

La Covadonga Limited

Statements of Financial Position

As of September 30, 2024 and December 31, 2023

(In thousands of US dollars)

Assets

	September 2024	December 2023
	Unaudited	Audited
Current assets:		
Cash	\$ 0	\$ 4
Due from related parties	35,848	17,871
Other accounts receivable	1,032	1,978
Prepaid expenses, net	7	27
Total current assets	36,887	19,880
Non-current assets:		
Jack-up and equipment, net	126,991	135,296
Deferred income taxes	16,672	21,663
Total non-current assets	143,663	156,959
Total assets	\$ 180,550	\$ 176,839

Liabilities and Partners' equity

Current liabilities:		
Trade accounts payable	\$ 2	\$ 26
Other accounts payable and accrued liabilities	5,000	5,524
Total current liabilities	5,002	5,550
Non-current liabilities:		
Due to related parties	138,254	135,047
Total non-current liabilities	138,254	135,047
Total liabilities	143,256	140,597
Partners' equity:		
Capital stock	78,100	78,100
Accumulated deficit	(40,806)	(41,858)
Total partners' equity	37,294	36,242
Total partners' equity and liabilities	\$ 180,550	\$ 176,839

La Covadonga Limited

Statements of Operations

For the nine months ended September, 2024 and for the year end December 31, 2023

(In thousands of US dollars)

	September 2024	December 2023
	Unaudited	Audited
Continuing operations:		
Revenue from operating lease	\$ 25,668	\$ 27,016
Operating cost	59	60
Depreciation of assets under operating leases	10,064	12,901
Gross profit	<u>15,545</u>	<u>14,055</u>
Interest expense	9,458	13,460
Exchange loss, net	44	9
Profit before income taxes	<u>6,043</u>	<u>586</u>
Deferred loss (income) tax benefit	<u>4,991</u>	<u>(4,021)</u>
Net profit	<u>\$ 1,052</u>	<u>\$ 4,607</u>

La Covadonga Limited

Statements of Cash Flows

For the nine months ended September, 2024 and for the year end December 31, 2023

(In thousands of US dollars)

	September 2024	December 2023
	Unaudited	Audited
Cash flows from operating activities		
Net profit	\$ 1,052	\$ 4,607
Adjustments for:		
Deferred loss (income) tax benefit	4,991	(4,021)
Depreciation	10,064	12,901
Exchange loss	44	9
Interest expense	9,458	13,460
	<u>25,609</u>	<u>26,956</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(17,977)	(3,748)
Other accounts receivable	945	(806)
Prepaid expenses	20	(4)
Increase (decrease) in:		
Trade accounts payable	(24)	3
Due to related parties	3,207	(2,681)
Other accounts payable and accrued liabilities	(567)	1,573
Net cash flows by operating activities	<u>11,213</u>	<u>21,293</u>
Cash flows from investing activities:		
Purchase of equipment	<u>(1,759)</u>	<u>(7,833)</u>
Net cash flows by investing activities	<u>(1,759)</u>	<u>(7,833)</u>
Cash flows from financing activities:		
Interest paid	<u>(9,458)</u>	<u>(13,460)</u>
Net cash flows in financing activities	<u>(9,458)</u>	<u>(13,460)</u>
Net (decrease) increase in cash	(4)	0
Cash at the beginning of the year	<u>4</u>	<u>4</u>
Cash at end of the year	<u>\$ 0</u>	<u>\$ 4</u>