

Latina Offshore Holding Limited
Unaudited consolidated financial information
First quarter results 2024
(In thousands of US dollars)

Mexico City, May 31st, 2024, Latina Offshore Holding Limited (the “Company”), a subsidiary of Constructora y Perforadora Latina, S.A. de C.V. (“Latina”), reports the unaudited consolidated financial results as of March 31st, 2024.

The Company, through its subsidiaries, owns two (2) Jack-ups (La Santa Maria and La Covadonga, jointly referred to as the “Jack-ups”) and one (1) modular rig (Modular 01, referred to as the “Modular”). The Jack-ups and the Modular are indirectly leased (as part of services) to Petróleos Mexicanos, S.A. de C.V. (“Pemex”) on long-term drilling wells (exploration, production and repairing) contracts through Latina. La Santa Maria commenced operations on February 15th, 2014, La Covadonga on May 28th, 2014, and the Modular on July 5th, 2016.

La Covadonga and La Santa Maria were drilling wells in the Gulf of Mexico during the quarter. The Modular is currently suspended.

- La Santa Maria was drilling on a field named Akal during the quarter;
- La Covadonga has been drilling in a well named Yaxche;
- The Modular was suspended starting December 24th, 2021. Latina is reviewing opportunities to generate revenues for the Modular equipment.

1. Contracts with Pemex

On November 2022, Latina signed the amendment agreements with the following main conditions that continues as of today:

- i) Increasing day rates starting January 1st, 2023, according with the base and minimum day rate of \$111.3/d and adjusting it with the Jack up Index every six months; day rates for the Jack-ups for the second half of 2023 were \$132.8/d and it increased to \$147.4k for the 1st semester of 2024; and
- ii) extending the term for both Jack-ups until December 31st, 2024; the company is optimistic about further extensions based on future workload.

2. Financing update

During 2023, the Company completed the implementation of the refinancing of the 8.875% (LOL Bond) and the 10.00% (LOHL Bond) Secured Notes as agreed with the bondholders and those currently stands as follows:

LOL Bond

- Super Senior Bonds issuance by \$35,000 on March 28, 2023 in order to establish a maximum basket for a repurchase tender, with a 10% interest coupon and PIK interest by 0.25% of every million dollars issued applied to the free cash flow before principal payments, and five-year maturity. Payments to the principal amount once the Ordinary Bond is paid. This Bond amounts to \$35,879 as of March 31st, 2024.
- A maximum basket of \$60,000 was achieved for a tender for repurchase, so the Company was able to repay \$89,552 out of the \$154,300 bonds tendered. The remaining amount was exchanged with Takeout Bonds issued on March 28, 2023, at 85% of par value. Takeout Bonds amount to \$48,612 as of March 31st, 2024 with a quarterly interest coupon of 7%, quarterly cash sweep at 78% of its current par value, and five-year maturity.
- Ordinary Bonds amounting to \$123,079 were issued on March 28, 2023 at par value to exchange the original bonds for those bondholders that subscribed the Super Senior Bonds with a quarterly interest coupon of 7%, quarterly cash sweep, and five-year maturity. This Bond amounts to \$118,097 as of March 31st, 2024.

Total outstanding debt after the refinance amounted \$213,014 and the amount as of March 31st, 2024 amounts to \$202,587.

LOHL Bond

- Current Bond was refinanced for a \$49,000 Bond with seven-year maturity, and quarterly interest coupon by 7%. It was also agreed a shareholder support from Latina in the amount of \$15 per day to fulfill bond obligations due to current Modular suspension. Shareholders agree to increase the support to 20k per day starting July 1st 2023.

3. Operations Highlights

	Q1 2024	Q1 2023	FY 2023
Revenue	16,845	12,960	54,126
EBITDA	16,661	12,796	52,285
Interest expenses	5,800	8,955	24,555
Total debt	251,042	268,878	254,493

Efficiency						
Santa Maria			Covadonga		Modular	
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q1 2024	100%	100%	100%	99.96%	n/a	n/a
Q1 2023	100%	100%	100%	100%	n/a	n/a
YTD 2023	100%	99.94%	99.97%	99.81%	n/a	n/a

Revenue

The revenue for Q1 2024 was \$16,845 and it is 29.98% higher than previous year same quarter due to the increase in day rates agreed with Pemex. The bareboat charters were as follows:

	Q1 2024 bareboat rate	Q1 2024 revenues	Q1 2023 bareboat rate	Q1 2023 revenues
La Santa María	92	8,372	72	6,480
La Covadonga	92	8,372	72	6,480

	FY 2024 bareboat rate	FY 2024 revenues	FY 2023 bareboat rate	FY 2023 revenues
La Santa María	92	8,372	74.02	27,016
La Covadonga	92	8,372	74.02	27,016

EBITDA

The Q1 2024 EBITDA amount is \$16,661 and is 30.20% higher than Q1 2023 due to the increase on day rates.

4. Invoice and factoring

As of March 31, 2024, and up to today, the movement of Latina's invoiced account receivables are as follows:

	Jack-ups- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2023	\$ 12,843	\$ 2,055	\$ 14,897	\$ 27,011	\$ 4,322	\$ 31,333
Invoice in Q1 2024	13,717	2,195	15,911	8,434	1,350	9,784
Collection in Q1 2024	-	-	-	(9,451)	(1,512)	(10,963)
Balance as of 31 March 2024	26,559	4,250	30,809	25,994	4,159	30,153
Invoice in Q2 2024	15,005	2,401	17,406	-	-	-
Collection in Q2 2024	(2,344)	(375)	(2,719)	(17,560)	(2,810)	(20,369)
Balance as of today	\$ 39,220	\$ 6,275	\$ 45,495	\$ 8,434	\$ 1,350	\$ 9,784
	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 December 2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Invoice in Q1 2024	-	-	-	-	-	-
Collection in Q1 2024	-	-	-	-	-	-
Balance as of 31 March 2024	-	-	-	-	-	-
Invoice in Q2 2024	-	-	-	-	-	-
Collection in Q2 2024	-	-	-	-	-	-
Balance as of today	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accounts Receivables			
Month	Jack ups	Modular	Balance as of today
April 2024	7,297	-	7,297
May 2024	9,141	-	9,141
Subtotal Accrued Receivables	16,437	-	16,437
October 2023	300	-	300
November 2023	2,093	-	2,093
December 2023	10,167	-	10,167
January 2024	10,603	-	10,603
February 2024	9,932	-	9,932
March 2024	10,603	-	10,603
April 2024	1,796	-	1,796
Subtotal Invoiced Receivables	45,494	-	45,494
Total Receivables	61,932	-	61,932

The account receivables payment terms are 90 days after issuing the invoices. The invoices factored are a non-recourse factoring. Current balance is significantly higher than previous quarters due to delays on payments from Pemex that reached almost 180 days in top of the 90-day commercial term. This has resulted in limited opportunity to discount invoices. Despite these delays, Pemex has recently indicated that it will start reducing the delays and expect that by August delays will be around only to 30 days.

5. Latina's pro-forma consolidated income statement

The following consolidated income statements are included only for additional information, reflecting the Jack ups and Modular business in conjunction with Latina as a one project.

Revenue

The revenue for Q1 2024 was \$27,120 and it is 28.08% higher than the previous year's same quarter due to the increase in day rates agreed with Pemex.

EBITDA

The Q1 2024 EBITDA amount is \$15,276 and is 27.61% higher than Q1 2023 due to additional revenues explained above. On the other side, operating expenses were slightly

higher due to the Mexican Peso appreciation related to those costs denominated in such currency; impact is mainly related to salaries.

For the year ended March 31, 2024 and 2023

(In thousands of US dollars)

	Q1 2024			Q1 2023		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	27,019	101	27,120	21,164	10	21,174
Operating expenses:						
Operating cost and expenses	6,904	390	7,294	6,311	327	6,638
Other expenses (incomes), net	-	-	-	(135)	-	(135)
Corporate expenses	4,550	-	4,550	2,700	-	2,700
Depreciation	7,000	1,128	8,128	6,745	2,355	9,100
Total operating expenses	18,454	1,518	19,972	15,621	2,682	18,303
Operating results	8,565	(1,417)	7,148	5,543	(2,672)	2,871
EBITDA	15,565	(289)	15,276	12,288	(317)	11,971

	FY 2024			FY 2023		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	27,019	101	27,120	94,082	(900)	93,182
Operating expenses:						
Operating cost and expenses	6,904	390	7,294	22,677	(252)	22,425
Corporate expenses	4,550	-	4,550	14,630	-	14,630
Depreciation	7,000	1,128	8,128	27,283	17,390	44,673
Total operating expenses	18,454	1,518	19,972	64,590	17,138	81,728
Operating results	8,565	(1,417)	7,148	29,492	(18,038)	11,454
EBITDA	15,565	(289)	15,276	56,775	(648)	56,127