

Latina Modular 01 Limited
(Subsidiary of Latina Desarrollos
Energéticos, S. A. de C. V.)

Financial Statements for
For the period from January 1 to
July 9, 2025 (Merger Date) and
December 31, 2024, and
Independent Auditors' Report
Dated April 28, 2026



Latina Modular 01 Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Independent Auditors' Report and Financial Statements for the period from January 1 to July 9, 2025 (Merger Date) and December 31, 2024

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Independent Auditors' Report to the Board of Directors and Stockholders of Latina Modular 01 Limited

Opinion

We have audited the accompanying financial statements of Latina Modular 01 Limited (the "Entity"), which comprise the statements of the financial position as of July 9, 2025 and December 31, 2024, and the related statements of loss, statements of changes in stockholders' equity and statements of cash flows for the period from January 1 to July 9, 2025 (Merger Date) and year then ended December 31, 2024, as well as the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as of July 9, 2025 and December 31, 2024, its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to the Going Concern

We draw your attention to Note 3a of the accompanying financial statements which indicates that on October 11, 2014, Latina Offshore Holding Limited, the parent company, issued an International Bond. The modular rig, property of the entity, is pledged as collateral for this international bond. As of July 9, 2025 the outstanding balance is \$46,226 and it is due on January 31, 2030.

As mentioned in Note 1a, on July 9, 2025, approval was granted for the merger of Latina Modular 01 into Constructora y Perforadora Latina, S.A. de C.V. Consequently, Constructora y Perforadora Latina, S.A. de C.V. assumed all rights and obligations associated with the merged entity

Our opinion has not been modified in relation to this matter.

Paragraphs of Emphasis

As mentioned in Note 1, the Entity provides services exclusively to a related party. Accordingly, the accompanying financial statements are not necessarily indicative of the prevailing conditions or results of operation and cash flows that the Entity would have obtained if there were no such affiliation.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Independent Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Plan and perform the entity audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the entity as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the entity audit. We remain solely responsible for our audit opinion.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and material audit findings, including any significant deficiencies in internal control that we identify during our audit.

Galaz, Yamazaki Ruiz Urquiza, S. C.
Affiliated to a Member Firm of Deloitte Touche Tohmatsu Limited

C. P. C. Elsa Alarcón Gutiérrez

Mexico City, Mexico
April 28, 2026



Latina Modular 01 Limited
 (Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Statements of Financial Position

For the period from January 1, to July 9, 2025 (Merger Date) and December 31, 2024
 (In thousands of US dollars)

| Assets | Note | July 9, 2025 | December 31, 2024 |
|--|------|------------------|-------------------|
| Current assets: | | | |
| Cash | | \$ 4 | \$ 3 |
| Due from related parties | 9 | 4,595 | 4,496 |
| Other accounts receivable | | 1 | 2 |
| Prepaid expenses, net | | <u>12</u> | <u>24</u> |
| Total current assets | | 4,612 | 4,525 |
| Non-current assets: | | | |
| Modular rig and equipment, net | 5 | 20,579 | 25,181 |
| Deferred income taxes | 6 | <u>25,575</u> | <u>21,866</u> |
| Total non-current assets | | <u>46,154</u> | <u>47,047</u> |
| Total assets | | <u>\$ 50,766</u> | <u>\$ 51,572</u> |
| Liabilities and Partners' equity | | | |
| Current liabilities: | | | |
| Due to related parties | 9 | \$ 54 | \$ - |
| Trade accounts payable | | 2 | 25 |
| Other accounts payable and accrued liabilities | | <u>251</u> | <u>240</u> |
| Total current liabilities | | 307 | 265 |
| Stockholders' equity: | | | |
| Capital stock | 8 | 88,768 | 88,768 |
| Accumulated deficit | | <u>(38,309)</u> | <u>(37,461)</u> |
| Total stockholders' equity | | <u>50,459</u> | <u>51,307</u> |
| Total stockholders' equity and liabilities | | <u>\$ 50,766</u> | <u>\$ 51,572</u> |

See accompanying notes to financial statements.



Latina Modular 01 Limited
 (Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Statements of Loss

For the period from January 1 to July 9, 2025 (Merger Date) and December 31, 2024
 (In thousands of US dollars)

| | Note | July 9, 2025 | December 31, 2024 |
|---|------|-----------------|--------------------|
| Revenue from operating lease | 9 | \$ 2 | \$ 194 |
| Operating cost | | 19 | 45 |
| Impairment loss | 5 | 2,400 | 5,000 |
| Depreciation of assets under operating leases | 5 | <u>2,202</u> | <u>4,475</u> |
| Gross loss | | (4,619) | (9,326) |
| Interest income | 9 | (101) | (208) |
| Interest expense | | 38 | - |
| Exchange loss (gain), net | | <u>1</u> | <u>(2)</u> |
| Loss before income taxes | | (4,557) | (9,116) |
| Income tax (benefit) expense | 6 | <u>(3,709)</u> | <u>2,090</u> |
| Loss for the year | | <u>\$ (848)</u> | <u>\$ (11,206)</u> |

See accompanying notes to financial statements.



Latina Modular 01 Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Statements of Changes in Stockholders' Equity

For the period from January 1 to July 9, 2025 (Merger Date) and December 31, 2024

(In thousands of US dollars)

| | Capital stock | Accumulated deficit | Total partners' equity |
|---------------------------------|------------------|------------------------|---------------------------|
| Balance as of December 31, 2023 | \$ 88,768 | \$ (26,255) | \$ 62,513 |
| Loss for the year | <u>-</u> | <u>(11,206)</u> | <u>(11,206)</u> |
| Balance as of December 31, 2024 | 88,768 | (37,461) | 51,307 |
| Loss for the year | <u>-</u> | <u>(848)</u> | <u>(848)</u> |
| Balance as of July 9, 2025 | <u>\$ 88,768</u> | <u>\$ (38,309)</u> | <u>\$ 50,459</u> |

See accompanying notes to financial statements.



Latina Modular 01 Limited
 (Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Statements of Cash Flows

For the period from January 1 to July 9, 2025 (Merger Date) and December 31, 2024
 (In thousands of US dollars)

| | July 9, 2025 | December 31, 2024 |
|---|--------------|-------------------|
| Cash flows from operating activities | | |
| Loss for the year | \$ (848) | \$ (11,206) |
| Adjustments for: | | |
| Income tax (benefit) expense | (3,709) | 2,090 |
| Impairment loss | 2,400 | 5,000 |
| Depreciation | 2,202 | 4,475 |
| Exchange loss (gain), net | 1 | (1) |
| Interest expense | 38 | - |
| Interest income | <u>(101)</u> | <u>(208)</u> |
| | (17) | 150 |
| Changes in working capital: | | |
| (Increase) decrease in: | | |
| Due from related parties | (99) | (430) |
| Other accounts receivables | 1 | 209 |
| Prepaid expenses | 12 | 3 |
| (Decrease) increase in: | | |
| Trade accounts payable | (23) | 1 |
| Due to related parties | 54 | (6) |
| Other accounts payable and accrued liabilities | <u>10</u> | <u>(136)</u> |
| Net cash flows used in operating activities | (62) | (209) |
| Cash flows from investing activities: | | |
| Interest income | <u>101</u> | <u>208</u> |
| Net cash flows provided by investing activities | <u>101</u> | <u>208</u> |
| Cash flows from financing activities: | | |
| Interest paid | <u>(38)</u> | <u>-</u> |
| Net cash flows provided by financing activities | <u>(38)</u> | <u>-</u> |
| Net decrease in cash | 1 | (1) |
| Cash at the beginning of the year | <u>3</u> | <u>4</u> |
| Cash at the end of the year | <u>\$ 4</u> | <u>\$ 3</u> |

See accompanying notes to financial statements.



Latina Modular 01 Limited
(Subsidiary of Latina Desarrollos Energéticos, S. A. de C. V.)

Notes to the Financial Statements

For the period from January 1, to July 9, 2025 (Merger Date) and December 31, 2024

(In thousands of US dollars)

1. Activity

Latina Modular 01 Limited (the “Entity”) was incorporated as a Bermuda exempted company on July 28, 2015, under the laws of Bermuda. The Entity has an office at Canon’s Court 22 Victoria Street, Hamilton, Bermuda. For Mexican tax purposes, the Entity’s address is Horacio 1855, 5th floor, Los Morales Polanco, Mexico City, Zip Code 11510.

The main activity of the Entity is the leasing of a Modular rig (“Modular 01”) to Constructora y Perforadora Latina, S. A. de C. V., (“CP Latina”) the indirect parent, company incorporated in Mexico.

The Entity provides services exclusively to a related party. Accordingly, the accompanying financial statements are not necessarily indicative of the prevailing conditions or results of operation and cash flows that the Entity would have obtained if there were no such affiliation.

The Entity’s operating and administrative personnel are employed directly by a related party. Therefore, the Entity has no employees and is not subject to any labor obligations other than any joint and several obligations that may arise from the labor agreements executed with the related party.

Operations July 9, 2025 and December 31, 2024

a) *Merger*

On July 9, 2025, approval was granted for the merger of Latina Modular 01 into Constructora y Perforadora Latina, S.A. de C.V. Consequently, Constructora y Perforadora Latina, S.A. de C.V. assumed all rights and obligations associated with the merged entity.

b) *Changes to the leases with CP Latina of Modular 01*

The operation of the Modular was suspended as of December 24, 2021. On December 12, 2023, the settlement of the Modular contract with Pemex was signed. The Entity continues to actively seek a new assignment, as of the date of issuance of these financial statements, the Modular remains without activity.

2. Adoption of new and revised Accounting Standards

In the current year, the entity has applied the following amendment to IFRS Accounting Standards issued by the IASB, which is mandatorily effective for an accounting period that begins on or after 1 January 2025. Its adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

a. *New and amended Accounting Standards that are Effective for the Current Year*

*Amendments to IAS 21
The Effects of Changes
in Foreign Exchange
Rates titled Lack of
Exchangeability*

The entity has adopted the amendments to IAS 21 for the first time in the current year.

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.



b. ***New and revised IFRS Accounting Standards in issue but not yet effective***

At the date of authorization of these Separate Financial Statements, the entity has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

| | |
|--|--|
| <i>Amendments to IFRS 9 and IFRS 7</i> | <i>Amendments to the Classification and Measurement of Financial Instruments</i> |
| <i>Annual improvements to IFRS Accounting Standards – Volumen 11</i> | <i>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows</i> |
| <i>Amendments to IFRS 9 and IFRS 7</i> | <i>Contracts Referencing Nature-dependent Electricity</i> |
| <i>IFRS 18 IFRS 19</i> | <i>Presentation and Disclosures in Financial Statements Subsidiaries without Public Accountability: Disclosures</i> |

Management do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the group in future periods, except if indicated below.

Amendments to IFRS 9 and IFRS 7—Amendments to the Classification and Measurement of Financial Instruments. The amendments in Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) are:

Derecognition of a financial liability settled through electronic transfer

The amendments permit an entity to deem financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognized) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

Classification of financial assets

Contractual terms that are consistent with a basic lending arrangement. The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

Assets with non-recourse features.

The amendments enhance the description of the term ‘non-recourse’, in particular to specify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

Contractually linked instruments.

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.



Disclosures

Investments in equity instruments designated at FVTOCI.

The requirements in IFRS 7 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period.

Contractual terms that could change the timing or amount of contractual cash flows.

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs. The requirements apply to each class of financial asset measured at amortized cost or FVTOCI and each class of financial liability measured at amortized cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

The entity anticipates that the application of these amendments may have an impact on financial statements in future periods.

IFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter

For consistency with the requirements in IFRS 9, IFRS 1:B5-B6 were amended to refer to the ‘qualifying criteria’ for hedge accounting (instead of the ‘conditions’) and to add cross-references to IFRS 9:6.4.1 to improve the understandability of IFRS 1.

Amendments to IFRS 9 and IFRS 7—Contracts Referencing Nature-dependent Electricity ***Amendments to IFRS 9 Financial Instruments***

The following requirements of IFRS 9 are affected by the amendments:

- the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying

IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and

- the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:
 - to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and
 - to measure the hedged item using the same volume assumptions as those used for the hedging instrument.



Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability:

Disclosures

IFRS 7 and IFRS 19 were amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

The amendments to the own use exemption are required to be applied retrospectively in accordance with IAS 8 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The entity anticipates that the application of these amendments may have an impact on financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards) to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

3. Significant accounting policies

a. *Going concern*

On July 9, 2025, approval was granted for the merger of Latina Modular 01 into Constructora y Perforadora Latina, S.A. de C.V. Consequently, Constructora y Perforadora Latina, S.A. de C.V. assumed all rights and obligations associated with the merged entity.

On October 11, 2014, Latina Offshore Holding Limited, the Parent, issued an International Bond. As of July 9, 2025, the unpaid balance is \$46,226 and matures on January 31, 2030. The Modular rig owned by the Entity, is pledged as collateral, and could be collected by the bondholders.



The operation of the Modular rig was suspended as of December 24, 2021.

Additionally, the Entity provides services exclusively to a related party. Accordingly, the accompanying financial statements are not necessarily indicative of the prevailing conditions or results of operation and cash flows that the Entity would have obtained if there were no such affiliation.

b. *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards released by the International Accounting Standards Board (IASB).

c. *Basis of preparation*

The accompanying financial statements have been prepared on a historical cost basis; disclosures of fair value have been included where required by IFRS.

i. *Historical cost*

Historical cost is generally measured as the fair value of the consideration given in exchange for goods and services.

ii. *Fair value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Entity considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

d. *Financial instruments*

Financial assets and financial liabilities are recognized when the Entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.



e. **Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1. Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the entity may make the following irrevocable election / designation at initial recognition of a financial asset:

- The Entity may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below).
- The Entity may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (iv) below).

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (i) to (iii) above) are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Entity designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition (see (iii) above).



- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria (see (i) and (ii) above) are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called ‘accounting mismatch’) that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Entity has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the ‘Other gains and losses.

2. *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if it has been determined that they are not individually impaired. Objective evidence of impairment of a portfolio of receivables could include the Entity’s past experience in collecting payments, an increase in the number of late payments in the portfolio beyond an average credit period established by the Entity, as well as observable changes in national or local economic conditions that correlate with non-payment of receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of trade or lease receivables is reduced using an allowance account. When a trade or lease receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.



For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

3. ***Derecognition of financial assets***

The Entity derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

f. ***Cash***

Consists mainly of bank deposits in checking accounts and short-term investments, highly liquid and easily convertible into cash. Cash is stated at nominal value.

g. ***Modular rig and equipment***

Acquisitions are recorded at acquisition cost. Cost includes purchase price, including import duties, any costs directly attributable to bringing the asset to the location and condition necessary or it to be capable of operating in the manner intended by management of the Entity and, for qualifying assets, borrowing costs capitalized in accordance with the Entity's accounting policy. Depreciation of Modular rig and equipment commences when the assets are ready for their intended use.

Modular rig that is in the process of construction is recorded at cost less any impairment loss recognized. Cost includes professional fees, and in the case of qualifying assets, the costs of borrowing capitalized in accordance with the accounting policy of the Entity. The depreciation of these assets is initiated when assets are ready for their planned use.

Depreciation is recognized to write-off the cost of assets over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Modular rig is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Modular rig is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The average useful life of the Modular rig as of July 9, 2025 and December 31, 2024 is:

| | July 9, 2025 | December 31, 2024 |
|----------------------------------|--------------|-------------------|
| Helmet | 18 | 19 |
| Substructure | 18 | 19 |
| Lifting system (legs and motors) | 18 | 19 |
| Equipment and accessories | 13 | 14 |
| Accessories | 13 | 14 |
| Preventers | 13 | 14 |
| Housing unit | 10 | 11 |
| Fire safety net equipment | 1 | 2 |
| Helideck | 1 | 2 |



h. ***Impairment of tangible assets***

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest entity of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

During July 9, 2025 and December 31, 2024 the Entity recognize an impairment for \$2,400 and \$5,000, respectively.

i. ***Leasing***

Leases are classified as finance leases whenever the terms of the lease substantially transfer all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Entity as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

j. ***Foreign currencies***

In preparing the financial statements, transactions in currencies other than the Entity's functional currency (US dollar) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The Exchange rates used to convert foreign currency into US dollars were as follows:

| | July 9, 2025 | December 31, 2024 |
|---------------------------------|-------------------|-------------------|
| Mexican pesos per one US dollar | \$ <u>18.8928</u> | \$ <u>20.2683</u> |



k. **Income taxes**

The expense for income taxes represents the sum of current and deferred tax.

1. *Current tax*

Current income tax (“ISR”) is recognized in the results of the year in which is incurred.

2. *Deferred tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the way the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. *Current and deferred tax for the year*

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity.

l. **Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) because of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

m. ***Financial liabilities and equity instruments***

1. *Classification as debt or equity*

Debt and equity instruments issued by the Entity are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



2. *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Entity after deducting all its liabilities. Equity instruments issued by an entity are recognized at the proceeds received, net of direct issue costs.

3. *Financial liabilities*

Financial liabilities are classified as either financial liabilities ‘at FVTPL’ or ‘other financial liabilities’.

Other financial liabilities, which include borrowings and trade and other payables, are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

4. *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at the end of each reporting period.

Financial assets are impaired when there is objective evidence that, because of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Entity’s experience of collecting payments, an increase in the number of delayed payments in the portfolio past an average credit period established by the Entity, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset’s carrying amount and the present value of estimated future cash flows, discounted at the financial asset’s original effective interest rate.

The carrying amount of trade or lease receivables is reduced using an allowance account. When a trade or lease receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.



n. ***Statement of cash flows***

The cash flows are used applying the indirect method. Interest received is classified as investing cash flows, while interest paid is classified as financing cash flows.

4. **Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Entity's accounting policies, which are described in Note 3, the Entity's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a. ***Critical judgments in applying accounting policies.***

The following are the critical judgments, apart from those involving estimations, that the directors have made in the process of applying the Entity's accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

- ***Leases*** - The Entity evaluates the classification of the leases for accounting purposes.

In performing such assessment, the Entity is required to exercise its professional judgment and make estimates, as follows:

- a) The lease does not transfer ownership of the Jack up and equipment to the lease by the end of the lease term
 - b) The lease term does not represent a substantial portion of the economic life of the Jack up and equipment.
 - c) At the inception of the lease the present value of the minimum lease payments amounts does not represent a substantial portion of fair value of the leased Jack up and equipment.
 - d) The leased Jack up and equipment can be used by another interested party without major modifications.
- ***Contingencies*** - By their nature, contingencies are settled when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the use of judgment and significant estimates related to the future outcome of those events.

b. ***Key sources of estimation uncertainty.***

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of long-term live assets - At each reporting date, the Entity reviews the carrying amounts of its jack-up to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.



Estimates of useful lives and depreciation methods - The Entity reviews its estimates of useful lives and methods of depreciation on the Modular rig and equipment periodically and the effect of any changes in estimate is recognized prospectively. Changes in these estimates could have a significant impact on the statements of financial position and comprehensive income of the Entity.

Recovery of tax losses carryforwards - The Entity makes financial and tax projections for the purpose of maximizing efficiency with respect to accounting and tax results. For tax purposes, the Entity realized a significant loss due to the devaluation of the Mexican peso with respect to the US dollar during July 9, 2025 and December 31, 2024.

5. Modular rig and equipment, net

| | Balance as of January 1, 2025 | Additions | Impairment | Balance as of July 9, 2025 |
|------------------------|----------------------------------|-------------------|-------------------|------------------------------------|
| Investments: | \$ 130,531 | \$ - | \$ - | \$ 130,531 |
| Modular rig | | | | |
| Depreciation: | | | | |
| Modular rig | <u>(105,350)</u> | <u>(2,202)</u> | <u>(2,400)</u> | <u>(109,952)</u> |
| Total investments, net | <u>\$ 25,181</u> | <u>\$ (2,202)</u> | <u>\$ (2,400)</u> | <u>\$ 20,579</u> |
| | Balance as of January 1, 2024 | Additions | Impairment | Balance as of December 31, 2024 |
| Investments: | \$ 130,531 | \$ - | \$ - | \$ 130,531 |
| Modular rig | | | | |
| Depreciation: | | | | |
| Modular rig | <u>(95,875)</u> | <u>(4,475)</u> | <u>(5,000)</u> | <u>(105,350)</u> |
| Total investments, net | <u>\$ 34,656</u> | <u>\$ (4,475)</u> | <u>\$ (5,000)</u> | <u>\$ 25,181</u> |

July 9, 2025 and December 31, 2024 the Entity recognize an impairment for \$2,400 and \$5,000, respectfully.

Latina Offshore Holding Limited issued an International Bond, as of July 9, 2025, the balance is in the amount of \$46,226. The Modular rig is pledged as collateral under this Internation Bond.

6. Income taxes

The Entity is not subject to income taxes in Bermuda. The Entity is subject to income tax (ISR, for its name in Spanish) in Mexico. The current rate of ISR is 30%.

a. *Income tax recognized in loss.*

| | July 9, 2025 | December 31, 2024 |
|--------------|-------------------|-------------------|
| Deferred tax | <u>\$ (3,709)</u> | <u>\$ 2,090</u> |

The reconciliation of the statutory and effective ISR rate expressed in amounts of loss before tax is:

| | July 9, 2025 | December 31, 2024 |
|--------------------------------|--------------|-------------------|
| Statutory rate | 30% | 30% |
| Effects of exchange | 43% | (65%) |
| Effects of inflation and other | <u>8%</u> | <u>12%</u> |
| Effective rate | <u>81%</u> | <u>(23%)</u> |



b. ***Deferred tax in the statement of financial position.***

The following is the analysis of deferred tax assets presented in the statements of financial position:

| | July 9, 2025 | December 31, 2024 |
|---------------------------|------------------|-------------------|
| Deferred ISR assets: | | |
| Modular rig and equipment | \$ 25,578 | \$ 20,372 |
| Impairment Modular Rig | - | 1,500 |
| Provisions and others | - | <u>2</u> |
| Deferred ISR assets | <u>25,578</u> | <u>21,874</u> |
| Deferred ISR liabilities: | | |
| Prepaid expenses | <u>(3)</u> | <u>(8)</u> |
| Deferred ISR liabilities | <u>(3)</u> | <u>(8)</u> |
| Total deferred tax, asset | <u>\$ 25,575</u> | <u>\$ 21,866</u> |

In the determination of the deferred ISR according to the above paragraph, the effects of tax losses due to amortize by the \$3,965 are included, however, these were reserved because there is no high probability that they can be recovered.

7. **Financial risk management**

a. ***Capital management***

The Entity manages its capital to ensure that it will continue as a going concern, while it maximizes returns to its shareholders through the optimization of the balances of debt and equity. The capital structure of the Entity is composed by its net debt and Partners' equity.

b. ***Interest rate risk management***

The Entity is exposed to interest rate risk because of fluctuations in market rates when compared to the fixed rates under which its debt accrues interest. The risk is not currently considered significant but may be managed in the future by entering derivative financial instruments to hedge such risk.

c. ***Credit risk management***

Credit risk refers to the situation in which the borrower defaults on its contractual obligations, thereby generating a financial loss for the Entity and which is essentially derived from customer accounts receivable and liquid funds. The Entity does not believe it has a significant credit risk as of July 9, 2025 and December 31, 2024 a result of its financial position as of such date.

d. ***Liquidity risk management***

Corporate treasury has the ultimate responsibility for liquidity management and has established appropriate policies to control this through monitoring of working capital, managing short, medium, and long-term funding requirements, maintaining cash reserves, continuously monitoring cash flows (projected and actual), and reconciling the maturity profiles of financial assets and liabilities.



The following table details the Entity's remaining contractual maturity for its liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows or financial liabilities based on the earliest date on which the Entity can be required to pay. The table includes both interest and principal cash flows.

| | July 9, 2025 | | |
|---------------------------|--------------------------|--------------|------------------------|
| | 1-6 months | Total | Carrying amount |
| Non-interest rate bearing | \$ <u>2</u> | \$ <u>-</u> | \$ <u>2</u> |
| | December 31, 2024 | | |
| | 1-6 months | Total | Carrying amount |
| Non-interest rate bearing | \$ <u>25</u> | \$ <u>-</u> | \$ <u>25</u> |

e. **Fair value measurements**

The fair value of financial instruments presented below has been determined by the Entity using information available in the markets or other valuation techniques but require judgment with respect to their development and interpretation, in addition use assumptions that are based on market conditions existing at each statement of financial position date. Consequently, the estimated amounts presented below are not necessarily indicative of the amounts that the Entity could obtain in a current market exchange. The use of different assumptions and/or estimation methods could have a material effect on the estimated amounts of fair value.

The following table provides an analysis of financial instruments that are measured after initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 are those derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Entity considers that the carrying amount of cash and restricted cash, accounts receivable and accounts payable from third parties and to related parties and the current portion of bank loans approximate their fair values because they have short-term maturities. The Entity's long-term debt is recorded at amortized cost and incurs interest at fixed and variable rates that are related to market indicators.

The carrying amounts of financial instruments by category and their related fair values as of July 9, 2025 and December 31, 2024 are as follows:

| | Carrying amount | Fair value as of July 9, 2025 |
|--|------------------------|--------------------------------------|
| Financial assets: | | |
| Cash (Level 1) | \$ 4 | \$ 4 |
| At amortized cost | | |
| Due from related parties (Level 2) | 4,595 | 4,595 |
| Financial liabilities at amortized cost | | |
| Due to related parties (Level 2) | 54 | 54 |
| Trade accounts payable (Level 2) | \$ 2 | \$ 2 |



| | Carrying amount | Fair value as of December 31, 2024 |
|--|-----------------|---------------------------------------|
| Financial assets: | | |
| Cash (Level 1) | \$ 3 | \$ 3 |
| At amortized cost | | |
| Due to related parties (Level 2) | 4,496 | 4,496 |
| Financial liabilities at amortized cost | | |
| Trade accounts payable (Level 2) | \$ 25 | \$ 25 |

Management believes that the carrying value of payables to related parties approximate their fair values based on their nature and short-term maturities. Entity's management determined the fair value of payable to related parties, which is a level 2 input.

8. Stockholders' equity

- a. The historical amount of subscribed and paid-in common stock of the Entity as of December 31, is as follows:

| | Number of shares July 9, 2025 and December 31, 2024 | Amount July 9, 2025 and December 31, 2024 |
|-----------|---|---|
| Fixed: | | |
| Series A | 100 | \$ - |
| Variable: | | |
| Series A | <u>88,768,000</u> | <u>88,768</u> |
| | <u>88,768,100</u> | <u>\$ 88,768</u> |

- b. Common stock consists of ordinary, nominative shares with par value of 1 US dollar.

9. Balances and transactions with related parties

Balances receivable and payable with related parties are presented within the statement of financial position.

- a. Transactions with related parties, carried out in the ordinary course of business were as follows:

| | July 9, 2025 | December 31, 2024 |
|--------------------------|---------------|-------------------|
| Operating lease revenues | <u>\$ 2</u> | <u>\$ 194</u> |
| Interest income, net | <u>\$ 100</u> | <u>\$ 208</u> |

- b. Balances with related parties are as follows:

| | July 9, 2025 | December 31, 2024 |
|---|-----------------|-------------------|
| Due from related parties - CP Latina | <u>\$ 4,595</u> | <u>\$ 4,496</u> |
| Due to related parties - Short term: | | |
| Latina Modular Holding Limited | <u>\$ 54</u> | <u>\$ -</u> |



The balance whit CP Latina include a loan with an annual interest rate of 8%.

10. Authorization to issue the financial statements.

On April 28, 2026, the issuance of the accompanying financial statements was authorized by C. P. C. Miguel Ruiz Tapia, Chief Executive Officer; consequently, they do not reflect events that occurred after that date and are subject to the approval at the Entity's Annual Ordinary Partners' Meeting, where they may be modified. The financial statements for the year ended December 31, 2024, were approved at the Annual Ordinary Partners' Meeting held on April 28, 2025.

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