

Latina Offshore Limited and Subsidiaries

Consolidated 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 and restricted cash	\$ 33	\$ 48
Due from related parties	90,666	53,208
Other accounts receivable	3,853	5,520
Prepaid expenses, net	190	250
Total current assets	94,742	59,026
Non-current assets:		
Jack ups and equipment, net	257,526	275,283
Deferred income taxes	34,772	48,628
Total non-current assets	292,298	323,911
Total assets	\$ 387,040	\$ 382,937

Liabilities and Partners' equity

Current liabilities:		
Due to related parties	\$ 31,773	27,642
Trade accounts payable	27	89
Other accounts payables and accrued liabilities	13,299	13,583
Interest payable	4,208	4,062
Total current liabilities	49,307	45,376
Non-current liabilities:		
Long-term debt	198,539	201,393
Total liabilities	247,846	246,769
Partners' equity:		
Capital stock	180,712	180,712
Share premium account	35,059	34,685
Accumulated deficit	(76,577)	(79,229)
Total partners' equity	139,194	136,168
Total partners' equity and liabilities	\$ 387,040	\$ 382,937

Latina Offshore Limited and Subsidiaries

Consolidated 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	\$ 51,336	\$ 54,032
Operating costs	428	641
Depreciation of assets under operating leases	21,008	27,265
Gross profit	<u>29,900</u>	<u>26,126</u>
Others expenses, net	8	15
Interest expense, net	13,368	15,954
Exchange loss (profit), net	17	(110)
Profit before income taxes	<u>16,507</u>	<u>10,267</u>
Deferred loss (income) tax benefit	<u>13,855</u>	<u>(9,278)</u>
Consolidated profit for the year	<u>\$ 2,652</u>	<u>\$ 19,545</u>

Latina Offshore Limited and Subsidiaries

Consolidated Statement 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 Unaudited	December 2023 Audited
Cash flows from operating activities:		
Consolidated profit for the year	\$ 2,652	\$ 19,545
Adjustments for:		
Income taxes benefit	13,855	(9,278)
Depreciation	21,008	27,265
Amortization of bond issuance costs	359	1,483
Exchange gain	17	(110)
Interest income	(2)	6
Benefit from amortized cost of debt	-	(5,646)
Interest expense	13,011	20,117
	<u>50,900</u>	<u>53,382</u>
Changes in working capital:		
(Increase) decrease in:		
Due from related parties	(37,458)	(3,940)
Other accounts receivable	1,667	(1,705)
Prepaid expenses	60	(173)
Increase (decrease) in:		
Trade accounts payable	(61)	12
Due to related parties	3,445	14,132
Other accounts payable and accrued liabilities	(301)	1,233
Net cash flows by operating activities	<u>18,252</u>	<u>62,941</u>
Cash flows from investing activities:		
Purchase of Jack-ups and equipment	(3,252)	(14,753)
Interest income	2	182
Net cash flows by investing activities	<u>(3,250)</u>	<u>(14,571)</u>
Cash flows from financing activities:		
Long-term debt payments	(2,844)	(67,185)
Proceeds from debt	-	35,000
Bond issuance cost	(245)	(5,908)
Interest paid	(11,928)	(20,689)
Net cash flows in financing activities	<u>(15,017)</u>	<u>(58,782)</u>
Net (decrease) increase in cash and restricted cash	(15)	(10,412)
Cash and restricted cash at the beginning of the year	48	10,460
Cash and restricted cash at end of the year	<u>\$ 33</u>	<u>\$ 48</u>