

INCOME AND RELEASE STATEMENT

To: Nordic Trustee AS
P.O. Box 1470 Vika
N-0116 Oslo
Norway

Sent by e-mail to: mail@nordictrustee.com with copy to Bredesen@nordictrustee.com

Mexico, September 02, 2019

Dear Sirs,

10 per cent Latina Offshore Holding Limited Senior Secured Callable Bond Issue 2014/2020 with step

We refer to the Bond Agreement between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Capitalised terms used herein shall have the same meaning as in the Bond Agreement. This letter constitutes an Income and Release Statement pursuant to Clause 13.2.2 (iv) of the Bond Agreement as further detailed in Appendix 1 to this letter.

In accordance with the Income and Release Statement, the Issuer will facilitate a Release Request to the Paying Agent for the following transfers:

- transfer from the Parent Modular Earnings Account to the Parent Operating Expense Account, Deductible Operating Expenses, Deductible SG&A Costs, and Deductible Cost of Receivables Financing (unless already deducted) for the Rig;
- transfer from the Parent Modular Earnings Account to the Rigco Earnings Account, the Deductible Intercompany Lease Rate for the Rig and draw on Liquidity Buffer for interest payment; and
- transfer from the Rigco Earnings Account to the Interest and Amortization Reserve Account and amount equal to the Deductible Intercompany Lease Rate for the Rig and draw on Liquidity Buffer for interest payment.

Following finalization of the above releases, the balance on the Interest and Amortization Reserve Account will be as follows:

Balance Interest and Amortization Reserve Account prior to releases	0
Balance Interest and Amortization Reserve Account after releases	131 839

Yours faithfully,

Latina Offshore Holding Limited


Miguel Ruiz Tapia

Enclosure: Attachment 2

Appendix 1

INCOME AND RELEASE STATEMENT				
Reporting Period:	01 August to 31 August, 2019			
Deductible:	Amount deductible and subject to release in accordance with Clause 13.9.1			
RIG - Modular 1				
Income	Deferred From last period	Accrued Reporting Period	Received Reporting Period	Deferred To next period
Charter Contract income				
Rate pr. day:	53,483	56,447	53,483	56,447
No. of Days:	58	31	58	31
TOTAL OPERATIONAL INCOME	3,112,032	1,740,858	3,112,032	1,749,858
Cost of Receivables Financing*	(40,612)	(22,836)	(34,570)	(22,836)
Interest income				
TOTAL NET INCOME	3,071,420	1,717,022	3,077,462	1,727,022
Costs	Deferred From last period	Incurred Reporting Period	Deductible Reporting Period	Deferred To next period
Operating Expenses**				
Rate pr. day:	24,000	24,000	24,000	24,000
No. of Days:	6	31	37	-
Total USD:	134,880	744,000	878,880	-
SG&A Costs***				
Rate pr. day:	3,000	3,000	3,000	3,000
No. of Days:	92	31	123	-
Total USD:	276,000	93,000	369,000	-
Capital Expenditures****				
Rate pr. day:	1,644	1,644	1,644	1,644
No. of Days:	31	31	62	-
Total USD:	50,964	50,964	101,928	-
Withholding Tax				
Total USD	341,000	-	341,000	-
Implementation Costs*****				
Total USD	-	20,690	20,690	-
TOTAL COST	802,844	908,654	1,711,498	-

	BoP		Adjustments	EoP
Liquidity Buffer Drawn for Operational Costs	(860,000)	N/A	-	(860,000)
Liquidity Buffer Drawn for Interest Payment			-860,000	
Liquidity Buffer Added	N/A	N/A	860,000	N/A
LIQUIDITY BUFFER		N/A		
Bareboat Rate/Release	1,628,309	818,368	131,839	2,314,839