

PARATUS ENERGY SERVICES Limited

**UNAUDITED
FINANCIAL STATEMENTS**

**For the three and twelve months ended
December 31, 2021 and December 31, 2020**

Paratus Energy Services Limited

INDEX TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited Statements of Operations for the three and twelve months ended December 31, 2021 and 2020	F-3
Unaudited Statements of Comprehensive Income for the three and twelve months ended December 31, 2021 and 2020	F-4
Unaudited Balance Sheets as at December 31, 2021 and December 31, 2020	F-5
Unaudited Statements of Cash Flows for the twelve months ended December 31, 2021 and 2020	F-6
Unaudited Statements of Changes in Equity for the three and twelve months ended December 31, 2021 and 2020	F-7
Notes to Unaudited Financial Statements	F-8

Paratus Energy Services Limited

UNAUDITED STATEMENTS OF OPERATIONS
For the three and twelve months ended December 31, 2021 and December 31, 2020

(In \$ millions)

	Three months ended		Twelve months ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Operating revenues				
Contract revenues	36	—	36	—
Total operating revenues	36	—	36	—
Operating expenses				
Vessel and rig operating expenses	(15)	—	(15)	—
Depreciation	(2)	—	(2)	—
Amortization of favourable contracts	(7)	—	(7)	—
Selling, general and administrative expenses	(2)	—	(2)	—
Total operating expenses	(26)	—	(26)	—
Operating income	10	—	10	—
Financial items and other income and expense				
Interest income	—	7	18	26
Interest expense	(23)	(16)	(77)	(60)
Share in results from associated companies	12	(18)	14	(77)
(Loss)/gain on derivative financial instruments	(2)	2	3	3
Impairment of convertible bond from related party	—	—	—	(29)
Unrealized (loss)/gain on marketable securities	(3)	3	2	(3)
Impairment of investment	—	—	—	(47)
Other financial items	70	(15)	35	(27)
Total financial items and other expense, net	54	(37)	(5)	(214)
Profit/(loss) before income taxes	64	(37)	5	(214)
Income tax benefit/(expense)	4	(1)	4	(1)
Net profit/(loss)	68	(38)	9	(215)

Paratus Energy Services Limited

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
for the three and twelve months ended December 31, 2021 and 2020

(In \$ millions)

	Three months ended		Twelve months ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Net profit/(loss)	68	(38)	9	(215)
Other comprehensive income/(loss)	3	4	8	(12)
Total comprehensive income/(loss) for the period	71	(34)	17	(227)

Paratus Energy Services Limited
UNAUDITED BALANCE SHEETS
as at December 31, 2021 and December 31, 2020

<i>(In \$ millions)</i>	As at December 31, 2021	As at December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	49	35
Restricted cash	21	30
Accounts receivables, net	318	—
Other current assets	71	9
Total current assets	459	74
Non-current assets		
Investment in associated companies	239	224
Drilling units	215	—
Deferred tax assets	5	—
Amount due from related party non-current	69	387
Other non-current assets	122	—
Total non-current assets	650	611
Total assets	1,109	685
LIABILITIES AND EQUITY		
Current liabilities		
Debt due within one year	581	515
Trade accounts payable	7	—
Amounts due to related parties	12	—
Other current liabilities	96	31
Total current liabilities	696	546
Non-current liabilities		
Long-term debt	233	—
Other non-current liabilities	24	—
Total non-current liabilities	257	—
Equity		
Additional paid in capital	1,192	1,192
Accumulated other comprehensive loss	(15)	(23)
Retained loss	(1,021)	(1,030)
Total equity	156	139
Total liabilities and equity	1,109	685

Paratus Energy Services Limited

UNAUDITED STATEMENT OF CASH FLOWS
For the three and twelve months ended December 31, 2021 and December 31, 2020

(In \$ millions)

Twelve months ended	
December 31, 2021	December 31, 2020

Cash Flows from Operating Activities		
Net profit/(loss)	9	(215)
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation	2	—
Amortization of favorable and unfavorable contracts	7	—
Share on results of associated companies	(14)	77
Change in allowance for expected credit losses	9	21
Unrealized (gain)/loss related to marketable securities	(2)	3
Gain on derivatives	(3)	(3)
Impairment of convertible bond from related party	—	29
Impairment on investments	—	47
Deferred tax benefit	(3)	—
Gain on consolidation	(73)	—
<i>Other cash movements in operating activities</i>		
Settlement of payment-in-kind-interest	23	14
Distributions received from associated companies	6	2
<i>Changes in operating assets and liabilities, net of effect of acquisitions and disposals</i>		
Trade accounts receivable	(1)	—
Trade accounts payable	4	—
Prepaid expenses and accrued revenue	—	(1)
Related party receivables	—	(2)
Related party payables	(4)	—
Other assets	(5)	5
Other liabilities	27	—
Net cash used in by operating activities	(18)	(23)
Cash Flows from Investing Activities		
Additions to drilling units	(1)	—
Contingent consideration received	—	32
Payments received from loans granted to related parties	10	4
Cash obtained through consolidation	62	—
Loans granted to related parties	(48)	—
Net cash provided by investing activities	23	36
Net increase in cash and cash equivalents	5	13
Cash and cash equivalents, including restricted cash, at beginning of the period	65	52
Cash and cash equivalents, including restricted cash, at the end of period	70	65

Paratus Energy Services Limited

UNAUDITED STATEMENTS OF CHANGES IN EQUITY
For the three and twelve months ended December 31, 2021 and December 31, 2020

<i>(In \$ millions)</i>	Share Capital	Additional paid-in capital	Accumulated other comprehensive loss	Retained loss	Total equity
Balance as at December 31, 2019	—	1,192	(11)	(681)	500
<i>ASU 2016-13 - Measurement of credit losses on financial instruments</i>	—	—	—	(134)	(134)
Balance as at January 1, 2020	—	1,192	(11)	(815)	366
Net loss	—	—	—	(166)	(166)
Other comprehensive loss	—	—	(17)	—	(17)
Balance as at March 31, 2020	—	1,192	(28)	(981)	183
Net loss	—	—	—	(4)	(4)
Other comprehensive income	—	—	1	—	1
Balance as at June 30, 2020	—	1,192	(27)	(985)	180
Net loss	—	—	—	(7)	(7)
Balance as at September 30, 2020	—	1,192	(27)	(992)	173
Net loss	—	—	—	(38)	(38)
Other comprehensive income	—	—	4	—	4
Balance as at December 31, 2020	—	1,192	(23)	(1,030)	139

<i>(In \$ millions)</i>	Share Capital	Additional paid-in capital	Accumulated other comprehensive loss	Retained loss	Total equity
Balance as at December 31, 2020	—	1,192	(23)	(1,030)	139
Net loss	—	—	—	(7)	(7)
Balance as at March 31, 2021	—	1,192	(23)	(1,037)	132
Net loss	—	—	—	(24)	(24)
Other comprehensive income	—	—	4	—	4
Balance as at June 30, 2021	—	1,192	(19)	(1,061)	112
Net loss	—	—	—	(28)	(28)
Other comprehensive income	—	—	1	—	1
Balance as at September 30, 2021	—	1,192	(18)	(1,089)	85
Net profit	—	—	—	68	68
Other comprehensive income	—	—	3	—	3
Balance as at December 31, 2021	—	1,192	(15)	(1,021)	156

Paratus Energy Services Limited

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – General information

Basis of presentation

The financial information included herein have been prepared solely for the purpose of complying with the agreements as set forth in Section 4.03(a)(i) of the amended and restated 2026 notes indenture dated and effective as of January 20, 2022 in relation to the senior secured notes due 2026.

The information provided is unaudited and limited in scope. Nevertheless, the Company has made reasonable efforts to provide complete and accurate information as known at the time. Subsequent information or discovery may result in material changes to this report and errors or omissions may exist.