

Latina Offshore Holding Limited
Unaudited consolidated financial information
Results for the second quarter of 2024
(In thousands of US dollars)

Mexico City, August 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 June 30, 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 first half of 2024 were \$147.4k /d and it increased to \$155.2k for the second half of 2024; and
- ii) extending the term for both Jack-ups until December 31st, 2024; Latina has received a letter from Pemex requesting an extension till December 31st, 2025, and is currently negotiating a further extension 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 June 30th, 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 June 30th, 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 June 30th, 2024.

Total outstanding debt as of June 30, 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

	Q2 2024	YTD 2024	Q2 2023	FY 2023
Revenue	16,757	33,602	13,104	54,126
EBITDA	16,490	33,151	12,968	52,285
Interest expenses	5,602	11,402	5,169	24,555
Total debt	251,042	251,042	262,197	254,493

Efficiency						
Santa Maria			Covadonga		Modular	
	Earnings	Operational	Earnings	Operational	Earnings	Operational
Q2 2024	100%	100%	100%	100%	n/a	n/a
YTD 2024	100%	100%	100%	99.98%	n/a	n/a
Q2 2023	100%	99.84%	100%	99.95%	n/a	n/a
FY 2023	100%	99.94%	99.97%	99.81%	n/a	n/a

Revenue

The revenue for Q2 2024 was \$16,757 and it is 27.88% higher than previous year same quarter due to the increase in day rates agreed with Pemex. The bareboat charters were as follows:

	Q2 2024 bareboat rate	Q2 2024 revenues	Q2 2023 bareboat rate	Q2 2023 revenues
La Santa María	92	8,372	72	6,552
La Covadonga	92	8,372	72	6,552

	FY 2024 bareboat rate	FY 2024 revenues	FY 2023 bareboat rate	FY 2023 revenues
La Santa María	92	16,744	74.02	27,016
La Covadonga	92	16,744	74.02	27,016

EBITDA

The Q2 2024 EBITDA amount is \$16,490 and is 27.16% higher than Q2 2023 due to the increase on day rates.

4. Invoice and factoring

As of June 30, 2024, and up to today, the movement of Latina's invoiced account receivables are as shown in the table below. The amount collected includes interests paid in advance up to June 26, 2025 as well as other credit commissions in the amount of \$3,733, and the net amount received in the Latina bank account amounts \$17,216

	Jack-ups- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 March 2024	\$ 26,559	\$ 4,250	\$ 30,809	\$ 25,994	\$ 4,159	\$ 30,153
Invoice in Q2 2024	24,324	3,892	28,216	-	-	-
Collection in Q2 2024	(2,344)	(375)	(2,719)	(17,560)	(2,810)	(20,369)
Balance as of 30 June 2024	48,539	7,766	56,305	8,434	1,350	9,784
Invoice in Q3 2024	25,918	4,147	30,066	-	-	-
Collection in Q3 2024	(20,949)	-	(20,949)	-	-	-
Balance as of today	\$ 53,508	\$ 11,913	\$ 65,422	\$ 8,434	\$ 1,350	\$ 9,784
	Modular- Account receivables					
	Invoices no factored			Invoices factored		
	Lease	VAT	Total	Lease	VAT	Total
Balance as of 31 March 2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Invoice in Q2 2024	-	-	-	-	-	-
Collection in Q2 2024	-	-	-	-	-	-
Balance as of 30 June 2024	-	-	-	-	-	-
Invoice in Q3 2024	-	-	-	-	-	-
Collection in Q3 2024	-	-	-	-	-	-
Balance as of today	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Accounts Receivables			
Month	Jack ups	Modular	Balance as of today
August 2024	9,624	-	9,624
Subtotal Accrued Receivables	9,624	-	9,624
October 2023	300	-	300
November 2023	2,093	-	2,093
December 2023	6,624	-	6,624
January 2024	10,603	-	10,603
February 2024	9,932	-	9,932
March 2024	6,626	-	6,626
April 2024	5,827	-	5,827
May 2024	5,424	-	5,424
June 2024	6,828	-	6,828
July 2024	11,164	-	11,164
Subtotal Invoiced Receivables	65,422	-	65,422
Total Receivables	75,046	-	75,046

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 opportunities to discount on invoices. Pemex indicated that it would start to reduce the delays, but it has not materialized as of today.

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 Q2 2024 was \$27,174 and it is 15.20% higher than the previous year's same quarter due to the increase in day rates agreed with Pemex.

EBITDA

The Q2 2024 EBITDA amount is \$14,639 and is slightly lower than Q2 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 and the increase of the corporate fee to \$25 per rig/day.

For the six months ended June 30, 2024 and 2023

(In thousands of US dollars)

	Q2 2024			Q2 2023		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	27,161	13	27,174	23,492	96	23,588
Operating expenses:						
Operating cost and expenses	7,534	451	7,985	5,515	341	5,856
Other expenses (incomes), net	-	-	-	(54)	-	(54)
Corporate expenses	4,550	-	4,550	2,730	-	2,730
Depreciation	7,044	1,119	8,163	6,780	1,499	8,279
Total operating expenses	19,128	1,570	20,698	14,971	1,840	16,811
Operating results	8,033	(1,557)	6,476	8,521	(1,744)	6,777
EBITDA	15,077	(438)	14,639	15,301	(245)	15,056

	FY 2024			FY 2023		
	Jack-ups	Modular	Total	Jack-ups	Modular	Total
Operating lease income	54,180	114	54,294	94,082	(900)	93,182
Operating expenses:						
Operating cost and expenses	14,438	841	15,279	22,677	(252)	22,425
Other expenses (incomes), net	-	-	-	-	-	-
Corporate expenses	9,100	-	9,100	14,630	-	14,630
Depreciation	14,044	2,247	16,291	27,283	17,390	44,673
Total operating expenses	37,582	3,088	40,670	64,590	17,138	81,728
Operating results	16,598	(2,974)	13,624	29,492	(18,038)	11,454
EBITDA	30,642	(727)	29,915	56,775	(648)	56,127