12,901</u>
Gross profit	5,006	14,055
Interest expense	3,388	13,460
Exchange (profit) loss, net	<u>(14)</u>	<u>9</u>
Profit before income taxes	1,632	586
Income tax benefit	<u>(507)</u>	<u>(4,021)</u>
Net profit	\$ <u><u>2,139</u></u>	\$ <u><u>4,607</u></u>

La Covadonga Limited

Statements of Cash Flows

For the three months ended March, 2024 and for the year end December 31, 2023

(In thousands of US dollars)

	March 2024	December 2023
	Unaudited	Audited
Cash flows from operating activities		
Net profit	\$ 2,139	\$ 4,607
Adjustments for:		
Income tax benefit	(507)	(4,021)
Depreciation	3,342	12,901
Exchange loss	(14)	9
Interest expense	3,388	13,460
	<u>8,348</u>	<u>26,956</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(3,217)	(3,748)
Other accounts receivable	11	(806)
Prepaid expenses	8	(4)
Increase (decrease) in:		
Trade accounts payable	(26)	3
Due to related parties	582	(2,681)
Other accounts payable and accrued liabilities	(1,018)	1,573
Net cash flows by operating activities	<u>4,688</u>	<u>21,293</u>
Cash flows from investing activities:		
Purchase of equipment	(1,299)	(7,833)
Net cash flows by investing activities	<u>(1,299)</u>	<u>(7,833)</u>
Cash flows from financing activities:		
Interest paid	(3,388)	(13,460)
Net cash flows in financing activities	<u>(3,388)</u>	<u>(13,460)</u>
Net (decrease) increase in cash	1	0
Cash at the beginning of the year	<u>4</u>	<u>4</u>
Cash at end of the year	<u>\$ 5</u>	<u>\$ 4</u>