(Convenience Translation into English from the Original Previously Issued in Portuguese)

OceanPact Serviços Marítimos S.A.

Individual and Consolidated Financial Statements for the Year Ended December 31, 2019 and Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes

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INDEPENDENT AUDITOR'S REPORT ON THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders and Management of
OceanPact Serviços Marítimos S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of OceanPact Serviços Marítimos S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2019, and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion on the individual financial statements

In our opinion, the individual financial statements referred to above present fairly, in all material respects, the financial position of OceanPact Serviços Marítimos S.A. as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of OceanPact Serviços Marítimos S.A. as at December 31, 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards - IFRS, issued by the International Accounting Standards Board - IASB.

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements set out in the Code of Ethics for Professional Accountants and the professional standards issued by the Brazilian Federal Accounting Council (CFC), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

Restatement of financial statements

On December 9, 2020, we have issued unmodified audit reports on the Company's individual and consolidated financial statements for the years ended December 31, 2019, 2018 and 2017, respectively, which are being restated herein as mentioned in notes 2.3.a (g) (b) and 2.3.b. The audit report issued on this date considers these restatements and replaces the audit reports previously issued on the abovementioned dates. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recognition of revenue from services, chartering and lease

As mentioned in note 2.5 to the individual and consolidated financial statements, the Company and its subsidiaries account for revenues from services pursuant to technical pronouncement CPC 47 - Revenue from Contracts with Customers (equivalent to IFRS 15), considering the following stages: (i) identification of the contract; (ii) identification of the performance obligations; (iii) determination of the transaction price; (iv) allocation of the transaction price; and (v) recognition of revenue. Accordingly, revenues from services are recognized when (or to the extent that) the performance obligations are satisfied based on the percentage-of-completion of the contract.

Due to the materiality of the revenues from services for the individual and consolidated financial statements, we considered this a key audit matter.

We assessed the design of the internal controls related to the recognition of revenues from services, chartering and lease, and implemented the following key substantive audit procedures for a sample of selected transactions, where we concluded on the existence and accuracy through the examination of contracts, invoices and service measurement documents issued by the Company and approved by customers and, when applicable, the financial settlement of the respective receivables related to these revenues recognized in the current year. Also, we conducted substantive audit tests to ensure the proper recognition of the revenue from services, chartering and lease in the appropriate period on an accrual basis (revenue cut-off test) by analyzing the supporting documentation with respect to the service performance measurement and period.

Based on the audit procedures designed and implemented, we considered the amounts recorded relating to revenues from services, chartering and lease acceptable within the context of the individual and consolidated financial statements for the year ended December 31, 2019 taken as a whole.

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Business combinations

As mentioned in note 14 to the individual and consolidated financial statements, the Company has met on November 4, 2019 all conditions necessary for the acquisition of the total direct shareholding control over investee OceanPact Geociências S.A. (formerly Gardline Marine Sciences do Brasil S.A.), which is engaged in the provision of services related to marine research projects in Brazilian waters, as well as the total indirect shareholding control over investee OceanPact Maritime LTD. (formerly Gardline Maritime Limited). These transactions were accounted for under the acquisition method (CPC 15 (R1)/IFRS 3 - Business Combinations), which requires, among other procedures, that the Company determines the effective control acquisition date, the fair value of the consideration transferred, the fair value of the assets acquired and liabilities assumed and the gain or loss on the business combination. These procedures involve a high level of judgment and require the development of fair value estimates based on calculations and assumptions related to the future performance of the business acquired, which are subject to a high level of uncertainty.

Due to the high level of judgment involved and the impact that any changes in assumptions might have on the individual and consolidated financial statements, we considered this a key audit matter.

Our audit procedures included, but were not limited to: (i) reading the documents that formalized the transaction and obtaining evidence that supported the determination of the acquisition date of the total direct and indirect shareholding controls over the investees and the determination of the fair value of the considerations transferred; (ii) analyzing the financial information on the fully acquired direct and indirect investees and discussing with Management the adequacy of the accounting practices and estimates, and also understanding the flow of significant transactions and examining the investee’s significant account balances; (iii) assessing the objectivity, independence and technical capacity of the external specialists involved in the fair value measurement of the assets acquired and liabilities assumed; (iv) with the support of our valuation model specialists, analyzing the assumptions and methodology adopted by the Company, related to the fair measurement and allocation, on the acquisition date, to assets acquired and liabilities assumed; and (v) assessing the appropriateness of the disclosures made by the Company with respect to the matter.

Based on the audit procedures designed and implemented on the accounting effects from the business combinations and their related disclosures, which is consistent with Management’s assessment, we considered that the criteria and assumptions applied on the business combinations by Management, as well as the related disclosures in note 14, are acceptable, within the context of the individual and consolidated financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated statements of value added (DVA) for the year ended December 31, 2019, prepared under the responsibility of the Company’s Management and disclosed as supplemental information for purposes of the IFRS, were subject to audit procedures performed together with the audit of the Company’s financial statements. In forming our opinion, we assess whether these statements are reconciled with the other financial statements and accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added were appropriately prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements taken as a whole.

Other information accompanying the individual and consolidated financial statements and the independent auditor's report

Management is responsible for the other information. Such other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and the IFRS, issued by the IASB, 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.

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from 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 on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated 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 internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the individual and consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide to those charged with governance a statement that we have complied with the relevant ethical requirements, including independence requirements, and communicate all relationships or matters that could considerably affect our independence, including, when applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

Rio de Janeiro, January 18, 2021

DELOITTE TOUCHE TOHMATSU	Diego Wailer da Silva
Auditores Independentes	Engagement Partner

OCEANPACT SERVIÇOS MARÍTIMOS S.A.

BALANCE SHEETS AS AT DECEMBER 31, 2019
(In thousands of Brazilian reais - R$)

		Parent			Consolidated		
	Note	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
		Restated	Restated	Restated	Restated	Restated	Restated
ASSETS							
CURRENT ASSETS							
Cash and cash equivalents	5	12,144	8,123	14,832	44,008	16,822	21,880
Marketable securities	6	-	-	9,738	-	-	9,738
Trade receivables	7	69,641	32,045	16,545	114,776	52,459	22,198
Inventories	8	-	-	-	730	162	-
Dividends receivable	14.1	2,801	2,525	5,069	746	149	1,814
Recoverable taxes	9	6,841	1,938	4,803	13,643	7,385	4,803
Other receivables	12	11,876	10,935	8,028	17,284	10,731	6,569
Total current assets		103,303	55,566	59,015	191,187	87,708	67,002
NONCURRENT ASSETS							
Marketable securities	6	1,027	-	-	7,100	5,605	5,153
Recoverable taxes	9	335	335	335	1,553	1,414	335
Escrow deposits	10	2,571	2,290	2,290	3,249	2,907	2,290
Deferred taxes	11	11,015	9,574	7,163	33,288	25,772	9,843
Other receivables	12	716	2,963	95	3,889	2,736	95
Loans to related parties	24	1,390	26,438	996	1,470	1,339	1,143
Loans to third parties	13	5,920	5,594	-	5,920	5,594	-
Investments	14	187,135	118,253	119,259	3,706	27,743	30,692
Right-of-use assets	15	24,116	-	-	27,884	-	-
Property and equipment	16	102,157	57,804	62,742	409,124	314,522	280,738
Intangible assets	17	931	1,387	1,961	6,647	6,509	1,963
Total noncurrent assets		337,313	224,638	194,841	503,830	394,141	332,252
TOTAL ASSETS		440,616	280,204	253,856	695,017	481,849	399,254

		Parent			Consolidated		
	Note	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
		Restated	Restated	Restated	Restated	Restated	Restated
LIABILITIES AND EQUITY							
CURRENT LIABILITIES							
Labor obligations		18,239	9,944	7,195	31,682	18,048	9,194
Trade payables	18	29,929	12,291	8,294	49,962	16,338	9,719
Borrowings and financing	20	45,928	14,705	3,226	86,050	35,161	16,447
Lease liabilities	21	7,411	-	1,430	6,771	3,746	1,430
Taxes payable		6,879	3,590	1,818	10,705	6,114	2,815
Dividends and interest on capital payable	25	13,519	7,795	7,795	13,525	7,798	7,836
Other payables	23	8,886	3,932	669	7,289	5,448	923
Total current liabilities		130,791	52,257	30,427	205,984	92,653	48,364
NONCURRENT LIABILITIES							
Trade payables	18	-	687	1,030	-	2,614	1,030
Borrowings and financing	20	81,301	21,418	7,334	308,904	227,189	188,420
Lease liabilities	21	22,011	-	388	23,829	5,236	388
Intragroup borrowings	24	50,743	53,083	55,033	38	-	-
Taxes payable		2,227	2,290	2,290	2,227	2,290	2,290
Deferred taxes	11	-	-	-	492	1,398	1,408
Other payables	23	1,798	2,865	97	1,419	2,625	97
Provision for risks	19	1,356	12	1,362	1,735	252	1,362
Total noncurrent liabilities		159,436	80,355	67,534	338,644	241,604	194,995
EQUITY							
Issued capital	25.a	34,567	34,567	34,567	34,567	34,567	34,567
Capital reserves	25.b	83,589	83,589	83,589	83,589	83,589	83,589
Earnings reserves	25.c	21,102	20,054	34,071	21,102	20,054	34,071
Other comprehensive income	25.e	11,131	9,382	3,668	11,131	9,382	3,668
Total equity		150,389	147,592	155,895	150,389	147,592	155,895
Total liabilities and equity		440,616	280,204	253,856	695,017	481,849	399,254

The accompanying notes are an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands of Brazilian reais - R$, except earnings per share)

		Parent			Consolidated		
	Note	2019	2018	2017	2019	2018	2017
		Restated	Restated	Restated	Restated	Restated	Restated
Net revenue	26	246,932	161,756	120,707	443,215	301,333	170,665
Cost of services	28	(198,973)	(118,975)	(99,768)	(363,399)	(228,079)	(129,768)
Gross profit		47,959	42,781	20,939	79,816	73,254	40,897
General and administrative expenses	28	(27,208)	(21,695)	(20,720)	(50,053)	(43,286)	(28,477)
Share of profit (loss) of investees	14	(1,403)	(25,041)	7,164	4,685	(1,971)	4,842
Other operating income (expenses)	29	2,626	(5,891)	4,088	6,222	(7,176)	3,465
Operating profit (loss) before finance income (costs)		21,974	(9,846)	11,471	40,670	20,821	20,727
Finance income	30	2,116	1,759	1,800	1,873	1,277	2,904
Finance costs	30	(11,305)	(3,311)	(2,864)	(29,809)	(42,949)	(12,290)
Finance income (costs)		(9,189)	(1,552)	(1,064)	(27,936)	(41,672)	(9,386)
Profit (loss) before income taxes		12,785	(11,398)	10,407	12,734	(20,851)	11,341
Income taxes							
Current income tax and social contribution		(5,150)	(5,030)	(2,332)	(9,380)	(8,666)	(5,545)
Deferred income tax and social contribution		1,981	2,411	(776)	6,262	15,500	1,503
	31	(3,169)	(2,619)	(3,108)	(3,118)	6,834	(4,042)
Profit (loss) for the year	25.c	9,616	(14,017)	7,299	9,616	(14,017)	7,299
Basic earnings (loss) per share (R$) - Restated	25.e	0.08	(0.11)	0.06	0.08	(0.11)	0.06
Diluted earnings (loss) per share (R$) - Restated	25.e	0.08	(0.11)	0.06	0.08	(0.11)	0.06

The accompanying notes are an integral part of these financial statements.

OCEANPACT SERVIÇOS MARÍTIMOS S.A.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands of Brazilian reais - R$)

		Parent			Consolidated		
	Note	2019 Restated	2018 Restated	2017 Restated	2019 Restated	2018 Restated	2017 Restated
Profit (loss) for the year		9,616	(14,017)	7,299	9,616	(14,017)	7,299
Items that will be reclassified subsequently to profit or loss							
Effects of exchange rate changes on translation of foreign investees	25.f	1,749	5,714	822	1,749	5,714	822
Total comprehensive income for the year		11,365	(8,303)	8,121	11,365	(8,303)	8,121

The accompanying notes are an integral part of these financial statements.

OCEANPACT SERVIÇOS MARÍTIMOS S.A.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands of Brazilian reais - R$)

	Note	Capital	Capital reserve of goodwill	Earnings reserves Legal	Earnings reserves Investment	Retained earnings	Equity valuation adjustments	Total
BALANCES AS AT DECEMBER 31, 2016		27,355	83,589	980	34,829	-	2,846	149,599
Capital increase with earnings reserves according to the EGM on 08/21/2017		7,212	-	-	(7,212)	-	-	-
Profit for the year		-	-	-	-	7,299	-	7,299
Other comprehensive income, net of taxes	25.e	-	-	-	-	-	822	822
Total comprehensive income for the year		-	-	-	-	7,299	822	8,121
Allocation of profit for the year:								
Minimum mandatory dividend		-	-	-	-	(1,825)	-	(1,825)
Recognition of investment reserve	25.c	-	-	-	5,474	(5,474)	-	-
BALANCES AS AT DECEMBER 31, 2017 (Restated)		34,567	83,589	980	33,091	-	3,668	155,895
Loss for the year	25.c	-	-	-	-	(14,017)	-	(14,017)
Other comprehensive income, net of taxes	25.e	-	-	-	-	-	5,714	5,714
Total comprehensive income for the year		-	-	-	-	(14,017)	5,714	(8,303)
Absorption of loss for the year		-	-	-	(14,017)	14,017	-	-
BALANCES AS AT DECEMBER 31, 2018 (Restated)		34,567	83,589	980	19,074	-	9,382	147,592
Profit for the year	25.c	-	-	-	-	9,616	-	9,616
Other comprehensive income, net of taxes	25.e	-	-	-	-	-	1,749	1,749
Total comprehensive income for the year		-	-	-	-	9,616	1,749	11,365
Allocation of profit for the year:								
Interest on capital	25.c	-	-	-	-	(8,568)	-	(8,568)
Recognition of investment reserve	25.c	-	-	-	1,048	(1,048)	-	-
		-	-	-	1,048	(9,616)	-	(8,568)
BALANCES AS AT DECEMBER 31, 2019 (Restated)		34,567	83,589	980	20,122	-	11,131	150,389

The accompanying notes are an integral part of these financial statements.

OCEANPACT SERVIÇOS MARÍTIMOS S.A.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands of Brazilian reais - R$)

		Parent			Consolidated		
	Note	2019	2018	2017	2019	2018	2017
		Restated	Restated	Restated	Restated	Restated	Restated
CASH FLOWS FROM OPERATING ACTIVITIES							
Profit (loss) for the year		9,616	(14,017)	7,299	9,616	(14,017)	7,299
Adjustments for:							
Depreciation and amortization	28	36,371	18,750	15,807	62,941	39,836	26,712
Income tax and social contribution recognized in profit or loss	31	3,169	2,619	3,108	3,118	(6,834)	4,042
Share of profit (loss) of investees	14	1,403	25,041	(7,164)	(4,685)	1,971	(4,842)
Finance income (costs)	30	9,067	1,930	658	28,050	42,202	9,397
Provision for risks - recognition	19	1,344	12	1,359	1,551	-	1,359
Provision for risks - reversal	19	-	-	(405)	(68)	-	(405)
Gain on sale of property and equipment	29	(384)	-	-	(4,174)	-	-
Gain on remeasurement of previously held investment and bargain purchase	14	(2,142)	-	-	(2,267)	-	(1,015)
Other adjustments to profit		291	859	2,569	(6,741)	(2,994)	1,854
Decrease (increase) in operating assets:							
Trade receivables		(37,596)	(15,500)	(3,496)	(23,703)	(19,420)	569
Inventories	8	-	-	-	(568)	(162)	460
Recoverable taxes		(4,903)	2,865	5,569	(4,337)	(3,661)	5,892
Escrow deposits	10	(281)	-	(35)	(342)	(617)	(35)
Other receivables		1,306	(5,775)	(129)	(2,996)	(277)	2,011
Increase (decrease) in operating liabilities:							
Labor obligations		8,295	2,749	2,356	10,808	5,688	3,176
Trade payables		16,597	4,115	(674)	5,939	4,003	(277)
Taxes payable		(1,113)	(3,258)	(3,085)	(8,363)	(7,117)	(5,878)
Other payables		4,967	2,718	(3,352)	773	2,820	(3,434)
Cash from operations		46,007	23,108	20,385	64,552	41,421	46,885
Interest paid on borrowings	20	(5,668)	(1,839)	(343)	(13,151)	(8,045)	(6,284)
Interest paid on leases	21	(3,744)	(303)	(796)	(3,772)	(371)	(796)
Payment of labor and civil risks	19	-	(1,362)	-	-	(1,362)	-
Income tax and social contribution paid		(271)	-	-	(1,933)	(607)	(1,446)
Net cash generated by operating activities		36,324	19,604	19,246	45,696	31,036	38,359
CASH FLOWS FROM INVESTING ACTIVITIES							
Dividends received	14.1	1,402	1,963	6,039	549	5,051	764
Intragroup loans settled		-	-	-	-	-	8,094
Intragroup loans granted	24.2	(21,476)	(25,442)	(996)	(131)	(196)	-
Capital contribution	14	(5,298)	-	-	-	-	-
Capital reduction	34	-	-	2,716	-	-	-
Investment in/redemption of marketable securities	6	(1,027)	9,738	(9,738)	(1,495)	9,286	(9,793)
Advances granted to third parties	13	-	(5,300)	-	-	(5,300)	-
Acquisition of investments, net of cash acquired	14.2	(16,173)	(14,428)	-	6,974	(11,922)	(2,997)
Purchases of property and equipment		(63,080)	(14,432)	(11,158)	(80,049)	(45,330)	(16,946)
Purchases of intangible assets		(108)	-	(225)	(595)	(498)	(225)
Proceeds from sale of property and equipment		119	-	359	4,907	-	359
Net cash used in investing activities		(105,641)	(47,901)	(13,003)	(69,840)	(48,909)	(20,744)
CASH FLOWS FROM FINANCING ACTIVITIES							
Proceeds from borrowings and financing	20	111,276	29,491	9,826	119,678	39,327	9,826
Repayments of borrowings and financing	20	(20,489)	(4,135)	(17,315)	(47,592)	(22,127)	(30,733)
Payment of dividends	25.c	(1,900)	-	-	(1,900)	(38)	(29)
Payment of leases	21	(13,209)	(1,818)	(460)	(16,138)	(4,685)	(460)
Repayments of intragroup borrowings	24.2	(2,340)	(1,950)	-	(2,796)	-	-
Net cash generated by (used in) financing activities		73,338	21,588	(7,949)	51,252	12,477	(21,396)
Increase (decrease) in cash and cash equivalents		4,021	(6,709)	(1,706)	27,108	(5,396)	(3,781)
Opening balance		8,123	14,832	16,538	16,822	21,880	25,575
Effect of exchange rate changes on translation of foreign investees		-	-	-	78	338	86
Closing balance		12,144	8,123	14,832	44,008	16,822	21,880
Increase (decrease) in cash and cash equivalents		4,021	(6,709)	(1,706)	27,108	(5,396)	(3,781)

The accompanying notes are an integral part of these financial statements.

OCEANPACT SERVIÇOS MARÍTIMOS S.A.

STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands of Brazilian reais - R$)

		Parent			Consolidated		
	Note	2019	2018	2017	2019	2018	2017
REVENUES		279,688	184,966	142,774	501,376	347,003	199,082
Sales of goods, products and services	26	276,472	185,324	138,068	494,156	348,231	194,626
Other revenues	29	3,368	-	4,709	7,061	-	4,459
Allowance for doubtful debts	7	(152)	(358)	(3)	159	(1,228)	(3)
INPUTS PURCHASED FROM THIRD PARTIES		(89,122)	(41,954)	(33,820)	(153,964)	(80,484)	(43,686)
Cost of sales and services	28	(34,270)	(19,015)	(14,006)	(46,420)	(32,914)	(16,669)
Cost of materials, energy, outsourced services and other	28	(54,852)	(22,939)	(19,814)	(107,544)	(47,570)	(27,017)
GROSS VALUE ADDED		190,566	143,012	108,954	347,412	266,519	155,396
DEPRECIATION, AMORTIZATION AND DEPLETION	28	(36,371)	(18,750)	(15,807)	(62,941)	(39,836)	(26,712)
NET VALUE ADDED GENERATED BY THE ENTITY		154,195	124,262	93,147	284,471	226,683	128,684
WEALTH RECEIVED IN TRANSFER		713	(23,282)	8,964	6,558	(694)	7,746
Share of profit (loss) of investees	14	(1,403)	(25,041)	7,164	4,685	(1,971)	4,842
Finance income	30	2,116	1,759	1,800	1,873	1,277	2,904
TOTAL WEALTH FOR DISTRIBUTION		154,908	100,980	102,111	291,029	225,989	136,430
Personnel	28	88,471	52,529	49,607	179,878	116,007	65,920
– Salaries and wages		70,269	39,412	38,545	139,120	88,902	51,906
– Benefits		13,653	9,613	8,124	30,312	19,556	10,126
– Severance pay fund (FGTS)		4,549	3,504	2,938	10,446	7,549	3,888
Taxes and contributions		32,748	26,226	20,542	54,150	40,122	28,121
– Federal		28,689	24,223	19,269	45,231	34,369	26,799
– Municipal		4,059	2,003	1,273	8,919	5,753	1,322
Lenders and lessors		24,073	36,242	24,663	47,385	83,877	35,090
– Interest	30	10,807	2,854	1,613	28,909	42,117	10,528
– Rentals	28	12,065	27,079	21,251	16,828	33,810	21,924
– Other	29, 30	1,201	6,309	1,799	1,648	7,950	2,638
Shareholders		9,616	(14,017)	7,299	9,616	(14,017)	7,299
– Interest on capital	25.c	8,568	-	-	8,568	-	-
– Dividends	25.c	-	-	1,825	-	-	1,825
– Retained earnings/loss for the period	25.c	1,048	(14,017)	5,474	1,048	(14,017)	5,474
WEALTH DISTRIBUTED		154,908	100,980	102,111	291,029	225,989	136,430

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

OceanPact Serviços Marítimos S.A. ("Company") was incorporated on September 21, 2007 and has its registered office at Rua da Glória, 122, 10th11th floors – District of Gloria, in the city of Rio de Janeiro, Rio de Janeiro State, and own five branches. Subsidiaries and joint ventures (together with the Company herein referred to as the "Group") are privately-held companies and do not have shares traded on stock exchanges.

The Company's is engaged in the provision of training and consulting services in connection with maritime services, the environment, energy and logistics; onsite data collection, measurement and environmental monitoring services; creation and invention of products and solutions in the maritime and environmental areas; specification, performance and analysis of hydrographic surveys; rental of boats, speedboats and other vessels, with or without crew; shipping and maritime and port support services; operation, maintenance and rental of equipment to prevent oil spills and environmental emergencies; environmental protection; chartering of own or third-party vessels for oil drilling operations or any other maritime activity, with or without crew; and holding equity interests in other companies. Its services are mainly provided in Brazil.

The Company and some of its investees are subject to the regulation of the National Waterway Transportation Agency (ANTAQ) and comply with applicable operational requirements.

Changes in equity interests and new investees

On January 5, 2018, the Company acquired the full equity interest in Servmar Serviços Técnicos Ambientais Ltda. ("Servmar"). Servmar was established in 1986 in the State of São Paulo, where it is mainly engaged in the consulting, environmental engineering and civil construction sectors. Servmar's main customer is Petróleo Brasileiro S.A. - Petrobras ("Petrobras").

On September 20, 2018, the Company established OceanPact Netherlands B.V., a private limited liability company, headquartered in Amsterdam, which is mainly engaged in vessel chartering.

On March 27, 2019, the Company established the joint venture OceanPact de México S.A. de C.V., with Offshore Vessels Holding S.A.P.I. de C.V., a publicly-held company, headquartered in Mexico, which is mainly engaged in vessel chartering and maritime support.

On June 27, 2019, the Company established Maraú Navegação Ltda., a private limited liability company headquartered in the City of Rio de Janeiro-RJ, which is mainly engaged in vessel chartering.

On September 13, 2019, the Company established Camamu Navegação Ltda., a private limited liability company, headquartered in the City of Rio de Janeiro-RJ, which is mainly engaged in is vessel chartering.

On November 4, 2019, the Company acquired a 50% interest, obtaining control of investee Gardline Marine Sciences S.A. Its corporate name was changed to OceanPact Geociências Ltda. and the entity was changed into a sole proprietorship (see item "a" of note 14.2).

OceanPact Tecnologia Ltda. and Camamu Navegação Ltda., also the Company's direct subsidiaries, have no assets and liabilities as at December 31, 2019 and do not carry out any operations since their establishment. at the balance sheet date, there is no short-term plan for the startup or shutdown of these companies.

Going concern

As at December 31, 2019, the Company recognized negative net working capital of R$27,488 in the parent and R$14,797 in the consolidated, mainly due to the balances of borrowings and financing classified in current in the amount of R$45,928 in the parent and R$86,050 in the consolidated. As at December 31, 2018, the Company recognized positive net working capital of R$3,309 in the parent and negative net working capital of R$4,945 in the consolidated. As at December 31, 2017, the Company recognized positive net working capital of R$28,588 in the parent and R$18,638 in the consolidated.

Management, based on projected cash flows, considers that there will be sufficient resources to meet short-term commitments. In the year ended December 31, 2019, the Company generated operating cash flow in the parent and consolidated in the amounts of R$35,244 and R$50,484, respectively. In the year ended December 31, 2018, the Company generated operating cash flow in the parent and consolidated in the amounts of R$19,604 and R$31,036, respectively. In the year ended December 31, 2017, the Company generated operating cash flow in the parent and consolidated in the amounts of R$19,246 and R$38,359, respectively.

The Company's Management, considering its knowledge of the business, its profitability history and current market prospects, believes that the bases for preparing these financial statements, which consider its continuity as a going concern, are adequate.

2. PRESENTATION OF THE FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1. Statement of compliance

The individual financial statements, identified as Parent, have been prepared and are being presented in accordance with accounting practices adopted in Brazil, which comprise accounting pronouncements, guidelines and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC), and approved by the Brazilian Federal Accounting Council (CFC) and the CVM.

The consolidated financial statements have been prepared and are being presented in accordance with accounting practices adopted in Brazil, which comprise accounting pronouncements, guidelines and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC), and approved by the Brazilian Federal Accounting Council (CFC) and the CVM, and in conformity with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

In addition, the Company considered the guidelines set out in the Technical Guidance OCPC 07, issued by the CPC in November 2014, in the preparation of its financial statements. Thus, all relevant information in the financial statements, and only such information, is being disclosed and corresponds to the information used by Management in the Company's management.

The individual and consolidated financial statements were approved and authorized for issue by the Company's Management on January 15, 2021.

2.2. Basis of preparation

The individual and consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments measured at their fair values and the fair values allocated to business combinations, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration paid in exchange for goods or services.

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 Company takes into account 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 for measurement and/or disclosure purposes in these financial statements is determined on this basis.

The Company has prepared these financial statements under the assumption that it will continue as a going concern. The Company’s Management is not aware of any material uncertainty that may cast significant doubt as to the Company’s ability to continue as a going concern.

The significant accounting policies applicable in the preparation of these individual and consolidated financial statements have been consistently applied in all reporting years.

2.3. Restatement of the financial statements

2.3.a. The individual and consolidated financial statements are being restated in connection with the application for registration as a publicly-held company with the Brazilian Securities and Exchange Commission (“CVM”), to update the subsequent events referring to the Company’s shares split and to the non-pecuniary obligations of the debentures, and to present the statement of value added, segment reporting and for the improvement of certain disclosures in the notes to the financial statements, mainly related to the sensitivity analysis of financial assets and liabilities in the note on financial instruments and business combinations in the reporting years. Additionally, following the issuance of the financial statements for the year ended December 31, 2019, Management has identified adjustments and reclassifications affecting the balance sheets as at December 31, 2019, 2018 and 2017, as well as the statements of profit or loss (including earnings per share) for the years then ended. Consequently, the Company is restating the financial statements for these years. The statements of comprehensive income and changes in equity were restated as a result of adjustments to profit (loss) for the years ended December 31, 2019, 2018 and 2017. The adjustments made to the statements of cash flows were due to adjustments arising from business combinations, and reclassifications for purposes of better presentation of the statements of cash flows.

BALANCE SHEET		Parent								
		12/31/2019			12/31/2018			12/31/2017		
ASSETS	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CURRENT ASSETS										
Cash and cash equivalents		12,144	-	12,144	8,123	-	8,123	14,832	-	14,832
Marketable securities		-	-	-	-	-	-	9,738	-	9,738
Trade receivables		69,641	-	69,641	32,045	-	32,045	16,545	-	16,545
Inventories		-	-	-	-	-	-	-	-	-
Dividends receivable		2,801	-	2,801	2,525	-	2,525	5,069	-	5,069
Recoverable taxes		6,841	-	6,841	1,938	-	1,938	4,803	-	4,803
Other receivables		11,876	-	11,876	10,935	-	10,935	8,028	-	8,028
Total current assets		103,303	-	103,303	55,566	-	55,566	59,015	-	59,015
NONCURRENT ASSETS										
Marketable securities		1,027	-	1,027	-	-	-	-	-	-
Recoverable taxes		335	-	335	335	-	335	335	-	335
Escrow deposits		2,571	-	2,571	2,290	-	2,290	2,290	-	2,290
Deferred taxes	(a)	11,526	(511)	11,015	9,574	-	9,574	7,163	-	7,163
Other receivables		716	-	716	2,963	-	2,963	95	-	95
Intragroup loans		1,390	-	1,390	26,438	-	26,438	996	-	996
Loans to third parties		5,920	-	5,920	5,594	-	5,594	-	-	-
Investments	(a)	185,633	1,502	187,135	118,253	-	118,253	119,259	-	119,259
Right-of-use assets		24,116	-	24,116	-	-	-	-	-	-
Property and equipment		102,157	-	102,157	57,804	-	57,804	62,742	-	62,742
Intangible assets		931	-	931	1,387	-	1,387	1,961	-	1,961
Total noncurrent assets		336,322	991	337,313	224,638	-	224,638	194,841	-	194,841
TOTAL ASSETS		439,625	991	440,616	280,204	-	280,204	253,856	-	253,856

BALANCE SHEET		Parent								
		12/31/2019			12/31/2018			12/31/2017		
LIABILITIES	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CURRENT LIABILITIES										
Labor obligations	(b)(c)	11,770	6,469	18,239	8,647	1,297	9,944	7,420	(255)	7,195
Trade payables		29,929	-	29,929	12,291	-	12,291	8,294	-	8,294
Borrowings and financing		45,928	-	45,928	14,705	-	14,705	3,226	-	3,226
Lease liabilities		7,411	-	7,411	-	-	-	1,430	-	1,430
Taxes payable	(c)	13,348	(6,469)	6,879	4,887	(1,297)	3,590	2,893	(1,075)	1,818
Dividends and interest on capital payable	(f)	-	13,519	13,519	7,795	-	7,795	7,795	-	7,795
Other payables		8,886	-	8,886	3,932	-	3,932	669	-	669
Total current liabilities		117,272	13,519	130,791	52,257	-	52,257	31,727	(1,300)	30,427
NONCURRENT LIABILITIES										
Trade payables		-	-	-	687	-	687	1,030	-	1,030
Borrowings and financing		81,301	-	81,301	21,418	-	21,418	7,334	-	7,334
Lease liabilities		22,011	-	22,011	-	-	-	388	-	388
Intragroup borrowings		50,743	-	50,743	53,083	-	53,083	55,033	-	55,033
Taxes payable		2,227	-	2,227	2,290	-	2,290	2,290	-	2,290
Deferred taxes		-	-	-	-	-	-	-	-	-
Dividends payable	(f)	13,519	(13,519)	-	-	-	-	-	-	-
Other payables		1,798	-	1,798	2,865	-	2,865	97	-	97
Provision for risks	(b)	1,356	-	1,356	12	-	12	62	1,300	1,362
Total noncurrent liabilities		172,955	(13,519)	159,436	80,355	-	80,355	66,234	1,300	67,534
EQUITY										
Issued capital		34,567	-	34,567	34,567	-	34,567	34,567	-	34,567
Capital reserves		83,589	-	83,589	83,589	-	83,589	83,589	-	83,589
Earnings reserves	(a)	20,111	991	21,102	20,054	-	20,054	34,071	-	34,071
Other comprehensive income		11,131	-	11,131	9,382	-	9,382	3,668	-	3,668
Total equity		149,398	991	150,389	147,592	-	147,592	155,895	-	155,895
Total liabilities and equity		439,625	991	440,616	280,204	-	280,204	253,856	-	253,856

BALANCE SHEET		Consolidated								
		12/31/2019			12/31/2018			12/31/2017		
ASSETS	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CURRENT ASSETS										
Cash and cash equivalents		44,008	-	44,008	16,822	-	16,822	21,880	-	21,880
Marketable securities		-	-	-	-	-	-	9,738	-	9,738
Trade receivables		114,776	-	114,776	52,459	-	52,459	22,198	-	22,198
Inventories		730	-	730	162	-	162	-	-	-
Dividends receivable		746	-	746	149	-	149	1,814	-	1,814
Recoverable taxes		13,643	-	13,643	7,385	-	7,385	4,803	-	4,803
Other receivables		17,284	-	17,284	10,731	-	10,731	6,569	-	6,569
Total current assets		191,187	-	191,187	87,708	-	87,708	67,002	-	67,002
NONCURRENT ASSETS										
Marketable securities		7,100	-	7,100	5,605	-	5,605	5,153	-	5,153
Recoverable taxes		1,553	-	1,553	1,414	-	1,414	335	-	335
Escrow deposits		3,249	-	3,249	2,907	-	2,907	2,290	-	2,290
Deferred taxes	(a)	33,799	(511)	33,288	25,772	-	25,772	9,843	-	9,843
Other receivables		3,889	-	3,889	2,736	-	2,736	95	-	95
Intragroup loans		1,470	-	1,470	1,339	-	1,339	1,143	-	1,143
Loans to third parties		5,920	-	5,920	5,594	-	5,594	-	-	-
Investments		3,706	-	3,706	27,743	-	27,743	30,692	-	30,692
Right-of-use assets		27,884	-	27,884	-	-	-	-	-	-
Property and equipment	(a)	407,841	1,283	409,124	314,522	-	314,522	280,738	-	280,738
Intangible assets		6,428	219	6.647	6,509	-	6,509	1,963	-	1,963
Total noncurrent assets		502,839	991	503,830	394,141	-	394,141	332,252	-	332,252
TOTAL ASSETS		694,026	991	695,017	481,849	-	481,849	399,254	-	399,254

BALANCE SHEET		Consolidated								
		12/31/2019			12/31/2018			12/31/2017		
LIABILITIES	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CURRENT LIABILITIES										
Labor obligations	(b)(c)	21,405	10,277	31,682	15,219	2,829	18,048	9,171	23	9,194
Trade payables		49,962	-	49,962	16,338	-	16,338	9,719	-	9,719
Borrowings and financing		86,050	-	86,050	35,161	-	35,161	16,447	-	16,447
Lease liabilities		6,771	-	6,771	3,746	-	3,746	1,430	-	1,430
Taxes payable	(c)	20,982	(10,277)	10,705	8,943	(2,829)	6,114	4,138	(1,323)	2,815
Dividends and interest on capital payable	(f)	6	13,519	13,525	7,798	-	7,798	7,836	-	7,836
Other payables		7,289	-	7,289	5,448	-	5,448	923	-	923
Total current liabilities		192,465	13,519	205,984	92,653	-	92,653	49,664	(1,300)	48,364
NONCURRENT LIABILITIES										
Trade payables		-	-	-	2,614	-	2,614	1,030	-	1,030
Borrowings and financing		308,904	-	308,904	227,189	-	227,189	188,420	-	188,420
Lease liabilities		23,829	-	23,829	5,236	-	5,236	388	-	388
Intragroup borrowings		38	-	38	-	-	-	-	-	-
Taxes payable		2,227	-	2,227	2,290	-	2,290	2,290	-	2,290
Deferred taxes		492	-	492	1,398	-	1,398	1,408	-	1,408
Dividends payable	(f)	13,519	(13,519)	-	-	-	-	-	-	-
Other payables	(d)	1,179	240	1,419	2,625	-	2,625	97	-	97
Provision for risks	(b)(d)	1,975	(240)	1,735	252	-	252	62	1,300	1,362
Total noncurrent liabilities		352,163	(13,519)	338,644	241,604	-	241,604	193,695	1,300	194,995
EQUITY										
Issued capital		34,567	-	34,567	34,567	-	34,567	34,567	-	34,567
Capital reserves		83,589	-	83,589	83,589	-	83,589	83,589	-	83,589
Earnings reserves	(a)	20,111	991	21,102	20,054	-	20,054	34,071	-	34,071
Other comprehensive income		11,131	-	11,131	9,382	-	9,382	3,668	-	3,668
Total equity		149,398	991	150,389	147,592	-	147,592	155,895	-	155,895
Total liabilities and equity		694,026	991	695,017	481,849	-	481,849	399,254	-	399,254

		Parent								
STATEMENT OF PROFIT OR LOSS		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
Net revenue		246,932	-	246,932	161,756	-	161,756	120,707	-	120,707
Cost of services		(198,973)	-	(198,973)	(118,975)	-	(118,975)	(99,768)	-	(99,768)
Gross profit		47,959	-	47,959	42,781	-	42,781	20,939	-	20,939
General and administrative expenses	(e)	(26,983)	(225)	(27,208)	(21,695)	-	(21,695)	(20,720)	-	(20,720)
Share of profit (loss) of investees		(1,403)	-	(1,403)	(25,041)	-	(25,041)	7,164	-	7,164
Other operating income (expenses)	(a) (e)	899	(1,727)	2,626	(5,891)	-	(5,891)	4,088	-	4,088
Finance income		2,116	-	2,116	1,759	-	1,759	1,800	-	1,800
Finance costs		(11,305)	-	(11,305)	(3,311)	-	(3,311)	(2,864)	-	(2,864)
Finance income (costs)		(9,189)	-	(9,189)	(1,552)	-	(1,552)	(1,064)	-	(1,064)
Profit (loss) before taxes		11,283	1,502	12,785	(11,398)	-	(11,398)	10,407	-	10,407
Income taxes										
Social contribution	(a)	(863)	(135)	(998)	(613)	-	(613)	(459)	-	(459)
Income tax	(a)	(1,795)	(376)	(2,171)	(2,006)	-	(2,006)	(2,649)	-	(2,649)
		(2,658)	(511)	(3,169)	(2,619)	-	(2,619)	(3,108)	-	(3,108)
Profit (loss) for the year		8,625	991	9,616	(14,017)	-	(14,017)	7,299	-	7,299
Basic earnings (loss) per share (R$)	(g)	1.76	0.20	1.96	(2.86)	-	(2.86)	1.49	-	1.49
Diluted earnings (loss) per share (R$)	(g)	1.76	0.20	1.96	(2.86)	-	(2.86)	1.49	-	1.49

STATEMENT OF COMPREHENSIVE INCOME		Parent								
		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
Profit (loss) for the year	(a) (e)	8,625	991	9,616	(14,017)	-	(14,017)	7,299	-	7,299
Items that will be reclassified subsequently to profit or loss:										
Effect of exchange rate changes on translation of foreign investments		1,749	-	1,749	5,714	-	5,714	822	-	822
Total comprehensive income for the year		10,374	991	11,365	(8,303)	-	(8,303)	8,121	-	8,121

STATEMENT OF PROFIT OR LOSS		Consolidated								
		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
Net revenue		443,215	-	443,215	301,333	-	301,333	170,665	-	170,665
Cost of services		(363,399)	-	(363,399)	(228,079)	-	(228,079)	(129,768)	-	(129,768)
Gross profit		79,816	-	79,816	73,254	-	73,254	40,897	-	40,897
General and administrative expenses	(e)	(50,053)	-	(50,053)	(42,236)	(1,050)	(43,286)	(28,477)	-	(28,477)
Share of profit (loss) of investees		4,685	-	4,685	(1,971)	-	(1,971)	4,842	-	4,842
Other operating income (expenses)	(a) (e)	4,720	1,502	6,222	(8,226)	1,050	(7,176)	3,465	-	3,465
Finance income		1,873	-	1,873	1,277	-	1,277	2,904	-	2,904
Finance costs		(29,809)	-	(29,809)	(42,949)	-	(42,949)	(12,290)	-	(12,290)
Finance income (costs)		(27,936)	-	(27,936)	(41,672)	-	(41,672)	(9,386)	-	(9,386)
Profit (loss) before tax		11,232	1,502	12,734	(20,851)	-	(20,851)	11,341	-	11,341
Income taxes										
Social contribution	(a)	(659)	(135)	(929)	1,922	-	1,922	(730)	-	(730)
Income tax	(a)	(1,948)	(376)	(2,698)	4,912	-	4,912	(3,312)	-	(3,312)
		(2,607)	(511)	(3,627)	6,834	-	6,834	(4,042)	-	(4,042)
Profit (loss) for the year		8,625	991	10,605	(14,017)	-	(14,017)	7,299	-	7,299
Basic earnings (loss) per share (R$)	(g)	1.76	0.20	2.16	(2.86)	-	(2.86)	1.49	-	1.49
Diluted earnings (loss) per share (R$)	(g)	1.76	0.20	2.16	(2.86)	-	(2.86)	1.49	-	1.49

STATEMENT OF COMPREHENSIVE INCOME		Consolidated								
		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
Profit (loss) for the year		8,625	991	9,616	(14,017)	-	(14,017)	7,299	-	7,299
Items that will be reclassified subsequently to profit or loss:										
Effect of exchange rate changes on translation of foreign investments		1,749	-	1,749	5,714	-	5,714	822	-	822
Total comprehensive income for the year		10,374	991	11,365	(8,303)	-	(8,303)	8,121	-	8,121

STATEMENT OF CASH FLOWS		Parent								
		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CASH FLOWS FROM OPERATING ACTIVITIES	(h)	37,952	(1,628)	36,324	18,573	1,031	19,604	19,530	(284)	19,246
CASH FLOWS FROM INVESTING ACTIVITIES	(h)	(114,254)	8,613	(105,641)	(47,439)	(462)	(47,901)	(12,941)	(62)	(13,003)
CASH FLOWS FROM FINANCING ACTIVITIES		80,323	(6,985)	73,338	22,157	(569)	21,588	(8,295)	346	(7,949)

STATEMENT OF CASH FLOWS		Consolidated								
		2019			2018			2017		
	Ref	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated	Original	Adjustments and Reclassifications	Restated
CASH FLOWS FROM OPERATING ACTIVITIES	(h)	48,330	2,154	50,484	36,876	(5,840)	31,036	37,807	552	38,359
CASH FLOWS FROM INVESTING ACTIVITIES	(h)	(79,721)	5,093	(74,628)	(55,772)	6,863	(48,909)	(19,822)	(922)	(20,744)
CASH FLOWS FROM FINANCING ACTIVITIES		58,480	(7,228)	51,252	13,453	(976)	12,477	(21,764)	368	(21,396)
EFFECT OF EXCHANGE RATE CHANGES	(h)	97	(19)	78	385	(47)	338	84	2	86

The main reclassifications and adjustments made to the financial statements for the years ended December 31, 2019, 2018 and 2017 are described below:

(a) Adjustments arising from the recognition of the gain on the remeasurement of the investment previously held, at the date of the business combination that resulted in the acquisition of control of the investees OceanPact Geociência and OML, as disclosed in notes 14.2.a and 14.3. The Group had shared control over these investees and now has full control, which characterized a step acquisition. In this way, it recognized the gain on remeasurement of the investment previously held in these investees and deferred taxes.

(b) Reclassification of labor obligations to provision for risks related to the claim for a work accident involving a Company employee, for a better presentation considering the nature of this balance.

(c) Reclassification of amounts corresponding to labor charges from taxes payable to labor obligations, both in the current liabilities, for a better presentation considering the nature of the balances.

(d) Reclassification of provision for risks to other payables, for a better presentation of the balance of subsidiary Servmar.

(e) Reclassification between general and administrative expenses and other operating expenses, for a better presentation considering the nature of the balances.

(f) Reclassification of dividends and interest on capital payable from noncurrent to current liabilities as at December 31, 2019, considering the expectation of settlement of the balances during the year ending December 31, 2020.

(g) Impact arising from the restatement of profit for the year in view of the adjustments made and identified in item (a) above, which impacted the numerator; and (b) split of shares disclosed in note 35, which impacted the denominator, both of the Company's basic and diluted earnings per share calculation.

(h) Change in cash flow balances arising from the adjustments identified in item (a) above and other reclassifications mainly related to business combinations made in the periods, variations in borrowings and financing and translation adjustments, aiming at a better presentation of the Company's cash flows.

2.3.b. As disclosed in note 35, the Company, after issuing the individual and consolidated financial statements for the year ended December 31, 2019, received formal approval from the banks, where they waived the right to declare the early maturity of the balances due by the Company, although certain non-pecuniary obligations of the debentures have been fulfilled outside the term initially determined.

2.4. Basis of consolidation and investments in subsidiaries

The consolidated financial statements include the financial statements of the Company and its subsidiaries as at December 31, 2019, 2018 and 2017. Control is achieved when the Company is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Company controls an investee if, and only if, it:
- Has the power over the investee.

- Is exposed or has rights to variable returns from its involvement with the investee; and
- Has the ability to use its power to affects the investee’s returns.

The Company assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company no longer exercise control over the subsidiary. The assets, liabilities and results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements as from the date the Company obtains control until the date the Company ceases to control the subsidiary. A change in the equity interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

When the Company exercises joint control over an investee or has significant influence on an associate, the investment and the results of these investees are accounted for under the equity method in the individual and consolidated financial statements, in proportion to the interests held in these joint ventures and associates.

The main consolidation procedures are as follows:

i. Elimination of intragroup asset and liability balances.

ii. Elimination of intragroup interests in equity, reserves and retained earnings (accumulated losses).

iii. Elimination of intragroup income and expenses, and unrealized profit derived from intragroup transactions; unrealized losses are eliminated in the same way, but only when there is no indication of impairment of the related assets.

iv. The accounting policies have been consistently applied to all consolidated companies and are consistent with those used in the comparative years. The Company consolidates its financial statements with those of its subsidiaries, considering the same reporting period.

The table below shows the Company's subsidiaries, joint ventures and associates, dates of establishment and their core activities:

Investees	Corporate name	Place of establishment and headquarters	Date of establishment	Core activities
1. EnvironPact Consultoria Em Engenharia e Meio Ambiente Ltda.	EnvironPact	Brazil	12/27/2008	Provision of environmental consulting services
2. Servmar Serviços Técnicos Ambientais Ltda.	Servmar	Brazil	04/17/1986	Provision of project study services on environmental impact and risk analysis, civil construction services, engineering projects and maritime support
3. OceanPact Navegação Ltda.	OceanPact Navegação	Brazil	05/16/2012	Vessel chartering
4. OceanPact Tecnologia Ltda.	OceanPact Tecnologia	Brazil	08/18/2014	Dormant
5. Maraú Navegação Ltda.	Maraú	Brazil	06/27/2019	Vessel chartering and maritime support
6. Camamu Navegação Ltda.	Camamu	Brazil	09/13/2019	Vessel chartering and maritime support
7. OceanPact Geociências Ltda. ([1])	OceanPact Geociências	Brazil	07/16/2012	Provision of services related to marine research projects in Brazilian waters, operation and chartering of vessels
8. OceanPact Netherlands B.V.	OceanPact Netherlands	The Netherlands	09/20/2008	Vessel chartering and maritime support
9. OceanPact International Holding Cayman	OceanPact International	Cayman Islands	10/09/2013	Acts as a holding company of foreign investees
9.1. Cod Hole LLP	Cod Hole	United Kingdom	01/24/2014	Vessel chartering, equipment lease, holding equity interests in other companies
9.1.1. Maritim Miljø Beredskap AS	MMB	Norway	12/29/1999	Equipment lease, training and equipment maintenance
9.2. OceanPact Maritime LTD. ([2])	OML	United Kingdom	04/09/2014	Provision of services related to marine research projects in Brazilian waters, operation and chartering of vessels
10. OceanPact Uruguay Servicios Maritimos S.R.L.	OceanPact Uruguay	Uruguay	07/27/2016	Dormant
11. O'Brien's do Brasil Consultoria em Emergências e Meio Ambiente S.A.	O'Brien's do Brasil	Brazil	10/27/2011	Provision of consulting and training services on emergency planning and management and topics related to safety and the environment.
12. OceanPact de Mexico SA de CV	OceanPact Mexico	Mexico	03/27/2019	Vessel chartering and maritime support

([1]) Formerly Gardline Marine Sciences do Brasil S.A.
([2]) Formerly Gardline Maritime Limited

The table below shows the Company's direct and indirect subsidiaries that are consolidated, and the direct and indirect joint ventures and associates that are not consolidated, and the equity interest percentage held by the Company in the reporting years:

	12/31/2019			12/31/2018			12/31/2017		
	Investment	Equity interest %		Investment	Equity interest %		Investment	Equity interest %	
Corporate name	type	Direct	Indirect	type	Direct	Indirect	type	Direct	Indirect
1. EnvironPact	direct control	99.95%	-	direct control	99.95%	-	direct control	99.95%	-
2. Servmar	direct control	100%	-	direct control	100%	-	-	-	-
3. OceanPact Navegação	direct control	100%	-	direct control	100%	-	direct control	100%	-
4. OceanPact Tecnologia	direct control	99%	1%	direct control	99%	1%	direct control	99%	1%
5. Maraú	direct control	99.90%	0.10%	-	-	-	-	-	-
6. Camamu	direct control	99.90%	0.10%	-	-	-	-	-	-
7. OceanPact Geociências	direct control	100%	-	joint control	50%		joint control	50%	-
8. OceanPact Netherlands	direct control	100%	-	direct control	100%	-	-	-	-
9. OceanPact International	direct control	100%	-	direct control	100%	-	direct control	100%	-
9.1. Cod Hole	indirect control	-	99%	indirect control	-	99%	indirect control	-	99%
9.1.1. MMB	indirect control	-	99%	indirect control	-	99%	indirect control	-	99%
9.2. OML	indirect control	-	100%	joint control	-	50%	joint control	-	50%
10. OceanPact Uruguay	direct control	99%	1%	direct control	99%	1%	direct control	99%	1%
11. O'Brien's do Brasil	indirect joint control	26%	24%	indirect joint control	26%	24%	indirect joint control	26%	24%
12. OceanPact Mexico	joint control	50%	-	-	-	-	-	-	-

a) Consortium Foz-OceanPact ("Foz-Ocean")

On November 21, 2011, the Company joined a consortium established with Foz do Brasil S.A. ("Foz"), with the objective of providing basic vessel and emergency response equipment operation and maintenance services to Petrobras Transporte S.A.

As determined in a contract signed between the parties, Foz, the consortium leader, is responsible for the bookkeeping, issue of tax documents and tax computation, and the Company is responsible for recording the assets, liabilities, revenues, costs and expenses arising from this consortium based on reports sent monthly by Foz, in the proportion of 30%. Pursuant to CPC 19 (R2) – Joint Arrangements, equivalent to IFRS 11, the relevant consortium is considered as a joint operation and its assets and liabilities and results are recognized based on the interest of each party.

In the years ended December 31, 2019 and 2018, the Consortium had no operating activity due to the termination of the contract with the customer, which occurred in the year ended December 31, 2017.

2.5. Functional currencies and presentation currency

The individual and consolidated financial statements are presented in Brazilian real (R$), which is the Company's functional currency, and have been rounded to the nearest thousand, unless otherwise stated. The Company and its investees determine their own functional currencies, and in those whose functional currencies are different from the Brazilian real, the financial statements are translated into Brazilian real, the assets and liabilities at the exchange rate on the balance sheet date and the profit or loss at the average exchange rate for the period, in accordance with CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements, equivalent to IAS 21 - The Effects of Changes in Foreign Exchange Rates. The exchange differences on these items are recognized in a specific line item of equity: "Cumulative translation adjustments".

<u>Transactions and balances</u>

Foreign currency-denominated transactions are translated into the Company's functional currency at the exchange rates prevailing on the transaction dates. At each reporting date, monetary assets and liabilities that are denominated and calculated in foreign currencies are translated into the functional currency at the exchange rate prevailing at that date. All differences are recorded in the statement of profit or loss, with the exception of monetary items designated as part of a net investment hedge. These differences are recognized directly in other comprehensive income until the disposal of the net investment, when they are recognized in the statement of profit or loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Gains or losses arising from the translation of non-monetary items measured at fair value are treated in accordance with the recognition applicable to the gain or loss on the change in the fair value of the item.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate. Exchange differences are recognized in other comprehensive income.

Functional currencies of the Company's investees

Company	Functional currency
EnvironPact	Real
Servmar	Real
OceanPact Navegação	Real
OceanPact Tecnologia	Real
Maraú	Real
Camamu	Real
OceanPact Geociências	Real
OceanPact Netherlands	US dollar
OceanPact International	US dollar
Cod Hole	US dollar
MMB	Norwegian Krone
OML	US dollar
OceanPact Uruguay	US dollar
O'Brien's do Brasil	Real
OceanPact Mexico	Mexican peso

2.6. Significant accounting policies

The significant accounting policies adopted by the Company and its subsidiaries are presented below:

a) Cash and cash equivalents

Cash equivalents are held to meet short-term cash commitments and not for investment or any other purposes. The Company considers as cash and cash equivalents: (i) cash on hand; (ii) bank deposits; and (iii) financial investments which are readily convertible into known amounts of cash, and subject to an insignificant risk of change in value. Therefore, an investment usually qualifies as a cash equivalent only when it has a short maturity of, for example, three months or less from the date of contracting.

b) Revenues from services

With the adoption of CPC 47- Revenue from Contracts with Customers, equivalent to IFRS 15, effective for years ended on or after January 1, 2018, service revenue started to be measured based on the fair value of the consideration that the Company expects to receive under a contract with the customer, excluding discounts, rebates and taxes or charges incurred, recorded when it transfers control of the product or provides the service to the customer.

The Company and its subsidiaries provide services to third parties, which are recognized as a performance obligation satisfied over time. Revenue is recognized for these services based on the stage of completion of the contract, when applicable. Management understands that the stage of completion determined as the proportion of the total expected period for providing the service that has elapsed at the end of the reporting period is an appropriate measure of progress with respect to full compliance with these performance obligations in accordance with CPC 47 - Revenue from Contracts with Customers, equivalent to IFRS 15.

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company and its subsidiaries expects to be entitled in exchange for those goods or services. The Company generally understands that it is the principal in its revenue contracts, because it normally controls the goods or services before transferring them to the customer.

Until the year ended December 31, 2017, the Company and its subsidiaries adopted CPC 30 (R1)- Revenue, equivalent to IAS 18, where revenue was recognized to the extent that it was probable that economic benefits would be generated for the Company and its subsidiaries and when it could be reliably measured. The Company and its subsidiaries assessed revenue transactions in accordance with specific criteria in order to determine if it was acting as agent or principal and ultimately concluded that it has been acting as principal in all its revenue contracts effective on those years.

c) Trade receivables

Trade receivables are recorded at the amount of the services provided, including the respective direct taxes under the responsibility of the Company and its subsidiaries, less withheld taxes, which are considered tax credits (when applicable).

Based on CPC 48 - Financial instruments, equivalent to IFRS 9, when measuring expected credit losses, the Company and its subsidiaries use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other, based on expected loss estimates for the next 12 months or for the operation lifetime. The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company and its subsidiaries in accordance with the contract and all the cash flows that the Company and its subsidiaries expect to receive, discounted at the original effective interest rate.

Until December 31, 2017, before the adoption of CPC 48 - Financial instruments, equivalent to IFRS 9, the Company and its subsidiaries recognized their loss allowance for trade receivables based on the concept of incurred loss, in an amount considered sufficient by Management to cover possible losses on the collection of trade receivables, taking into account historical losses and an individual assessment of trade receivables with risk of collection.

d) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct material costs and, where applicable, direct labor costs and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, sale and distribution.

e) Property and equipment

Property and equipment are stated at acquisition cost and depreciated using the straight-line method over their economic useful lives.

The Company's and its subsidiaries' property and equipment are stated at cost, less any accumulated depreciation and accumulated impairment losses (see item “p” of this note).

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, and adjusted on a prospective basis, when applicable.

The estimated economic useful life of property and equipment items is described in note 16.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company and its subsidiaries expect to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

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

f) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost, less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period and the effect from any change in estimates is accounted for prospectively.

Intangible assets with indefinite useful lives acquired separately are stated at cost, less any accumulated impairment losses (see item "p" of this note).

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recorded at fair value on the acquisition date, which is equivalent to their cost. Subsequent to initial recognition, intangible assets acquired in a business combination are stated at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from use or disposal. Gains or losses resulting from the derecognition of an intangible asset, measured as the difference between the net proceeds from the sale and the carrying amount of the asset are recognized in the statement of profit or loss when the asset is derecognized.

g) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Company and its subsidiaries on the acquisition date, liabilities incurred by the Company and its subsidiaries in relation to the former owners of the acquiree and the equity interests issued by the Company and its subsidiaries in exchange for the control of the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except for deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets that are classified as held for sale, all of them recognized and measured in accordance with the specific technical pronouncements for these matters.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree, if any, over the net acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Company and its subsidiaries in a business combination includes a contingent consideration agreement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments to goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at the subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at the subsequent reporting dates with any changes in fair value recognized in profit or loss.

When a business combination is achieved in stages, the interest previously held by the Company and its subsidiaries in the acquired entity (including joint operations) is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have been previously recognized in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date which, if known, would have affected the amounts recognized on that date.

h) Goodwill

Goodwill is initially recognized and measured as described in item “Business combinations”.

Goodwill is not amortized, but is tested for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the Company and its subsidiaries' cash-generating units (or groups of cash-generating units) that is expected to benefit from the combination synergies. The cash-generating units to which goodwill was allocated are annually tested for impairment or more frequently when there is an indication that a cash-generating unit may be impaired. If the recoverable amount of the cash-generating unit is lower than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit and subsequently to other assets of the cash-generating unit, proportionally to the carrying amount of each of its assets. The goodwill impairment losses are recognized in a subsequent period.

On disposal of the cash-generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

The Company and its subsidiaries did not recognize any provision for impairment of goodwill recognized in their assets.

i) Expense recognition

Expenses are recognized on an accrual basis, subject to the realization of revenues. Prepaid expenses related to future years are recorded in assets according to their respective terms.

j) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that 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 reporting date, taking into account the risks and uncertainties surrounding the obligation.

Expenses relating to any provision are presented in the statement of profit or loss. If the effect of the time value of money is material, the provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When a discount is adopted, the increase in the provision due to the passage of time is recognized as a borrowing cost.

The provision can be reversed if the estimated loss is no longer considered probable due to changes in circumstances or when the obligation is settled.

Contingent liabilities are not recognized, but are disclosed in explanatory notes when the probability of resources outflow is possible, including those whose amounts cannot be estimated.

Contingent assets are not recognized, but are disclosed in explanatory notes when the inflow of economic benefits is considered probable. If the inflow of economic benefits is considered as virtually certain, the related asset is not a contingent asset and its recognition is adequate.

The Company and its subsidiaries are parties to several lawsuits and administrative proceedings. Provisions for tax, civil and labor risks are recognized for all contingencies related to lawsuits for which it is probable that an outflow of resources will be made to settle the contingency/obligation and a reasonable estimate can be made. Assessment of the likelihood of loss includes the assessment of available evidence, hierarchy of laws, available case laws, recent court decisions and their relevance in the legal system, as well as the assessment made by outside legal counsel. Provisions are reviewed constantly and adjusted so as to consider changes in circumstances, such as applicable statute of limitations, the completion of tax audits or additional exposures identified based on new matters or court rulings.

The Company and its subsidiaries also recognize provisions related to vacation pay, 13th salary and payroll charges levied on these compensations, according to the number of periods worked by employees, that is, according to the obligations due, but not consummated, in each year.

k) Borrowings and financing

The Company and its subsidiaries record their borrowings and financing based on the amortized cost using the effective interest method. Any gains and losses are recognized in the statement of profit or loss when liabilities are derecognized, as well as during the amortization process using the effective interest method.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

l) Leases

On October 6, 2017, technical pronouncement CPC 06 (R2) – Leases, equivalent to IFRS 16, was issued, effective for annual periods beginning on or after January 1, 2019 and introduces a single model for accounting for lease contracts , eliminating the distinction between operating and finance leases, resulting in the accounting for most lease contracts on the lessees' balance sheets. The lessor's accounting remains substantially unchanged and the distinction between operating and finance lease contracts is maintained.

As permitted by technical pronouncement CPC 06 (R2) - Leases, equivalent to IFRS 16, the Company recognized the cumulative effect of applying this pronouncement beginning January 1, 2019, using the modified retrospective method. Consequently, the Company has not restated the comparative information.

The Company assessed contracts started on or after January 1, 2019, and identified the assets and their contracts, this assessment was divided into two stages, being:

- Contract identification and analysis.
- Effects on the financial statements upon adoption of the standard.

At the commencement date the right-of-use asset and the lease liability is recognized, the Company measures its liability at the present value of the lease payments, where the incremental rate is used, since it does not have an implicit interest rate in its contracts.

The estimated incremental rate is based on long-term borrowing rates, adjusted to reflect the characteristics of the lease, such as the risk of the country's economic environment, currency, term and the commencement date of the contract.

If there is any change in the expected cash flow in the contract, the liability is promptly remeasured. The discount rate will only be revised if a new contract is entered into.

The Company and its subsidiaries amortize the right-of-use asset using the straight-line method over the lease term.

The Company and its subsidiaries have made use of the practical expedient available on transition to CPC 06 (R2), equivalent to IFRS 16, so as not to reassess whether a contract is or contains a lease. Accordingly, the definition of lease in accordance with CPC 06 (R1), equivalent to IAS 17 and IFRIC 4, will continue to be applicable to those lease contracts entered into or modified before January 1, 2019. Additionally, as permitted by this new pronouncement, the Company and its subsidiaries did not apply the requirements in CPC 06 (R2) for short-term leases (lease term of 12 months or less) and leases of low-value assets, recognizing a lease expense using the straight-line method as provided for in CPC 06 (R2), equivalent to IFRS 16.

For further details on the effects of the first-time adoption of this pronouncement, see note 4.

Until December 31, 2018, before the adoption of CPC 06 (R2) - Leases, equivalent to IFRS 16 - Leases, the Company and its subsidiaries classified their leases as operating and finance leases, based on the assessment of the substantial transfer of risks and rewards to the counterparty, with operating leases being recorded as an expense in profit or loss, when incurred, while finance leases were accounted for in the property and equipment of the Company and its subsidiaries, as a contra entry to the recognition of a lease liability.

m) Financial instruments

Financial assets and financial liabilities are recognized in the Company's and its subsidiaries' balance sheet when they become a party to the contractual provisions of the instrument.

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.

<u>Financial assets</u>

Recognized financial assets are subsequently measured at amortized cost and fair value through profit or loss, depending on their classification.

The classification of financial assets on initial recognition depends on the financial asset's contractual cash flow characteristics and the Company and its subsidiaries' business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company and its subsidiaries have applied the practical expedient, the Company and its subsidiaries initially measure a financial asset at its fair value plus transaction costs, in the case of an asset financial not measured at fair value through profit or loss.

Trade receivables that do not contain a significant financing component, or to which the Company and its subsidiaries have applied the practical expedient, are measured at the transaction price determined according to CPC 47 – Revenue from Contracts with Customers, equivalent to IFRS 9.

For a financial asset to be classified and measured at amortized cost, it needs to generate cash flows that are "solely payments of principal and interest" (also called "SPPI" test) on the amount of the outstanding principal. This evaluation is carried out on instrument level.

The Company and its subsidiaries' business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result in the collection of contractual cash flows, in the sale of financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date when the Company and its subsidiaries agree to purchase or sell the asset.

For purposes of subsequent measurement, financial assets are classified by the Company and its subsidiaries in two categories:

- Financial assets at amortized cost.

- Financial assets at fair value through profit or loss.

The Company and its subsidiaries measure the financial assets at amortized cost if both of the following conditions are met: (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and (ii) 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.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized when the asset is written-off, modified or impaired.

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated on initial recognition at fair value through profit or loss or financial assets to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of sale or repurchase in the near term.

Derivatives, including separate embedded derivatives, are also classified as held for trading, unless they are designated as effective hedging instruments. The Company and its subsidiaries do not have derivative financial instruments and hedge accounting.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, regardless of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through other comprehensive income, as described above, debt instruments can be designated at fair value through profit or loss on initial recognition if this eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are presented in the balance sheet at fair value, with the changes in the fair value recognized in the statement of profit or loss.

A financial asset (or, where appropriate, part of a financial asset or part of a group of similar financial assets) is derecognized when: (i) the rights to receive cash flows from the asset have expired, or (ii) the Company and its subsidiaries have transferred its rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without significant delay to a third party under a 'pass-through' arrangement, and either the Company and its subsidiaries have transferred substantially all the risks and rewards of the asset, or the Company and its subsidiaries have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Company and its subsidiaries have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they assess if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control over the asset, the Company and its subsidiaries continue to recognize the transferred asset to the extent of their continuing involvement. In this case they recognize an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company's and its subsidiaries have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of: (i) the amount of the asset; and (ii) the maximum amount of consideration received that the Company could be required to repay (guarantee amount).

<u>Impairment of financial assets</u>

The Company and its subsidiaries recognize an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses ("ECL") are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company and its subsidiaries expect to collect, discounted at the effective interest rate that approximate the original transaction rate. The expected cash flows will include cash flows from the sale of guarantees held or other credit enhancements that are part of the contractual terms. ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in the credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for expected credit losses over the remaining life of the exposure, irrespective of the timing of the default.

<u>Financial liabilities</u>

All financial liabilities are initially measured at their fair value, more or less, in the case of financial liability that is not measured at fair value through profit or loss, the transaction costs are directly attributable to the issuance of the financial liability.

For purposes of subsequent measurement, financial liabilities are classified by the Company and its subsidiaries in two categories:

• Financial liabilities at amortized cost.

• Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated on initial recognition at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

After initial recognition, interest-bearing borrowings and financing are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are written off, as well as through the effective interest rate amortization process.

Amortized cost is calculated taking into account any negative goodwill or goodwill on the acquisition and fees or costs that are an integral part of the effective interest method. The amortization under the effective interest method is recognized as finance costs in the statement of profit or loss.

A financial liability is derecognized when the obligation related to the liability is extinguished, that is, when the obligation specified in the contract is settled or cancelled, or when it expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such replacement or modification ceases to be recognized in the original liability and a new liability is recognized. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

<u>Offsetting of financial instruments</u>

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a legally enforceable right to set off the recognized amounts and the intention to either settle on a net basis or to realize the assets and settle the liabilities simultaneously.

n) Interest capitalization on borrowings

The Company and its subsidiaries capitalize borrowing costs, as recommended by CPC 20 (R1) and IAS 23, which are directly or indirectly attributable to the construction of a qualifying asset (an asset that necessarily requires a substantial period of time to be ready for their intended use) as part of the cost of the asset, and the capitalized exchange rate changes are limited to the borrowing cost in the domestic market in force on the date borrowings are obtained.

o) Statements of cash flows

The statements of cash flows have been prepared using the indirect method. The Company and its subsidiaries present the dividends received as an investing activity, as permitted by CPC 03 (R2) - Statement of Cash Flows, equivalent to IAS 7.

p) Statement of value added

The purpose of this statement is to evidence the wealth created by the Company and its subsidiaries and its distribution during a certain period and is presented by the Company, as required by Brazilian corporate law, as part of its individual financial statements and as supplemental information for the consolidated financial statements, since this statement is not established or required by the IFRS.

The statement of value added has been prepared based on information obtained from the accounting records used as a basis for the preparation of the financial statements and in conformity with the provisions of CPC 09 - Statement of Value Added. The first part of the statement of value added presents the wealth created by the Company and its subsidiaries, represented by revenues (gross sales revenue, including taxes levied thereon, other revenues and the effects of the allowance for doubtful debts), inputs purchased from third parties (cost of sales and purchases of materials, energy and outside services, including taxes levied on purchase, the effects of impairment and recovery of assets, and depreciation and amortization) and the value added received from third parties (share of profit of associates, subsidiaries and joint ventures, finance income and other income). The second part of the statement of value added presents the distribution of wealth among personnel, taxes and contributions, lenders and lessors and shareholders.

q) Impairment of non-financial assets

Management annually tests property and equipment and intangible assets for impairment to determine whether events or changes in economic, operating or technological circumstances indicate that they might be impaired. If there is such an indication, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). When the asset does not generate cash flows that are independent from other assets, the Company and its subsidiaries estimate 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 group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax 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 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 immediately recognized in profit or loss.

When the impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, provided that it does not exceed the carrying amount that would have been determined, had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of the impairment loss is immediately recognized in profit or loss, as it eliminates the impairment loss that was recognized for the asset in previous years.

The Company and its subsidiaries consider at least each operating segment as a cash-generating unit.

In the reporting years, there was no recognition or reversal of the provision for impairment.

r) Earnings per share

Basic earnings per share are calculated using profit for the year attributable to the owners of the Company and the weighted average number of common shares outstanding in the year. Diluted earnings per share is calculated based on the weighted average number of shares, adjusted by instruments potentially convertible into shares, if applicable, in the reporting years, as set out in CPC 41 - Earnings per Share, equivalent to IAS 33.

s) Current and deferred income tax and social contribution

Income tax and social contribution expenses represents the sum of current and deferred taxes.

Current taxes

The current tax is based on taxable profit for the year. Taxable profit differs from the profit reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's and its subsidiaries' current tax liabilities are calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax calculation is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions represent the best estimate of the amount expected to be payable. Tax assessment is based on the judgment of tax professionals of the Company and its subsidiaries supported by past experience in respect of such activities and in certain cases based on the opinion of tax consultants.

Deferred taxes

Deferred tax is the tax expected to be payable or recoverable on 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, and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized. Deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except when the Company and its subsidiaries are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profit against which these temporary differences can be utilized and when they are expected to reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates applicable in the period the liability is expected to be settled or the asset is expected to be realized based on tax laws and tax rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to taxes levied by the same tax authority when there is the intention to settle current tax assets and liabilities on a net basis.

<u>Current and deferred income tax and social contribution for the year</u>

Current and deferred income tax and social contribution 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, current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively. When current or deferred taxes arise from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. CRITICAL ACCOUNTING JUDGMENTS AND KEY ESTIMATES AND ASSUMPTIONS

3.1. Judgments

The preparation of the Company's financial statements requires Management to make judgments and estimates and adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosures of contingent liabilities at the end of each reporting period. However, the uncertainty related to these assumptions and estimates could lead to results that would require a significant adjustment to the carrying amount of the respective asset or liability in future periods.

3.2. Estimates and assumptions

3.2.1. Useful lives of property and equipment

The estimated useful lives of property and equipment and intangible assets items are reviewed at the end of each reporting period. During the current year, as a result of this assessment, Management established that the useful lives of its property and equipment items remained unchanged when compared to those adopted in the comparative years.

3.2.2 Taxes

There are uncertainties related to the interpretation of complex tax regulations and the amount and timing of future taxable profit. The Company and its subsidiaries recognize provisions, based on applicable estimates and, when applicable, for possible consequences of tax audits by the tax authorities of the jurisdictions in which they operate. The amount of these provisions is based on several factors, such as experience of prior tax audits and different interpretations of tax regulations by the taxable entity and the relevant tax authority. These different interpretations may arise from several matters, depending on the conditions where the Company and its subsidiaries are established.

In addition, recoverable taxes are recognized as the Company and its subsidiaries expect to realize such balances, either by offsetting them against other taxes or by requesting refunds.

3.2.3 Provisions for tax, civil and labor claims

The Company and its subsidiaries recognize a provision for tax, civil and labor claims, when applicable. The assessment of the likelihood of loss includes the assessment of available evidence, hierarchy of laws, available case laws, recent court decisions and their relevance in the legal system, as well as the assessment made by outside legal counsel. Provisions are reviewed and adjusted so as to consider changes in circumstances, such as applicable statute of limitations, the completion of tax audits or additional exposures identified based on new matters or court rulings.

3.2.4 Fair value of financial instruments

When the fair value of financial assets and liabilities stated in the balance sheet cannot be obtained from active markets, it is determined by using valuation techniques, including the discounted cash flow method. Data for these methods are based on market data, when possible; however, when this is not feasible, a certain level of judgment is required to establish the fair value. Judgment includes considerations on data used, such as liquidity risk, credit risk and volatility. Changes in assumptions on these factors could affect the reported fair value of the financial instruments.

3.2.5 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI test and the business model test. The Company and its subsidiaries determine the business model at a level that reflects how groups of financial assets are managed together to achieve a specific business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is assessed and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company and its subsidiaries monitor financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company and its subsidiaries’ continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and any prospective change to the classification of those assets.

3.2.6 Impairment loss on non-financial assets

An impairment loss is recognized when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. The calculation of fair value less costs to sell is based on available information on sales of similar assets or market prices less incremental costs to dispose of the asset. The value in use calculation is based on the discounted cash flow model.

Cash flows derive from the budget for the next years and do not include reorganization activities to which the Company and its subsidiaries have not yet committed or significant future investments that will improve the asset base of the cash-generating unit tested for impairment. The recoverable amount is sensitive to the discount rate used in the discounted cash flow method, as well as the expected future cash receipts and the growth rate used for extrapolation purposes.

3.2.7 Calculation of the allowance for losses

When measuring expected credit losses, the Company and its subsidiaries use reasonable and bearable information about the future, which is based on the assumptions for the future changes of different economic drivers and how these drivers will affect each other.

The loss given default is an estimate of the loss resulting from default. It is based on the difference between the contractual cash flows due and those the creditor would expect to receive, taking into account collateral cash flows and total credit enhancements.

The probability of default is an important data for measuring the expected credit loss. The probability of default is an estimate of the probability of default over a specific period of time, the calculation of which includes historical data, assumptions and expectations of future conditions.

Significant increase in credit risk impacts the expected credit loss. In assessing whether the credit risk of an asset has significantly increased, the Company and its subsidiaries take into account qualitative and quantitative reasonable and supportable forward-looking information.

3.2.8 Fair value measurements and valuation processes

Some of the Company and its subsidiaries’ assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company and its subsidiaries use observable market inputs to the extent they are available. Where Level 1 inputs are not available, other valuation techniques and information appropriate to the model are used.

Assets acquired net of liabilities assumed in business combinations are recognized at their fair value at the acquisition date. Certain assumptions are adopted by the appraisers to determine such fair values. Contingent consideration in business combinations and non-derivative financial assets held for trading are particularly sensitive to changes in one or more observable inputs considered reasonably possible within the next financial year.

3.2.9 Measurements of lease discount rates

The discount rates applied in the measurement of rights of use and lease liabilities were defined by the Company and its subsidiaries considering the incremental rates, since the signed contracts do not have the implicit rate information. To determine the incremental rates, used as discount rates, the Company and its subsidiaries used information from the lease contracts, and adopted assumptions, such as the Group's capital structure and the risk of the country's economic environment.

4. ADOPTION OF IFRS STANDARDS AND INTERPRETATIONS (NEW AND REVISED)

In January 2016, CPC 06 (R1), equivalent to international standard IAS 17, was issued. CPC 06 (R2) sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single balance sheet model similar to the accounting for finance leases under CPC 06 (R1). The standard includes two recognition exemptions for lessees - leases of low-value assets (i.e. personal computers) and short-term leases (i.e. leases with a term of 12 months or less). At the commencement of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments as a result of a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

CPC 06 (R2), which is effective for annual periods beginning on or after January 1, 2019, requires lessees to make more extensive disclosures than under CPC 06 (R1).

The Company adopted CPC 06 (R2) using the modified retrospective method.

The Company opted to use the exemptions proposed by the standard for lease contracts whose term ends within 12 months from the first-time adoption date, and lease contracts whose underlying assets are of low value, relating to certain office equipment (such as personal computers, printers, copiers, etc.).

	Parent			Consolidated		
	Disclosed 12/31/2018	IFRS 16 adjustments	Balances after adjustments 01/01/19	Disclosed 12/31/2018	IFRS 16 adjustments	Balances after adjustments 01/01/19
Current assets	55,566	-	55,566	87,708	-	87,708
Noncurrent assets (1)	224,638	36,742	261,380	394,141	39,222	433,363
Total assets	280,204	36,742	316,946	481,849	39,222	521,071
Current liabilities (2)	52,257	14,127	66,384	92,653	14,459	107,112
Noncurrent liabilities (2)	80,355	22,615	102,970	241,604	24,763	266,367
Equity	147,592	-	147,592	147,592	-	147,592
Total liabilities and equity	280,204	36,742	316,946	481,849	39,222	521,071

(1) Recognized in “Right-of-use assets” line item. For more information, see note 15.
(2) Recognized in “Lease liabilities” line item. For more information, see note 21.

In addition to the amendments to CPC 06 (R2) - Leases, equivalent to IFRS 16, mentioned above, other new and revised standards became effective in the year ended December 31, 2019. The Company adopted a series of amendments to the Standards and Interpretations issued by the Brazilian Accounting Pronouncements Committee and the International Accounting Standards Board (IASB), effective for annual periods beginning on or after January 1, 2019. The adoption of these Standards and Interpretations had no material impact on the disclosures or amounts disclosed in these financial statements. The new and revised standards that became effective beginning January 1, 2019 are as follows.

- Amendments to CPC 18 (R2) - Investments in Associates and Joint Ventures (equivalent to IAS 28): Long-term investments in Associates and Joint Ventures
- Amendments to CPC 48 - Financial Instruments (equivalent to IFRS 9): Prepayment Features with Negative Compensation
- Amendments to CPC 33 - Financial Instruments (equivalent to IAS 19): Plan Amendment, Curtailment or Settlement
- ICPC 22 - Uncertainty over Income Tax Treatments (equivalent to IFRIC 23)
- Annual improvements to IFRS: (2015-2017 cycle, IFRS 3 and 11 and IAS 12 and 23).

<u>New and revised standards effective for annual periods beginning on or after January 1, 2018</u>

The following new and revised standards were adopted by the Company and its subsidiaries beginning January 1, 2018:

- CPC 48 – Financial Instruments, equivalent to IFRS 9
- CPC 47 - Revenue from Contracts with Customers, equivalent to IFRS 15
- Amendments to CPC 10 - Share-based Payment, equivalent to IFRS 2
- ICPC 21 – Foreign Currency Transactions and Advance Consideration, equivalent to IFRIC 22

The adoption by the Company and its subsidiaries of the new and revised standards, on January 1, 2018, had no effect or such effects were not material for the financial information of the Company and its subsidiaries.

<u>New and revised standards and interpretations issued but not yet adopted</u>

On the authorization date of these financial statements, the Company did not apply the new and revised standards and interpretations that were issued but which adoption is not yet mandatory.

Standard or interpretation	Description	Effective for annual periods beginning on or after
Amendments to IFRS 3	Definition of Business	01/01/2020
Amendments to IAS 1 and IAS 8	Definition of Material	01/01/2020
Conceptual Framework	Conceptual Framework for Financial Reporting	01/01/2020
IFRS 17	Insurance Contracts	01/01/2021
Amendments to CPC 36 (R3)/IFRS 10 and CPC 18 (R2)/IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Postponed indefinitely

The adoption of the standards listed above is not expected to have a material impact on the Company's individual and consolidated financial statements in future periods.

5. CASH AND CASH EQUIVALENTS

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Cash and banks	1,185	2,684	4,370	8,459	6,587	7,535
Financial investments (*)	10,959	5,439	10,462	35,549	10,235	14,345
Total	12,144	8,123	14,832	44,008	16,822	21,880

(*) Highly liquid short-term financial investments (comprising floating-rate Bank Deposit Certificates (CDB)), with repurchase commitment (the financial institution undertakes to repurchase the financial investment of the Company and its subsidiaries, if the Company and its subsidiaries express such intention). The average yield in 2019 was 98% of the CDI (80.26% of the CDI in 2018 and 85.6% of the CDI in 2017).

6. MARKETABLE SECURITIES (RESTRICTED FINANCIAL INVESTMENTS)

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Current	-	-	9,738	-	-	9,738
Noncurrent	1,027	-	-	7,100	5,605	5,153
Total	1,027	-	9,738	7,100	5,605	14,891

The amount of R$9,738 classified in the Parent's current assets as at December 31, 2017 refers to the amount earmarked for payment of the acquisition of investment in Servmar, which payment was made on January 5, 2018.

The marketable securities classified as noncurrent in the parent represent financial investments held with Banco Bocom BBM, in the form of CDBs, with yields indexed to the CDI, in the amount of R$1,027 as at December 31, 2019 (zero as at December 31, 2018 and 2017), referring to the guarantee contract, related to the financing with the Financiadora de Estudos e Projetos - FINEP.

Marketable securities classified as noncurrent in the consolidated, in addition to the financial investments held by the parent with Banco Bocom BBM, is comprised of financial investments held by the subsidiary OceanPact Navegação at Banco Itaú, in the amount of R$6,073 as at December 31 2019 (in the amount of R$5,605 as at December 31, 2018 and in the amount of R$5,153 as at December 31, 2017). The balance held at Banco Itaú refers to the investment account, where the amount corresponding to at least three months of the monthly debt must be maintained, in accordance with the contract signed with the BNDES regarding the financing of the vessels. The investments recorded in noncurrent assets in the consolidated refer to repurchase agreements, with yields indexed to the CDI, which are readily convertible into a known amount of cash. The average yield in 2019 was 98% of the CDI (95% of the CDI in 2018 and 94% of the CDI in 2017).

7. TRADE RECEIVABLES

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Trade receivables	68,771	32,707	16,027	116,159	54,031	21,562
Related parties (*)	1,741	57	879	47	17	997
Allowance for doubtful debts	(871)	(719)	(361)	(1,430)	(1,589)	(361)
Total	69,641	32,045	16,545	114,776	52,459	22,198

(*) The balances of due from related parties are detailed in note 24.

The aging list of trade receivables is as follows:

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Current	66,771	29,878	15,418	113,345	49,954	20,953
Past due	2,000	2,829	609	2,814	4,077	609
	68,771	32,707	16,027	116,159	54,031	21,562

For purposes of the parent, Management considered necessary to recognize an allowance for expected credit losses, based on the expected future loss as at December 31, 2019, in the amount of R$871 (R$719 as at December 31, 2018 and R$361 as at December 31, 2017), consisting basically of the customer Eisa Petro Um S.A., which represents 41% of the loss allowance balance as at December 31, 2019 (50% of the balance as at December 31, 2018 and 98% as at December 31, 2017).

For purposes of the consolidated, Management considered necessary to recognize an allowance for expected credit losses, based on the expected future loss and, as at December 31, 2019, the balance of such allowance is R$1,430 (R$1,589 as at December 31, 2018 and R$361 as at December 31, 2017), consisting basically of the customers Eisa Petro Um S.A. and the Municipality of São Paulo, which together represent 50% of the balance as at December 31, 2019. As at December 31, 2018, the allowance for expected credit losses refers mainly to customers Eisa Petro Um S.A., Petrobras and Fersol Indústria e Comércio, which together represent approximately 70% of the balance. As at December 31, 2017, the consolidated balance of the allowance for expected credit losses refers basically to the customer Eisa Petro Um S.A., which represents 98% of the balance on that date.

Variations in the loss allowance for the years ended December 31, 2019, 2018 and 2017:

	Parent	Consolidated
Balance as at December 31, 2016	358	358
Allowances	10	10
Reversals through write-off	(7)	(7)
Balance as at December 31, 2017	361	361
Balance arising from the business combination (Servmar)	-	826
Allowances	358	435
Reversals through write-off	-	(33)
Balance as at December 31, 2018	719	1,589
Allowances	199	291
Reversals through write-off	(47)	(450)
Balance as at December 31, 2019	871	1,430

As at December 31, 2019, the most relevant consolidated trade receivables balances refer to customers Petróleo Brasileiro S.A. - Petrobras (representing 44% of the balance as at December 31, 2019), Modec Serviços de Petróleo do Brasil Ltda., Aet Brasil Serviços SCS Ltda., Dommo Energia S.A. and Total E&P do Brasil Ltda., which together with Petrobras represent 82% of the receivables as at December 31, 2019.

As at December 31, 2018, the most relevant consolidated trade receivables balances refer to customers Petróleo Brasileiro S.A. - Petrobras (representing 34% of the balance as at December 31, 2018), Aet Brasil Serviços SCS Ltda., Chevron Brasil Upstream Frade Ltda., Dommo Energia S.A., Total E&P do Brasil Ltda. and Statoil Brasil Óleo e Gás Ltda., which together with Petrobras represent 78% of the receivables as at December 31, 2018.

As at December 31, 2017, the most relevant consolidated trade receivables balances refer to customers Petróleo Brasileiro S.A. - Petrobras (representing 35% of the balance as at December 31, 2017), OGX Petróleo e Gás S.A., Chevron Brasil Upstream Frade Ltda. and Gardline Marine Sciences do Brasil Ltda. which together with Petrobras represent 76% of the receivables as at December 31, 2017.

8. INVENTORIES

	Consolidated		
	12/31/2019	12/31/2018	12/31/2017
Inventories	730	162	-
Total	730	162	-

The consolidated inventories balance comprises R$146 as at December 31, 2019 (R$162 as at December 31, 2018 and zero as at December 31, 2017) of subsidiary Servmar, referring to the acquisition of goods that will be used in the provision of services and a balance of R$584 as at December 31, 2019 (zero as at December 31, 2018 and 2017) of indirect subsidiary OML, referring to the fuel to be used in own vessels.

In the years ended December 31, 2019, 2018 and 2017, no allowance for inventory losses was recognized.

9. RECOVERABLE TAXES

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) (a)	2,567	834	4,330	8,009	6,916	4,330
Taxes on Revenue (PIS and COFINS) (b)	1,767	447	107	1,974	652	107
Taxes withheld by third parties (d)	494	584	541	1,484	670	541
Social Security Contribution on Gross Revenue (CPRB) (c)	1,890	-	-	2,439	-	-
Other recoverable taxes (d)	458	408	160	1,290	561	160
Total	7,176	2,273	5,138	15,196	8,799	5,138
Current	6,841	1,938	4,803	13,643	7,385	4,803
Noncurrent	335	335	335	1,553	1,414	335

(a) The balances of IRPJ and CSLL as at December 31, 2019, 2018 and 2017 refer to taxes withheld at source from customers and offsets based on an overestimate.

(b) Recoverable PIS and COFINS balances refer to credits arising from the Company's operation, based on the non-cumulative regime.

(c) The Social Security Contribution on Gross Revenue (CPRB) was a tax in effect until the year ended December 31, 2018. However, the Company continued to pay this contribution based on the suspensive effect requested by the union of shipping companies and granted by the competent body. On the other hand, it recognized an asset related to the recoverable balance of such tax overpaid during the year ended December 31, 2019 and the Company has been discussing with its legal counsel the best way to recover such balances.

(d) Taxes withheld by third parties and other recoverable taxes comprise mainly INSS withheld by third parties when engaged to provide services and recoverable IRPJ and CSLL.

10. ESCROW DEPOSITS

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Labor lawsuits	281	-	-	590	261	-
Discussion about ISS	2,290	2,290	2,290	2,646	2,646	2,290
Other escrow deposits	-	-	-	13	-	-
Total	2,571	2,290	2,290	3,249	2,907	2,290

The balance of escrow deposits of the Parent refers to amounts deposited in court related to ongoing labor lawsuits to which the Company is a defendant, and related to ISS payments through escrow deposit, resulting from lawsuits filed by the Company against the customer Repsol Sinopec Brasil S.A. and Samarco Mineração S.A., referring to the municipality where the ISS is levies. The same amounts are recognized in liabilities, under the line item “ISS payable”.

The consolidated balance also includes escrow deposits made by the subsidiary Servmar, referring to labor claims in which the corresponding lawsuits are in progress (R$309 as at December 31, 2019, R$261 as at December 31, 2018 and zero as at December 31 2017), and regarding the discussion with the Municipality of Diadema, in relation to the ISS levy (R$356 as at December 31, 2019, R$356 as at December 31, 2018 and zero as at December 31, 2017), in addition to an escrow deposit related to the lawsuit filed against a supplier by subsidiary OceanPact Geociências, in the amount of R$13 as at December 31, 2019 (zero as at December 31, 2018 and 2017).

11. DEFERRED TAXES

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Deferred tax assets						
Income tax	7,474	6,738	5,267	23,703	18,720	7,610
Social contribution	3,173	2,836	1,896	9,161	7,052	2,233
Other taxes	368	-	-	424	-	-
Total	11,015	9,574	7,163	33,288	25,772	9,843
Deferred tax liabilities						
Income tax	-	-	-	492	1,206	1,408
Social contribution	-	-	-	-	192	-
Total	-	-	-	492	1,398	1,408

The balance of other deferred tax assets refers mainly to PIS and COFINS, in the amount of R$368 (parent) and R$424 (consolidated), referring to the recognition of said taxes on repayments and interest on leases (zero as at December 31, 2018 and 2017).

The deferred income tax and social contribution recorded in assets and liabilities are as follows:

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Foreign exchange gains (losses), net	(47)	(433)	(27)	16,672	12,496	1,519
Capitalized costs - OceanPact Navegação	(753)	(800)	(847)	(753)	(800)	(847)
Taxes with suspended payment	761	761	761	761	761	761
Tax loss carryforwards	842	5,352	5,305	1,925	6,479	5,305
Provisions	8,024	5,025	1,662	14,950	5,967	1,970
Surplus value of property and equipment	490	(722)	-	490	(1,396)	(1,383)
Gain on remeasurement of investment (note 14)	(511)	-	-	(511)	-	-
Lease	1,841	-	-	1,841	-	-
Accelerated depreciation for tax purposes	-	-	-	(2,112)	-	-
Other diluted effects	-	391	309	(891)	867	1,110
Deferred IRPJ and CSLL assets (liabilities), net	10,647	9,574	7,163	32,372	24,374	8,435
CSLL	3,173	2,836	1,896	9,161	6,861	2,233
IRPJ	7,474	6,738	5,267	23,211	17,513	6,202
Deferred IRPJ and CSLL assets (liabilities), net	10,647	9,574	7,163	32,372	24,374	8,435
Deferred IRPJ and CSLL assets	10,647	9,574	7,163	32,864	25,772	9,843
Deferred IRPJ and CSLL liabilities	-	-	-	(492)	(1,398)	(1,408)
Deferred IRPJ and CSLL assets (liabilities), net	10,647	9,574	7,163	32,372	24,374	8,435

The Company has, in the consolidated, deferred tax assets of R$33,288 as at December 31, 2019 (R$25,772 as at December 31, 2018 and R$9,843 as at December 31, 2017), which substantially refer to the foreign exchange gains (losses) taxed on cash basis calculated in subsidiary OceanPact Navegação, tax losses and non-deductible provisions.

The consolidated deferred tax liability balance of R$492 as at December 31, 2019 (R$1,398 as at December 31, 2018 and R$1,408 as at December 31, 2017) refers to subsidiary OML, mainly due to deferred tax benefits from depreciation of property and equipment of this investee.

The subsidiary Servmar recognizes tax loss carryforwards in the amount of R$24,115 (tax credit) as at December 31, 2019 (R$25,316 as at December 31, 2018), which were not recorded due to Management’s low expectation of their realization.

The Group, after filing a private letter ruling with the Brazilian Federal Revenue Service, obtained a favorable reply on the applicability of accelerated depreciation for tax purposes due to the use of property and equipment in periods that are longer than one work shift, the reason why, as from May 2019, it has started to recognize accelerated depreciation of two vessels of subsidiary OceanPact Navegação, which operate in more than one work shift.

Based on Management's expectation, deferred tax assets recognized as at December 31, 2019 in the parent and consolidated will be realized as shown below.

Year	Parent	Consolidated
2020	10,851	18,699
2021	413	1,820
2022	413	1,820
2023	413	1,820
After 2023	-	10,204
Deferred tax on temporary differences assets and tax loss carryforwards	12,090	34,363
Deferred taxes on temporary differences liabilities	(1,075)	(1,567)
Deferred tax assets (liabilities), net	11,015	32,796

12. OTHER RECEIVABLES

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Advances to suppliers	6,340	5,329	2,359	10,906	6,302	2,363
Sharing of expenses (note 24.3)	1,085	3,782	852	143	284	331
Prepaid expenses (*)	3,042	2,038	1,469	4,265	2,999	2,108
Other receivables - related parties (note 24)	61	1,889	1,704	1	-	-
Contractual retentions – customers	560	28	-	3,674	2,997	-
Indemnities (**)	-	-	1,300	-	-	1,300
Other receivables	1,504	832	439	2,184	885	562
Total	12,592	13,898	8,123	21,173	13,467	6,664
Current	11,876	10,935	8,028	17,284	10,731	6,569
Noncurrent	716	2,963	95	3,889	2,736	95

(*) The balance of prepaid expenses refers mainly to insurance expenses that are recognized in profit or loss on the accrual basis.

(**) The balance receivable as at December 31, 2017 refers to indemnity related to a lawsuit filed as a result of a work accident that resulted in the death of a Company’s employee, whose indemnity was received from the insurance company during 2018.

The portion classified in noncurrent assets refers mainly to retentions made by customers, which the Company expects to realize after 12 months, based on contractual terms and conditions. The terms defined in certain contracts with customers establish that part of the invoiced amount referring to services provided is retained by them as a protective measure against any inquiries and, after a period depending on the contractual terms, these amounts are actually received by the Company.

13. LOANS TO THIRD PARTIES

On June 11, 2018, the Company granted a loan of R$5,300 to Santa Lúcia Patrimonial Ltda. ("Santa Lúcia"), which is subject to interest based on the Selic rate, until the date of acquisition of SLP's control by the Company, as mentioned in note 35.

14. INVESTMENTS

The Company's investments are represented by the following balances:

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
OceanPact Navegação	51,313	51,568	69,777	-	-	-
OceanPact International	43,343	35,248	36,007	-	-	-
EnvironPact	1,251	989	1,342	-	-	-
OceanPact Uruguay	4	3	3	-	-	-
OceanPact Geociências	26,484	12,138	10,930	-	12,138	10,930
O'Brien's do Brasil	1,927	945	1,200	3,706	1,817	2,308
OML	-	-	-	-	13,788	17,454
Servmar	18,609	17,418	-	-	-	-
OceanPact Netherlands	41,704	(56)	-	-	-	-
Maraú	2,500	-	-	-	-	-
Total	187,135	118,253	119,259	3,706	27,743	30,692

(a) Variations in investments

The variations in the balances of investees are shown below.

	Parent							
Investees	12/31/2018	Investment acquisition / capital contribution	Goodwill – Future earnings	Gain on remeasurement of investment	Translation adjustment	Share of profit (loss) of investees	Dividends (*)	12/31/2019
OceanPact Navegação	51,568	-	-	-	-	(255)	-	51,313
OceanPact International	35,248	7,953	-	1,660	1,382	(2,900)	-	43,343
EnvironPact	989	-	-	-	-	1,459	(1,197)	1,251
OceanPact Uruguay	3	-	-	-	1	-	-	4
OceanPact Geociências	12,138	14,109	219	482	96	(695)	135	26,484
O'Brien's do Brasil	945	-	-	-	-	1,578	(596)	1,927
Servmar (**)	17,418	-	-	-	-	1,191	-	18,609
OceanPact Netherlands	(56)	43,291	-	-	270	(1,801)	-	41,704
Maraú	-	2,500	-	-	-	20	(20)	2,500
Total	118,253	67,853	219	2,142	1,749	(1,403)	(1,678)	187,135

(*) The positive amounts refer to declared dividends that were reversed in the following year.
(**) Includes goodwill on the acquisition in the amount of R$4,637.

	Parent						
Investees	12/31/2017	Goodwill - future earnings	Acquisition of investment	Translation adjustment	Share of profit (loss) of investees	Dividends (*)	12/31/2018
OceanPact Navegação	69,777	-	-	-	(18,209)	-	51,568
OceanPact International	36,007	-	-	5,713	(6,472)	-	35,248
EnvironPact	1,342	-	-	-	32	(385)	989
OceanPact Uruguay	3	-	-	-	-	-	3
OceanPact Geociências	10,930	-	-	-	(43)	1,251	12,138
O'Brien's do Brasil	1,200	-	-	-	30	(285)	945
Servmar	-	4,637	13,104	-	(323)	-	17,418
OceanPact Netherlands	-	-	-	-	(56)	-	(56)
Total	119,259	4,637	13,104	5,713	(25,041)	581	118,253

(*) The positive amounts refer to declared dividends that were reversed in the following year.

Investees	Parent					
	12/31/2016	Capital reduction	Translation adjustment	Share of profit (loss) of investees	Dividends	12/31/20177
OceanPact Navegação	69,981	-	-	3,178	(3,382)	69,777
OceanPact International	36,690	(4,204)	822	2,699	-	36,007
EnvironPact	981	-	-	521	(160)	1,342
OceanPact Uruguay	3	-	-	-	-	3
OceanPact Geociências	12,027	-	-	203	(1,300)	10,930
O'Brien's do Brasil	847	-	-	563	(210)	1,200
Total	120,529	(4,204)	822	7,164	(5,052)	119,259

Investees	Consolidated					
	12/31/2018	Acquisition of control	Remeasurement at fair value	Share of profit (loss) of investees	Dividends	12/31/2019
OceanPact Geociências	12,138	(14,750)	482	2,130	-	-
O'Brien's do Brasil	1,817	-	-	3,035	(1,146)	3,706
OML	13,788	(14,968)	1,660	(480)	-	-
Total	27,743	(29,718)	2.142	4,685	(1,146)	3,706

Investees	Consolidated				
	12/31/2017	Translation adjustment	Share of profit (loss) of investees	Dividends (*)	12/31/2018
OceanPact Geociências	10,930	-	(43)	1,251	12,138
O'Brien's do Brasil	2,307	-	58	(548)	1,817
OML	17,455	2,408	(1,986)	(4,089)	13,788
Total	30,692	2,408	(1,971)	(3,386)	27,743

(*) The positive amounts refer to declared dividends that were reversed in the following year.

Investees	Consolidated						
	12/31/2016	Remeasurement at fair value	Acquisition of control	Translation adjustment	Share of profit (loss) of investees	Dividends	12/31/2017
OceanPact Geociências	12,027	-	-	-	203	(1,300)	10,930
O'Brien's do Brasil	1,630	-	-	-	1,082	(404)	2,308
OML	13,544	-	-	353	3,557	-	17,454
MMB ([1])	1,230	621	(1,851)	-	-	-	-
Total	28,431	621	(1,851)	353	4,842	(1,704)	30,692

(1) On October 31, 2017, Cod Hole, an indirect subsidiary of the Company, acquired an additional 68.66% interest in MMB and, with this transaction, Cod Hole gained control over the investee with a 100% interest (see note 14.2.c).

The capitalized interest and charges, related to the borrowing from Banco Itaú BBA, used in the investment of subsidiary OceanPact Navegação, are recognized as share of profit (loss) of investees. In the year ended December 31, 2019, this amount was R$204 (R$204 in the years ended December 31, 2018 and 2017). The balance related to capitalized interest as at December 31, 2019 is R$3,268 (R$3,472 as at December 31, 2018 and R$3,676 as at December 31, 2017).

(b) Summarized financial information of investees and reconciliation with the Company's financial statements (Parent and Consolidated)

The balances of the Company's associates, subsidiaries and joint ventures as at December 31, 2019, 2018 and 2017 are shown below.

	12/31/2019					2019	
Investees	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenue	Profit (Loss)
OceanPact Navegação	13,289	246,445	23,405	188,284	48,045	55,613	(51)
OceanPact International	1,506	40,177	-	-	41,683	141	(2,900)
EnvironPact	482	1,784	1,011	4	1,251	105	1,524
OceanPact Uruguay	4	-	-	-	4	-	-
OceanPact Geociências	42,821	52,422	36,251	34,031	24,961	82,310	1,871
O'Brien's do Brasil	14,559	2,371	8,314	1,204	7,412	29,692	6,073
Servmar	28,898	22,550	26,530	11,279	13,639	117,441	2,262
OceanPact Netherlands	1,924	39,826	46	-	41,704	2,218	(1,801)
Maraú	2,529	1	30	-	2,500	-	20
OceanPact Mexico	1,390	-	-	1,390	-	-	-
Cod Hole	2,756	22,140	-	-	24,896	3,245	(3,784)
MMB	699	11	77	-	633	2,778	224
OML	16,235	27,274	13,280	-	30,229	12,408	(2,691)

	12/31/2018					2018	
Investees	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenue	Profit (Loss)
OceanPact Navegação	10,765	256,808	23,366	196,111	48,096	51,429	(18,004)
OceanPact International	1,345	62,087	-	28,184	35,248	-	(6,475)
EnvironPact	117	880	6	2	989	627	546
OceanPact Uruguay	3	-	-	-	3	-	-
OceanPact Geociências	19,020	24,378	16,680	3,722	22,996	43,314	(86)
O'Brien's do Brasil	5,626	514	2,445	62	3,633	9,473	116
Servmar	23,430	25,435	22,352	15,136	11,377	85,829	8
OceanPact Netherlands	11	25,486	25,553	-	(56)	-	(56)
Cod Hole	27,117	23,125	16	47,857	2,369	2,578	(4,175)
MMB	1,564	465	700	-	1,329	2,941	(27)
OML	2,957	8,596	3,825	178	7,550	1,242	(1,853)

	12/31/2017					2017	
Investees	Current assets	Noncurrent assets	Current liabilities	Noncurrent liabilities	Equity	Net revenue	Profit (Loss)
OceanPact Navegação	16,003	252,949	21,766	181,086	66,100	48,930	3,382
OceanPact International	2,400	36,091	2,484	-	36,007	-	2,693
EnvironPact	323	1,120	81	18	1344	894	1,240
OceanPact Uruguay	3	-	-	-	3	-	-
OceanPact Geociências	14,687	18,693	11,504	1,296	20,580	28,018	406
O'Brien's do Brasil	6,878	485	2,331	416	4,616	11,408	2,165
Cod Hole	11,924	6,713	-	12,751	5,886	929	(471)
MMB	1,033	436	243	-	1,226	280	199
OML	3,987	10,038	2,814	442	10,769	813	143

The following tables reconcile the financial information of the Company's direct investees with the parent’s investment balances.

As at December 31, 2019	Parent									
	OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Uruguay	OceanPact Geociências	O'Brien's do Brasil	Servmar	OceanPact Netherlands	Maraú	Total
Investee’s equity	48,045	41,683	1,251	4	24,961	7,412	13,639	41,704	2,500	
% direct interest	100%	100%	99.95%	99%	100%	26%	100%	100%	99.9%	
Subtotal	48,045	41,683	1,250	4	24,961	1,927	13,639	41,704	2,498	
Surplus value - remeasurement gain	-	1,660	-	-	482	-	-	-	-	
Surplus value – equity interest acquisition	-	-	-	-	1,681	-	333	-	-	
Goodwill	-	-	-	-	-	-	4,637	-	-	
Interest capitalization	3,268	-	-	-	-	-	-	-	-	
Other effects	-	-	1	-	(640)	-	-	-	2	
Total investments	51,313	43,343	1,251	4	26,484	1,927	18,609	41,704	2,500	187,135

As at December 31, 2018	Parent								
	OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Uruguay	OceanPact Geociências	O'Brien's do Brasil	Servmar	OceanPact Netherlands	Total
Investee’s equity	48,096	35,248	989	3	22,996	3,633	11,377	(56)	
% direct interest	100%	100%	99.95%	99%	50%	26%	100%	100%	
Subtotal	48,096	35,248	989	3	11,498	945	11,377	(56)	
Surplus value – equity interest acquisition	-	-	-	-	-	-	1,404	-	
Goodwill	-	-	-	-	-	-	4,637	-	
Interest capitalization	3,472	-	-	-	-	-	-	-	
Other effects	-	-	-	-	640	-	-	-	
Total investments	51,568	35,248	989	3	12,138	945	17,418	(56)	118,253

As at December 31, 2017	Parent						
	OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Uruguay	OceanPact Geociências	O'Brien's do Brasil	Total
Investee’s equity	66,100	36,007	1,344	3	20,580	4,616	
% direct interest	100%	100%	99.95%	99%	50%	26%	
Subtotal	66,100	36,007	1,343	3	10,290	1,200	
Interest capitalization	3,677	-	-	-	-	-	
Other effects	-	-	(1)	-	640	-	
Total investments	69,777	36,007	1,342	3	10,930	1,200	119,259

The following tables reconcile the financial information of the Company's direct investees with the Parent’s share of profit (loss) of investees.

Year ended December 31, 2019	Parent: OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Geociências 01/01/19 to 11/03/19	OceanPact Geociências 11/03/19 to 12/31/19	O'Brien's do Brasil	Servmar	OceanPact Netherlands	Maraú	Total
Profit (loss) of investee	(51)	(2,900)	1,524	4,260	(2,389)	6,073	2,262	(1,801)	20	
% direct interest	100%	100%	99.95%	50%	100%	26%	100%	100%	99.9%	
Subtotal	(51)	(2,900)	1,523	2,130	(2,389)	1,579	2,262	(1,801)	20	
Amortization of surplus value	-	-	-	-	(119)	-	(1,071)	-	-	
Amortization of capitalized interest	(204)	-	-	-	-	-	-	-	-	
Other effects	-	-	(64)	-	(317)	(1)	-	-	-	
Total share of profit (loss) of investees	(255)	(2,900)	1,459	(695)		1,578	1,191	(1,801)	20	(1,403)

Year ended December 31, 2018	Parent: OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Geociências	O'Brien's do Brasil	Servmar	OceanPact Netherlands	Total
Profit (loss) of investee	(18,004)	(6,475)	546	(86)	116	8	(56)	
% direct interest	100%	100%	99.95%	50%	26%	100%	100%	
Subtotal	(18,004)	(6,475)	546	(43)	29	8	(56)	
Amortization of surplus value	-	-	-	-	-	(332)	-	
Amortization of capitalized interest	(205)	-	-	-	-	-	-	
Other effects	-	3	(514)	-	1		-	
Total share of profit (loss) of investees	(18,209)	(6,472)	32	(43)	30	(323)	(56)	(25,041)

Year ended December 31, 2017	Parent: OceanPact Navegação	OceanPact International	EnvironPact	OceanPact Geociências	O'Brien's do Brasil	Total
Profit (loss) of investee	3,382	2,693	1,240	406	2,165	
% direct interest	100%	100%	99.95%	50%	26%	
Subtotal	3,382	2,693	1,239	203	563	
Amortization of surplus value	-	-	-	-	-	
Amortization of capitalized interest	(204)	-	-	-	-	
Other effects	-	6	(718)	-	-	
Total share of profit (loss) of investees	3,178	2,699	521	203	563	7,164

The following tables reconcile the financial information of the Company's direct investees with the consolidated investment balances.

As at December 31, 2019	Consolidated
	O'Brien's do Brasil
Investee's equity	7,412
% direct interest	50%
Total investments	3,706

As at December 31, 2018	Consolidated			
	OceanPact Geociências	O'Brien's do Brasil	OML	Total
Investee's equity	22,996	3,633	27,576	
% direct interest	50%	50%	50%	
Subtotal	11,498	1,817	13,788	
Other effects	640	-	-	
Total investments	12,138	1,817	13,788	27,743

As at December 31, 2017	Consolidated			
	OceanPact Geociências	O'Brien's do Brasil	OML	Total
Investee's equity	20,580	4,616	34,908	
% direct interest	50%	50%	50%	
Subtotal	10,290	2,308	17,454	
Other effects	640	-	-	
Total investments	10,930	2,308	17,454	30,692

The following tables reconcile the financial information of the Company's direct investees with the consolidated share of profit (loss) of investees.

Year ended December 31, 2019	Consolidated			
	OceanPact Geociências (*)	O'Brien's do Brasil	OML (*)	Total
Profit (loss) of investee	4,260	6,073	(960)	
% direct interest	50%	50%	50%	
Subtotal	2,130	3,037	(480)	
Other effects	-	(2)	-	
Total share of profit (loss) of investees	2,130	3,035	(480)	4,685

Year ended December 31, 2018	Consolidated			
	OceanPact Geociências	O'Brien's do Brasil	OML	Total
Profit (loss) of investee	(86)	116	(3,972)	
% direct interest	50%	50%	50%	
Total share of profit (loss) of investees	(43)	58	(1,986)	(1,971)

Year ended December 31, 2017	Consolidated			
	OceanPact Geociências	O'Brien's do Brasil	OML	Total
Profit (loss) of investee	406	2,165	7,114	
% direct interest	50%	50%	50%	
Total share of profit (loss) of investees	203	1,082	3,557	4,842

(*) Considers profits from OceanPact Geociências and OML from January 1, 2019 to November 3, 2019, when the control of these investees was acquired (see note 14.2).

(c) Additional information on certain Company's investees

As at December 31, 2019, 2018 and 2017, OceanPact Tecnologia had subscribed and unpaid capital of R$100.00, with no assets or liabilities on those dates.

As at December 31, 2019, 2018 and 2017, OceanPact Uruguay had subscribed and paid-up capital of R$4, R$3 and R$3, respectively.

OceanPact Geociência's corporate name was Gardline Marine Sciences do Brasil S.A. as at December 31, 2018 and 2017. In November 2019 the Company increased its equity interest in this investee from 50% to 100% and, consequently, OceanPact Geociências became a wholly-owned subsidiary of the Company beginning November 4, 2019 (note 14.2.a).

As at December 31, 2019, OceanPact Serviços Marítimos has a balance payable to sellers related to the acquisition of Servmar, in the amount of R$2,233, presented in current liabilities as "Other payables" in noncurrent liabilities (R$3,313 as at December 31, 2018 and zero as at December 31, 2017) (note 14.2.b). There is no interest charged on this balance and the Company expects to pay it by the end of the year ending December 31, 2021.

As at December 31, 2019, OceanPact Netherlands had subscribed and paid-up capital in the amount of R$43,602 and, as at December 31, 2018, it had subscribed and unpaid capital of R$7,748 (US$10,819 thousand and US$2,000 thousand, respectively).

As at December 31, 2019, Maraú had paid-up capital of R$2,500 and cash and cash equivalents in the same amount.

As at December 31, 2019, Camamú had subscribed and unpaid capital of R$2,500, with no assets or liabilities on this date.

As at December 31, 2019, OceanPact Mexico had subscribed and unpaid capital of R$106 (equivalent to US$26 thousand).

Cod Hole is an indirect investee of the Company, a subsidiary of OceanPact International Holding Cayman and, therefore, consolidated in the Company's financial statements.

OML is an indirect investee of the Company, a joint venture of OceanPact International and OceanPact Geociências and, therefore, consolidated in the Company's financial statements. Formerly named Gardline Maritime Limited, until the year ended December 31, 2018 this investee was not consolidated in the Company's financial statements, as the Company, through its subsidiary OceanPact International held joint control of OML, with a 50% interest, the remaining 50% being held by a third party. On November 4, 2019, OceanPact Geociência acquired a 50% interest in OML that was held by the third party, with OceanPact Geosciences exercising joint control over OML with OceanPact International. On the same date, the Company started to control OceanPact Geociência when it acquired the remaining 50% interest, and full control of the investee OceanPact Geociência, which holds a 50% interest in OML (note 14.2.a). OceanPact Geociências prepared an appraisal report at fair value of OML's net assets to recognize this acquisition, which impacted the Company's consolidated financial statements for the year ended December 31, 2019, as presented in note 14.3.

MMB is an indirect investee of the Company, a subsidiary of Cod Hole and, therefore, consolidated in the Company's financial statements.

14.1. Dividends receivable

The variations in dividends receivable are as follows:

	Parent						
	12/31/2016	Write-offs	Additions	12/31/2017	Write-offs	Additions	12/31/2018
O'Briens do Brasil	110	(182)	210	138	(415)	285	8
OceanPact Geociências	249	-	1,300	1,549	(1,414)	-	135
OceanPact Navegação	5,697	(5,697)	3,382	3,382	(1,000)	-	2,382
EnvironPact	-	(160)	160	-	(385)	385	-
	6,056	(6,039)	5,052	5,069	(3,214)	670	2,525

	Parent			
	12/31/2018	Write-offs	Additions	12/31/2019
O'Briens do Brasil	8	(215)	596	389
OceanPact Geociências	135	(135)	-	-
OceanPact Navegação	2,382	(990)	-	1,392
EnvironPact	-	(197)	1,197	1,000
Maraú	-	-	20	20
	2,525	(1,537)	1,813	2,801

	Consolidated						
	12/31/2016	Write-offs	Additions	12/31/2017	Write-offs	Additions	12/31/2018
O'Briens do Brasil	211	(350)	569	430	(964)	548	14
OceanPact Geociências	498	(414)	1,300	1,384	(1,249)	-	135
OML	-	-	-	-	(4,089)	4,089	-
	709	(764)	1,869	1,814	(6,302)	4,637	149

	Consolidated			
	12/31/2018	Write-offs	Additions	12/31/2019
O'Briens do Brasil	14	(414)	1,146	746
OceanPact Geociências	135	(135)	-	-
	149	(549)	1,146	746

During the year ended December 31, 2018, US$1,175 thousand were received, corresponding to R$4,089 in subsidiary OceanPact International, related to its investee OML (zero in the year ended December 31, 2017).

14.2. Business combinations

a) Acquisition of control of OceanPact Geosciences

On November 4, 2019, the Company, in accordance with its business expansion strategy and with main purpose of expanding its operating activities comprising environmental and subsea services, acquired the remaining 50% interest and, therefore, the full control of the investee OceanPact Geociência. Established in 2012 in Rio de Janeiro, OceanPact Geosciences is engaged in providing services related to marine research projects in Brazilian waters to the customer Petrobras Petróleo Brasileiro S.A. – Petrobras. Formerly named Gardline Marine Sciences do Brasil S.A., its corporate name was changed in 2019. Before the business combination, the Company held a 50% interest in this investee, held shared control and, therefore, such equity interest was reflected in the consolidated financial statements under the equity method; therefore, this combination was carried out in stages.

The acquisition amount was R$14,968, the consideration transferred on November 5, 2019 was R$15,093, and the difference arising from exchange rate changes was recognized as finance cost in the Company's statement of profit or loss. The Company prepared a net fair value appraisal report, which appraised the investee's assets and liabilities at fair value at the date of acquisition of control, as shown below.

Assets acquired and liabilities assumed at the acquisition date (in thousands of Brazilian reais – R$):

On November 4, 2019	Carrying amounts	Fair value adjustments	Fair values
ASSETS			
Cash and cash equivalents	37,946	-	37,946
Trade receivables	23,444	-	23,444
Recoverable taxes	2,060	-	2,060
Other receivables	3,484	-	3,484
Current assets	66,934	-	66,934
Other receivables	550	-	550
Deferred tax asset	2,662	-	2,662
Property and equipment	28,101	2,604	30,705
Intangible assets	77	-	77
Noncurrent assets	31,390	2,604	33,994
LIABILITIES			
Borrowings and financing	(45,200)	-	(45,200)
Trade payables	(13,946)	-	(13,946)
Taxes payable	(2,836)	-	(2,836)
Labor obligations	(2,826)	-	(2,826)
Other payables	(180)	-	(180)
Current liabilities	(64,988)	-	(64,988)
Borrowings and financing	(5,556)	-	(5,556)
Deferred tax liabilities	-	(885)	(885)
Noncurrent liabilities	(5,556)	(885)	(6,441)
Assets acquired, net of liabilities	27,780	1,719	29,499

On November 4, 2019	R$ thousand
Carrying amount of the equity interest previously held	14,268
Gain on remeasurement of investment	482
Fair value of equity interest previously held (50%)	14,750
Consideration transferred for the acquisition of remaining equity interest	14,968
(=) Total consideration	29,718
(-) Fair value of net assets of OceanPact Geociências	(29,499)
(=) Goodwill on acquisition	219
Revenue recognized in the year ended December 31, 2019, arising from this business combination	482

The business combination, in which the acquisition of the equity interest of the associate OceanPact Geociência occurred, resulted in a surplus value of property and equipment related to equipment. This surplus value will be depreciated based on the remaining useful lives of the related assets, which corresponds at the combination date to an average remaining useful life of approximately eight years.

The business combination, in which the Company obtained the control of OceanPact Geociência, resulted in goodwill of R$219, which is justified by the acquisition of control over said investee. A gain on the remeasurement of the investment previously held by the Company in OceanPact Geociência in the amount of R$482 was determined in the business combination, calculated based on the positive difference between the fair value of the net assets proportional to the equity interest previously held with the carrying amount of this investment at the business combination date.

The gain on the remeasurement of the investment previously held of R$482 is recorded in the consolidated statement of profit or loss for the year ended December 31, 2019, in line item "Other operating income (expenses)".

Had such business combination taken place on January 1, 2019, the consolidated net revenue would have been increased by R$63,322 and the consolidated profit would have been decreased by R$2,345, respectively.

b) Acquisition of control of Servmar Serviços Técnicos Ambientais Ltda.

On January 5, 2018, the Company acquired the full equity interest in Servmar Serviços Técnicos Ambientais Ltda. ("Servmar"). Servmar was established in 1986 in the State of São Paulo, and is mainly engaged in participating in the consulting and environmental engineering sector and its main customer is Petrobras Petróleo Brasileiro S.A. – Petrobras. The main reason for this acquisition by the Company was expanding its operating activities involving logistics and engineering support and environmental services, in accordance with its business expansion strategy.

The consideration transferred for this acquisition was R$17,741, of which R$7,250 was paid on January 5, 2018, with monthly payments in 2018 totaling R$7,000 and part referring to contingent payments linked to certain metrics established in the acquisition contract, measured at the business combination date at the fair value of R$3,491. The balance payable to sellers as at December 31, 2018 is R$3,313 and R$ 2,233 as at December 31, 2019, measured at their fair values on those dates and recognized as noncurrent liabilities under the line item "Other payables". The Company prepared a net fair value appraisal report, which appraised the investee's assets and liabilities at fair value at the control acquisition date, as shown below.

Assets acquired and liabilities assumed at the acquisition date (in thousands of Brazilian reais - R$):

On January 5, 2018	Carrying amounts	Fair value adjustments	Fair values
ASSETS			
Cash and cash equivalents	2,506	-	2,506
Trade receivables	10,841	-	10,841
Other receivables	4,775	-	4,775
Current assets	18,122	-	18,122
Other receivables	1,751	-	1,751
Deferred tax asset	1,208	-	1,208
Property and equipment	4,907	2,630	7,537
Noncurrent assets	7,866	2,630	10,496
LIABILITIES			
Borrowings and financing	(2,256)	-	(2,256)
Trade payables	(4,661)	-	(4,661)
Taxes payable	(1,939)	-	(1,939)
Labor obligations	(3,166)	-	(3,166)
Lease liabilities	(1,132)	-	(1,132)
Other payables	(920)	-	(920)
Current liabilities	(14,074)	-	(14,074)
Provision for risks	(253)	-	(253)
Taxes payable	(293)	-	(293)
Deferred tax on surplus value	-	(894)	(894)
Noncurrent liabilities	(546)	(894)	(1,440)
Assets acquired, net of liabilities assumed	11,368	1,736	13,104
Consideration transferred and to be transferred			17,741
Unallocated amount - goodwill			4,637

The business combination in which the acquisition of control of Servmar took place resulted in the recognition of goodwill based on future earnings of R$4,637 (see note 16), recognized with the investment at the acquisition date. This goodwill based on future earnings is justified by the market context and the evaluation of Servmar's ongoing contracts. In the individual financial statements, goodwill is presented with the investment, while in the consolidated financial statements, goodwill is presented in the group of intangible assets, in accordance with the provisions of ICPC 09 (R2) - Individual, Separate and Consolidated Financial Statements and Application of the Equity Method. Considering that the acquisition occurred on January 5, 2018, there is no difference to be considered for the disclosure of information on the combined entity's revenues and profit or loss for the current reporting period, as if the acquisition date had been January 1, 2018 and revenues and profit or loss for the year ended December 31, 2018 of this subsidiary, which impacted the Company's consolidated financial statements in the respective amounts of R$85,829 (net revenue) and R$8 (profit).

The surplus value of R$2,630 was allocated to assets and different classes of property and equipment, with 96% of this surplus value being allocated to the Company cars class, with an average remaining useful life of approximately seven years.

c) Acquisition of control of MMB

On October 31, 2017, Cod Hole, the Company's indirect subsidiary, acquired an additional 68.66% interest in MMB for NOK 9,156 thousand (equivalent to R$3,662) and, with this transaction, Cod Hole started to hold the control over the investee with a 100% interest. Before acquiring control, Cod Hole held a 31.34% interest in MMB, exercising significant influence over it.

The main reason for this acquisition by the Group was the expansion of its operating activities involving logistics and engineering support, in accordance with its business expansion strategy.

The Company prepared a net fair value appraisal report, which appraised the investee's assets and liabilities at fair value at the control acquisition date, as shown below.

Assets acquired and liabilities assumed at the acquisition date (in thousands of Norwegian kroner (NOK thousand) and in thousands of Brazilian reais (R$ thousand)):

On October 31, 2017	Carrying amounts	Fair value adjustments	Fair values	
	NOK thousand (*)	NOK thousand (*)	NOK thousand (*)	R$ thousand
ASSETS				
Cash and cash equivalents	1,856	-	1,856	742
Trade receivables	411	-	411	164
Prepaid expenses	145	-	145	58
Current assets	2,412	-	2,412	964
Deferred tax asset	905	-	905	362
Property and equipment	145	16,092	16,237	6,495
Noncurrent assets	1,050	16,092	17,142	6,857
LIABILITIES				
Trade payables	(152)	-	(152)	(61)
Taxes payable	(368)	-	(368)	(147)
Labor obligations	(341)	-	(341)	(136)
Other liabilities	(62)	-	(62)	(25)
Current liabilities	(923)	-	(923)	(369)
Deferred tax on surplus value	-	(3,862)	(3,862)	(1,545)
Noncurrent liabilities	-	(3,862)	(3,862)	(1,545)
Assets acquired, net of liabilities assumed	2,539	12,230	14,769	5,907

(*) Amounts expressed in thousands of Norwegian kroner.

On October 31, 2017	R$ thousand
Carrying amount of equity interest previously held	1,230
Gain on remeasurement of investment	621
Fair value of equity interest previously held (31.34%)	1,851
Consideration transferred for the acquisition of remaining interest	3,662
(=) Total consideration	5,513
(-) Fair value of net assets of MMB	(5,907)
(=) Bargain purchase gain determined on acquisition	394
Revenue recognized in the year ended December 31, 2017, arising from this business combination	1,015

The business combination, in which Cod Hole acquired the control of MMB, resulted in a bargain purchase gain of NOK 984 thousand (equivalent to R$394), recognized in profit or loss. The bargain purchase gain is justified by the market context and the appraisal of MMB's property and equipment. In addition to the bargain purchase gain, a gain on the remeasurement of the investment previously held in MMB by Cod Hole in the amount of R$621 was recognized, calculated based on the positive difference between the fair value of the net assets proportional to the equity interest previously held with the carrying amount of this investment at the business combination date. This combination was carried out in stages.

The bargain purchase gain of R$394 and the gain on the remeasurement of the investment previously held in the amount of R$621 are recorded in the consolidated statement of profit or loss for the year ended December 31, 2017, in the line item "Other operating income (expenses)".

The consideration transferred for this acquisition was R$3,662, the amount of R$3,739 having been paid in cash in November 2017, with the difference arising from exchange rate changes recognized as finance costs in the consolidated profit or loss.

Had such business combination taken place on January 1, 2017, the consolidated net revenue and consolidated profit would have been increased by R$2,308 and R$383, respectively.

14.3. Indirect acquisition of control over OML

As previously mentioned, on November 4, 2019, the Company became the holder of indirect control over OML, since on that date OceanPact Geociências acquired a 50% interest in such company and the Company acquired the remaining 50% interest in OceanPact Geociências. As the subsidiary of Companhia OceanPact International holds a 50% interest in OML, for consolidation purposes, the Company acquired control over OML and, therefore, an appraisal report at fair value on OML's net assets was prepared to recognize this acquisition and, in the Company's opinion, control was acquired with remeasurement of the interest previously held through OceanPact International, which generated a gain on the remeasurement of the investment of R$1,660, recognized in profit or loss in the parent and consolidated, as shown below. This combination was carried out in stages.

The main reason for this acquisition by the Group was the expansion of its operating activities involving environmental services, in accordance with its business expansion strategy.

On November 4, 2019	Carrying amount a the acquisition date	Fair value adjustments	Fair value at the acquisition date
ASSETS			
Cash and cash equivalents	294	-	294
Trade receivables	15,170	-	15,170
Other receivables	676	-	676
Current assets	16,140	-	16,140
Property and equipment	28,228	3,164	31,392
Noncurrent assets	28,228	3,164	31,392
LIABILITIES			
Intragroup borrowings	(2,796)	-	(2,796)
Trade payables	(12,698)	-	(12,698)
Other payables	(762)	-	(762)
Current liabilities	(16,256)	-	(16,256)
Deferred tax	(708)	-	(708)
Deferred tax on surplus value	-	(632)	(632)
Noncurrent liabilities	(708)	(632)	(1,340)
Assets acquired, net of liabilities assumed	27,404	2,532	29,936

On November 4, 2019	R$ thousand
Carrying amount of equity interest previously held	13,308
Gain on remeasurement of investment	1,660
Fair value of equity interest previously held (50%)	14,968
Consideration transferred for the acquisition of remaining interest	15,093
(=) Total consideration	30,061
(-) Fair value of net assets of OML	(29,936)
(=) Bargain purchase gain on acquisition	125
Revenue recognized in the year ended December 31, 2019, arising from this business combination (parent)	1,660
Revenue recognized in the year ended December 31, 2019, arising from this business combination (consolidated)	1,785

15. RIGHT-OF-USE ASSETS

	Parent				
	12/31/2018	First-time adoption	Additions	Write-offs	12/31/2019
Right-of-use assets					
Properties	-	11,945	3,269	-	15,214
Vessels	-	24,797	8,864	(18,783)	14,878
Subtotal	-	36,742	12,133	(18,783)	30,092
Accumulated amortization					
Properties	-	-	(1,926)	-	(1,926)
Vessels	-	-	(16,700)	12,650	(4,050)
Subtotal	-	-	(18,626)	12,650	(5,976)
Total, net	-	36,742	(6,493)	(6,133)	24,116

	Consolidated				
	12/31/2018	First-time adoption	Additions	Write-offs	12/31/2019
Right-of-use assets					
Properties	-	14,425	5,442	-	19,867
Vessels	-	24,797	8,051	(18,783)	14,065
Subtotal	-	39,222	13,493	(18,783)	33,932
Accumulated amortization					
Properties	-	-	(2,774)	-	(2,774)
Vessels	-	-	(15,924)	12,650	(3,274)
Subtotal	-	-	(18,698)	12,650	(6,048)
Total, net	-	39,222	(5,205)	(6,133)	27,884

The right of use of third-party property and vessels refers to 10 contracts entered into by the Company and its subsidiaries in effect on December 31, 2019. See note 21 for more information on the lease contracts entered into.

The annual amortization rates used by the Company and its subsidiaries consider the terms of the related lease contracts.

There was no need to recognize a loss allowance on assets of this nature.

The subsidiary Servmar acts as a lessee in certain lease contracts entered into with third parties, classified as finance leases until December 31, 2018, as such subsidiary retains substantially all the risks and rewards of the leased assets. Consequently, as at December 31, 2018, the subsidiary Servmar was recognizing in its property and equipment certain leased assets, with a contra entry to lease liabilities. Due to the application of CPC 06 (R2) – Leases, equivalent to IFRS 16, these balances were transferred from property and equipment to right-of-use assets on January 1, 2019. The other lease contracts held by the Company and its subsidiaries were classified as operating leases prior to the adoption of CPC 06 (R2), except for the Loreto vessel lease contract, signed in November 2016 with Bourbon Offshore Marítima S.A., which was terminated during the year ended December 31, 2018 and which, therefore, was not in force on the date of adoption of this new technical pronouncement.

16. PROPERTY AND EQUIPMENT

	Parent									
	12/31/2016	Additions	Write-offs	12/31/2017	Additions	Write-offs	12/31/2018	Additions	Write-offs	12/31/2019
Adjusted cost:										
Vessels and docks	66,741	7,955	-	74,696	10,260	(1,980)	82,976	54,620	-	137,596
Machinery and equipment	37,587	3,496	(398)	40,685	3,406	-	44,091	5,990	(1,126)	48,955
Computers and peripherals	1,232	65	-	1,297	295	-	1,592	601	-	2,193
Furniture and fixtures	477	-	-	477	10	-	487	431	-	918
Facilities	449	62	-	511	-	-	511	94	-	605
Leasehold improvements	1,984	53	-	2,037	-	-	2,037	3,677	-	5,714
Subtotal	108,470	11,631	(398)	119,703	13,971	(1,980)	131,694	65,413	(1,126)	195,981
Accumulated depreciation:										
Vessels and docks	(28,560)	(11,075)	-	(39,635)	(13,417)	1,247	(51,805)	(15,956)	-	(67,761)
Machinery and equipment	(10,301)	(3,997)	169	(14,129)	(4,210)	-	(18,339)	(4,479)	908	(21,910)
Computers and peripherals	(784)	(181)	-	(965)	(187)	-	(1,152)	(208)	-	(1,360)
Furniture and fixtures	(212)	(47)	-	(259)	(45)	-	(304)	(58)	-	(362)
Facilities	(164)	(53)	-	(217)	(51)	-	(268)	(63)	-	(331)
Leasehold improvements	(1,187)	(569)	-	(1,756)	(266)	-	(2,022)	(78)	-	(2,100)
Subtotal	(41,208)	(15,922)	169	(56,961)	(18,176)	1,247	(73,890)	(20,842)	908	(93,824)
Total, net	67,262	(4,291)	(229)	62,742	(4,205)	(733)	57,804	44,571	(218)	102,157

	Consolidated										
	12/31/2016	Business combinations	Additions	Write-offs	Translation adjustment	12/31/2017	Business combinations	Additions	Write-offs	Translation adjustment	12/31/2018
Adjusted cost:											
Vessels and docks	291,060	-	7,858	-	100	299,018	1,311	34,965	(1,980)	4,224	337,538
Machinery and equipment	41,259	6,495	9,211	(398)	71	56,638	1,789	21,970	-	1,856	82,253
Computers and peripherals	1,250	-	65	-	-	1,315	113	447	(50)	-	1,825
Furniture and fixtures	477	-	-	-	-	477	126	16	-	-	619
Facilities	449	-	62	-	-	511	18	-	-	-	529
Company cars	-	-	-	-	-	-	4,180	2,759	-	-	6,939
Leasehold improvements	1,984	-	52	-	-	2,036	-	-	-	-	2,036
Subtotal	336,479	6,495	17,419	(398)	171	359,995	7,537	60,157	(2,030)	6,080	431,739
Accumulated depreciation:											
Vessels and docks	(38,787)	-	(22,725)	-	(9)	(61,521)	-	(25,149)	1,247	(193)	(85,616)
Machinery and equipment	(10,337)	-	(4,353)	169	-	(14,521)	-	(11,483)	-	(57)	(26,061)
Computers and peripherals	(801)	-	(182)	-	-	(983)	-	(256)	42	-	(1,197)
Furniture and fixtures	(212)	-	(47)	-	-	(259)	-	(67)	-	-	(326)
Facilities	(164)	-	(53)	-	-	(217)	-	(51)	-	-	(268)
Company cars	-	-	-	-	-	-	-	(1,727)	-	-	(1,727)
Leasehold improvements	(1,187)	-	(569)	-	-	(1,756)	-	(266)	-	-	(2,022)
Subtotal	(51,488)	-	(27,929)	169	(9)	(79,257)	-	(38,999)	1,289	(250)	(117,217)
Total, net	284,991	6,495	(10,681)	(229)	162	280,738	7,537	21,158	(741)	(5,830)	314,522

	Consolidated					
	12/31/2018	Business combinations	Additions	Write-offs	Translation adjustment	12/31/2019
Vessels and docks	337,538	28,869	65,016	(5,682)	1,600	427,341
Machinery and equipment	82,253	32,531	9,943	(1,632)	919	124,014
Computers and peripherals	1,825	558	765	(30)	-	3,118
Furniture and fixtures	619	354	433	(55)	-	1,351
Facilities	529	240	108	-	-	877
Vehicles	6,939	-	78	(146)	-	6,871
Leasehold improvements	2,036	430	4,112	-	-	6,578
Subtotal	431,739	62,982	80,455	(7,545)	2,519	570,150
Vessels and docks	(85,616)	-	(32,999)	198	(340)	(118,757)
Machinery and equipment	(26,061)	-	(10,620)	1,954	(98)	(34,825)
Computers and peripherals	(1,197)	-	(318)	30	-	(1,485)
Furniture and fixtures	(326)	-	(84)	27	-	(383)
Facilities	(268)	-	(70)	-	-	(338)
Vehicles	(1,727)	-	(1,322)	-	-	(3,049)
Leasehold improvements	(2,022)	-	(167)	-	-	(2,189)
Subtotal	(117,217)	-	(45,580)	2,209	(438)	(161,026)
Total, net	314,522	62,982	34,875	(5,336)	2,081	409,124

The annual depreciation rates used by the Company, for all reporting periods, considering new assets acquired, are listed below.

Assets	Annual rate
Vessels	5% and 10%
Machinery and equipment	10%
Computers and peripherals	20%
Furniture and fixtures	10%
Facilities	10%
Leasehold improvements and third-party vessels	(*)
Vehicles	20%
Docks	20% and 40%

(*) Depreciation over the lease term of third-party assets.

On September 26, 2019, the Company acquired the vessel called Austral Abrolhos, with the purpose of using it in the Company's activities, for R$19,565.

In 2019 the Company made improvements to the property where its headquarters are located (Headquarters - Glória/RJ) in the amount of R$4,191, which are necessary as a result of moving its headquarters to this property.

In October 2019, the Company reversed the sale of the vessel "Marimar" in the amount of R$1,979 and R$1,247 related to depreciation, therefore, this vessel was recorded again in the Company's property and equipment at the balances recorded before the sale. The original sale was recognized in the year ended December 31, 2018.

The subsidiary OceanPact Netherlands BV acquired on April 26, 2019 the vessel called Parcel das Paredes in the amount of US$2,300 thousand (equivalent to R$9,269) and, on October 25, 2018, the vessel called Seacor Grant in the amount of US$5,500 thousand (equivalent to R$21,308), both with the objective of offering charter services.

On January 5, 2018, the Company acquired the subsidiary Servmar, which had property and equipment items measured at fair value at the acquisition date in the amount of R$7,537.

On November 4, 2019, the Company acquired the control of the investee OceanPact Geociências Ltda., which had property and equipment items measured at fair value at the acquisition date in the amount of R$30,705.

The borrowing signed between OceanPact Navegação and BNDES has financed vessels pledged as collateral for this debt. The vessels pledged as collateral for this borrowing are Fernando de Noronha and Jim Obrien, which together have a book value of R$158,875 as at December 31, 2019.

The borrowing signed between OceanPact Serviços and Banco Bocom BBM has a vessel pledged as collateral for such debt.

As at December 31, 2019, 2018 and 2017, the Company performed an analysis of the indications of impairment, concluding that there are no indications of the need to recognize a provision for impairment for its property and equipment items.

17. INTANGIBLE ASSETS

	Parent						
	12/31/2016	Additions	12/31/2017	Additions	12/31/2018	Additions	12/31/2019
Cost							
Software licenses	2,697	225	2,923	-	2,923	108	3,031
Accumulated amortization							
Software licenses	(412)	(550)	(962)	(574)	(1,536)	(564)	(2,100)
Total, net	2,285	(324)	1,961	(574)	1,387	(456)	931

	Consolidated				
	12/31/2018	Business combinations	Additions	Write-offs	12/31/2019
Cost					
Software licenses	3,412	77	595	-	4,084
Goodwill based on future earnings (*)	4,637	-	219	-	4,856
Accumulated amortization					
Software licenses	(1,540)	-	(753)	-	(2,293)
Total, net	6,509	77	61	-	6,647

	Consolidated					
	12/31/2016	Additions	12/31/2017	Additions	Write-offs	12/31/2018
Cost						
Software licenses	2,704	225	2,929	498	(15)	3,412
Goodwill based on future earnings (*)	-	-	-	4,637	-	4,637
Accumulated amortization						
Software licenses	(416)	(550)	(966)	(587)	13	(1,540)
Total, net	2,288	(325)	1,963	4,548	(2)	6,509

(*) Goodwill based on future earnings refers to the investment in subsidiary Servmar, acquired on January 5, 2018 (see note 14.2) and the investment in subsidiary OceanPact Geociências, acquired on November 4, 2019 (see note 14.2).

The annual amortization rate for software licenses used by the Company is 20% for all reporting years (parent and consolidated).

As at December 31, 2019, 2018 and 2017, the Company performed an analysis of the indications of impairment, concluding that there are no indications of the need to recognize a provision for impairment of its intangible assets, except for goodwill, which impairment test must be performed annually.

Regarding goodwill, the Company carried out, as at December 31, 2019 and 2018, an impairment test, concluding that there is no need to recognize a provision for impairment of goodwill. The Company used the value in use as a basis for the impairment tests, considering the following main assumptions in the tests performed:

- The estimated future cash flows for the next 5 years, based on historical information on Servmar;

- A growth rate of 1% p.a. (without inflation);

- The discount rate applied was 7.6% in real terms and the flow did not consider expected inflation; and

- Income tax and social contribution payments were not considered in the estimated cash flows.

18. TRADE PAYABLES

The main payables are described below. The remaining balances are spread among several suppliers.

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Subsea7 do Brasil Ltda.	9,140	-	-	9,140	-	-
Seacor Offshore do Brasil S.A.	343	3,956	2,491	343	3,956	2,491
Trade payables - related parties (note 24)	1,020	305	69	125	27	24
Other suppliers (*)	19,426	8,717	6,764	40,354	14,969	8,234
	29,929	12,978	9,324	49,962	18,952	10,749
Current	29,929	12,291	8,294	49,962	16,338	9,719
Noncurrent	-	687	1,030	-	2,614	1,030

(*) Various suppliers.

As at December 31, 2019, the most representative balance was due to supplier Subsea7 do Brasil Ltda., corresponding to 30% of the outstanding balance for parent company purposes and 18% for consolidated purposes. As at December 31, 2018 and 2017, the most representative balance was due to supplier Seacor Offshore do Brasil S.A., corresponding to 30% of the outstanding balance for parent company purposes as at December 31, 2018 (27% as at December 31, 2017) and 21% for consolidated purposes as at December 31, 2018 (23% as at December 31, 2017).

Subsea7 do Brasil Ltda. provides vessel inspection services, Seacor Offshore do Brasil S.A. provides services related to chartering vessels, both services used in the normal course of the Company's operating activities.

19. PROVISION FOR RISKS

The Company and its subsidiaries are parties to administrative and judicial proceedings involving tax, civil and labor matters, arising in the normal course of their business, making escrow deposits when necessary. The provision for losses on these lawsuits is estimated and adjusted by Management based on the opinion of its outside legal counsel.

As at December 31, 2019 and 2018, the provision recorded in relation to those lawsuits considered as probable loss has the following breakdown and variations:

	Parent			Consolidated		
	Labor	Civil	Total	Labor	Civil	Total
Balance as at December 31, 2016	408	-	408	408	-	408
Provisions	59	1,300	1,359	59	1,300	1,359
Reversals	(405)	-	(405)	(405)	-	(405)
Payments	-	-	-	-	-	-
Balance as at December 31, 2017	62	1,300	1,362	62	1,300	1,362
Provisions	12	-	12	115	137	252
Reversals	-	-	-	-	-	-
Payments	(62)	(1,300)	(1,362)	(62)	(1,300)	(1,362)
Balance as at December 31, 2018	12	-	12	115	137	252
Provisions	1,344	-	1,344	1,551	-	1,551
Reversals	-	-	-	-	(68)	(68)
Payments	-	-	-	-	-	-
Balances as at December 31, 2019	1,356	-	1,356	1,666	69	1,735

The main lawsuits classified as probable loss and, therefore, with provisions recognized in the financial statements are summarized below:
- Labor: the most relevant of which, individually, concern overtime, questioning about severance pay, among other labor rights.
- Civil: provision recognized in the year 2017, referring to the indemnity action related to a work accident, which was paid in the year 2018.

Contingent liabilities assessed as possible loss

The legal and administrative proceedings whose expectation of loss is assessed as possible in the opinion of Management, based on the understanding of its outside legal counsel, do not have a corresponding provision recognized.
These lawsuits are as follows:

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Labor	1,255	2,661	4,301	1,255	3,865	4,301
Civil	-	-	-	4,436	-	-
Tax	6,947	194	-	6,947	194	-
	8,202	2,855	4,301	12,638	4,059	4,301

The main contingencies assessed as possible loss originated in the year ended December 31, 2019 and refer to preliminary injunction in order to avoid the retention of the amount of R$4,436 for alleged delay in the delivery of the Seward Johnson vessel (civil nature) and contestation of actual tax withholdings at source duly informed (tax nature).

20. BORROWINGS AND FINANCING

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Banco ABC Brasil	13,139	6,849	9,701	23,252	16,354	9,701
Banco Bocom BBM	6,877	9,871	-	6,877	9,871	-
Banco Bradesco	48,990	9,553	-	50,141	9,553	-
Banco CCB Múltiplo	17,735	-	-	17,735	-	-
Banco Daycoval	-	-	-	-	389	-
Banco Guanabara	-	-	-	6,444	-	-
Banco Itaú	15,180	9,199	-	39,962	13,452	-
Banco Santander	8,804	651	859	30,607	651	859
BNDES	-	-	-	203,432	212,080	194,307
FINEP	16,504	-	-	16,504	-	-
Total	127,229	36,123	10,560	394,954	262,350	204,867
Current	45,928	14,705	3,226	86,050	35,161	16,447
Noncurrent	81,301	21,418	7,334	308,904	227,189	188,420

Interest rates and maturity dates for outstanding borrowings and financing as at December 31, 2019 are detailed below.

Financial institutions	Purpose	Monthly interest rate (%)	Maturity (*)
Banco ABC Brasil	Working capital	0.17 to 0.41 + CDI	Nov/22
Banco Bocom BBM	Working capital	0.14 + DI	Dec/21
Banco Bradesco	Working capital	0.17 to 0.20 + CDI	Nov/22
Banco CCB Múltiplo	Working capital	0.23 + CDI	Dec/22
Banco Guanabara	Working capital	0.32 + CDI	Sep/22
Banco Itaú	Working capital and asset financing	0.22 to 0.37 + CDI 0.17 + TLP	Aug/25 Jun/23
Banco Santander	Working capital	0.51 + TJLP 0.21 to 0.42 + CDI	Nov/20 Jul/23
BNDES	Vessel financing	0.23 to 0.32 + USD fluctuation	Apr/32
FINEP	Project finance	TJLP	Apr/31

(*) The dates above represent the maximum maturity of the debt with the respective financial institution.

During the year ended December 31, 2019, the Company raised R$112,860 in new borrowings and financing, of which R$48,400 from Banco Bradesco, R$10,000 from Banco Santander, R$10,000 from Banco Itaú, R$16,460 from FINEP, R$10,000 from Banco ABC Brasil, and R$18,000 with Banco CCB Múltiplo. For consolidated purposes, in addition to the borrowings raised by the Parent, its subsidiary Servmar raised two new borrowings from Banco ABC Brasil and Banco Santander during the year ended December 31, 2019, which totaled R$8,500 (R$5,000 from Banco ABC Brasil and R$3,500 from Banco Santander), with R$148 incurred as borrowing costs, to be amortized in 24 and 36 installments, respectively. The Company is the guarantor of these contracts.

The balance payable to BNDES refers to the borrowing raised by the subsidiary OceanPact Navegação from the Merchant Marine Fund in connection with the construction of vessels. This contract with the BNDES was signed on July 17, 2014 and contains a clause requiring the maintenance of a centralizing account, where the amount corresponding to at least three months of the monthly debt, including principal and interest, must be maintained (note 6). The BNDES borrowing is indexed to the US dollar.

The outstanding balance with Daycoval in the amount of R$389 as at December 31, 2018, refers to discount of trade notes.

Financing from FINEP was raised on March 25, 2019 with the objective of carrying out a specific Cronos platform project, which will integrate meteoceanographic data from different sources, with the aim of reducing the time between detection of an incident and an effective response. The total amount of the contract is R$34,834, of which R$16,000 was released in the year ended December 31, 2019, and the first installment will be paid within 48 months from the contract execution date. In connection with this financing, the Company made a guarantee deposit with Banco Bocom BBM and undertook to make monthly deposits for 48 months, over the grace period. In return, Banco Bocom BBM issued a letter of guarantee to FINEP, in the amount of R$16,675, in connection with this financing. Such investment may be used to settle said financing at a future date and, as at December 31, 2019, its balance was R$1,027 (see note 6).

During the year ended December 31, 2018, the subsidiary Servmar entered into a financing agreement with Banco Itaú, for the acquisition of certain items of property and equipment (equipment, vehicles and vessels), used in the provision of services by the subsidiary (see note 16), in the amount of R$4,571. As at December 31, 2019, the balance payable for said financing is R$3,298 (R$4,252 as at December 31, 2018). The Company is the guarantor of these contracts.

The variations in borrowings and financing in the reporting years are shown below:

	Parent	Consolidated
Balance as at December 31, 2016	17,983	222,869
New borrowings	10,000	10,000
Capitalized charges	(174)	(174)
Principal paid	(17,315)	(30,733)
Interest paid	(343)	(6,284)
Exchange rate change	-	3,212
Accrued interest and charges	409	5,977
Balance as at December 31, 2017	10,560	204,867
New borrowings	30,000	44,571
Capitalized charges	(509)	(673)
Principal paid	(4,135)	(22,127)
Interest paid	(1,839)	(8,045)
Exchange rate changes	-	33,629
Business combinations	-	2,256
Accrued interest and charges	2,046	7,872
Balance as at December 31, 2018	36,123	262,350
New borrowings	112,860	121,360
Capitalized charges	(1,584)	(1,682)
Principal paid	(20,489)	(47,592)
Interest paid	(5,668)	(13,151)
Exchange rate change	-	9,845
Business combinations	-	50,756
Accrued interest and charges	5,987	13,068
Balance as at December 31, 2019	127,229	394,954

The amounts payable until the settlement of the balances presented above are as follows (do not consider future charges):

Year	Parent	Consolidated
2020	45,928	86,049
2021	41,674	72,302
2022	22,909	47,696
2023	1,481	20,921
2024	2,018	13,543
After 2025	13,219	154,443
Total	127,229	394,954

The Company does not have past-due installments as at the base dates presented.

Some borrowing and financing agreements signed by the Company and its subsidiaries have financial and non-financial covenants, which, if not complied with, give rise to the accelerated maturity of the debts. The Company informs that all covenants were complied with as at the base dates presented. These main covenants of outstanding borrowing and financing agreements are listed below:

Financial institutions	Main covenants
Banco Itaú and Santander	Compliance with Net debt / EBITDA of 2 times in 2020 and 1.5 times as from 2021
BNDES	Maintenance of the balance of the centralizing account, compliance with certain obligations related to training in the event of a reduction in personnel, adoption of measures to protect the environment.

In addition to the main covenants mentioned above, some contracts have certain obligations with respect to financial statements, prior approval in the event of changes in shareholding control or corporate restructuring, among others.

21. LEASE LIABILITIES

	Parent	Consolidated
Lease liabilities as at 12/31/2016	2,278	2,278
Accrued interest	796	796
Principal paid	(460)	(460)
Interest paid	(796)	(796)
Lease liabilities as at 12/31/2017	1,818	1,818
Business combinations (see note 14.2)	-	1,132
Accrued interest	303	371
New leases	-	10,717
Principal paid	(1,818)	(4,685)
Interest paid	(303)	(371)
Lease liabilities as at 12/31/2018	-	8,982
First-time adoption IFRS 16	36,742	39,222
Accrued interest	3,633	3,928
New leases	12,133	4,511
Principal paid	(13,209)	(16,138)
Interest paid	(3,744)	(3,772)
Write-off of leases	(6,133)	(6,133)
Lease liabilities as at 12/31/2019	29,422	30,600
Machinery and equipment	-	5,236
Properties	15,413	19,870
Vessels	14,009	5,494

The nature of the lease agreements entered into by the Company and its subsidiaries, in effect as at December 31, 2019, as well as the maturity date, term and the discount rates used, are presented below.

	Type of contract - right-of-use assets	Monthly discount rate	Agreement period	Maturity
1	Branch property - Niterói	0.91%	8 years	May/27
2	Branch property - Guarujá	0.91%	3 years	Jun/22
3	Property - Headquarters	0.87%	6 years	Apr/25
4	Branch property - Macaé	0.91%	3 years	Oct/22
5	Branch property - São João da Barra	0.91%	8 years	Sep/27
6	BS Camboriu vessel chartering	0.81%	3 years	Nov/22
7	Parcel das Paredes vessel chartering (*)	0.78%	13 months	Aug/20
8	Seacor Grant vessel chartering (*)	0.74%	3 years	Mar/22
9	Seabulk Angra vessel chartering (**)	0.80%	16 months	Apr/20
10	Seabulk Brasil vessel chartering (**)	0.80%	16 months	Apr/20

(*) Charter contracts signed between the Company and its subsidiary OceanPact Netherlands. The lease liability for these vessels is R$8,515 as at December 31, 2019.
(**) Leases terminated in April 2020, according to the vessel purchase contract, with the purchase option exercised in 2019.

	Parent	Consolidated
	12/31/2019	12/31/2019
Lease liabilities - current	7,411	6,771
Lease liabilities - noncurrent	22,011	23,829
Total lease liabilities	29,422	30,600
Lease expense (low-value and short-term items) (1)	12,065	16,828
Depreciation of right-of-use assets (expenses and costs)	18,626	18,698
Interest on leases (expense)	3,633	3,928
Total profit or loss	34,324	39,454
Payment of principal of leases	13,209	16,138
Payment of interest on leases	3,744	3,772
PIS and COFINS credits on payments	(1,435)	(1,480)
Total payments	15,518	18,430

(1) Amounts recognized in profit or loss for the year ended December 31, 2019 as lease expense, referring to items considered as low-value assets and short-term leases (less than 12 months), adopted as practical expedients by the Group upon the adoption CPC 06 (R2) - Leases.

The future cash flows of the lease liabilities (discounted and undiscounted), used for calculating PIS and COFINS credits, as at December 31, 2019, are presented below, as well as the potential right of recoverable PIS and COFINS:

	Parent		Consolidated	
Undiscounted cash flows	Undiscounted cash flows	Discounted cash flows	Undiscounted cash flows	Discounted cash flows
Lease payments	28,165	20,062	32,648	23,275
Potential recoverable PIS and COFINS (9.25%)	2,605	1,856	3,020	2,153

22. FINANCIAL INSTRUMENTS

The Company and its subsidiaries performed an assessment of their financial assets and liabilities in relation to the fair values based on available information and appropriate valuation methodologies. However, the interpretation of market data and the selection of valuation methods require considerable judgment and estimates to calculate the most appropriate realizable value. As a consequence, the estimates presented do not necessarily indicate the amounts that could be realized in the current market. The use of different market hypotheses and/or methodologies may have a material effect on the estimated realizable values.

Measurement of fair values

The fair value of financial assets and liabilities is included in the amount by which the instrument could be exchanged between parties willing to negotiate, and not in a forced sale or settlement.

Management understands that the balances of due from/to related parties and the balance of borrowings and financing with BNDES, the latter indexed to the US dollar, have agreed conditions that are specific to this transaction and, therefore, it understands that the carrying amounts approximate their fair values. The borrowings with private banks are agreed at current market rates pegged to the CDI and TLP, as the case may be, and therefore also reflect the current market value. The fair values of the other financial instruments held by the Company and its subsidiaries approximate their carrying amounts considering their nature, maturity and expectation of loss.

The carrying amounts and fair values of the Company's financial instruments as at December 31, 2019, 2018 and 2017 are as follows:

	Parent					
	12/31/2019		12/31/2018		12/31/2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Cash and banks	1,185	1,185	2,684	2,684	4,370	4,370
Financial investments	11,986	11,986	5,439	5,439	20,200	20,200
Trade receivables	69,641	69,641	32,045	32,045	16,545	16,545
Intragroup loans	1,390	1,390	26,438	26,438	996	996
Other receivables, except prepaid expenses	9,550	9,550	11,860	11,860	6,654	6,654
Financial liabilities						
Trade payables	29,929	29,929	12,978	12,978	9,324	9,324
Borrowings and financing	127,229	127,229	36,123	36,123	10,560	10,560
Lease liabilities	29,422	29,422	-	-	1,818	1,818
Intragroup borrowings	50,743	50,743	53,083	53,083	55,033	55,033

	Consolidated					
	12/31/2019		12/31/2018		12/31/2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Cash and banks	8,459	8,459	6,587	6,587	7,535	7,535
Financial investments	42,649	42,649	15,840	15,840	29,236	29,236
Trade receivables	114,776	114,776	52,459	52,459	22,198	22,198
Intragroup loans	1,470	1,470	1,339	1,339	1,143	1,143
Other receivables, except prepaid expenses	16,908	16,908	10,468	10,468	4,556	4,556
Financial liabilities						
Trade payables	49,962	49,962	18,952	18,952	10,749	10,749
Borrowings and financing	394,954	394,954	262,350	262,350	204,867	204,867
Lease liabilities	30,600	30,600	8,982	8,982	1,818	1,818
Intragroup borrowings	38	38	-	-	-	-

Financial instrument	Category and form of measurement
Cash and banks	Amortized cost
Financial investments	Amortized cost
Trade receivables	Amortized cost
Intragroup loans	Amortized cost
Other receivables, except prepaid expenses	Amortized cost
Trade payables	Other liabilities measured at amortized cost
Borrowings and financing	Other liabilities measured at amortized cost
Lease liabilities	Other liabilities measured at amortized cost
Intragroup borrowings	Other liabilities measured at amortized cost

a) Foreign exchange risk

The Company’s subsidiary OceanPact Navegação has liability financial instruments (borrowing from BNDES) that may have an impact on future cash flows and results in the event of a significant change in the exchange rate of the US dollar against the real.

Regarding the risk of the borrowing from the BNDES, the Company’s subsidiary OceanPact Navegação entered into a service agreement with Petrobras linking 25% of the revenue to the US dollar, in order to hedge its future cash flows against the currency fluctuation. Additionally, Management monitors exchange rate changes and their possible impacts on its operations.

b) Interest rate risk

The Company is exposed to interest rate risk on its financial investments pegged to the CDI and on certain borrowings and financing, pegged to the CDI and TLP, as the case may be, and Management monitors the levels and expectations of the CDI and TLP rates and the possible impacts on its operations.

c) Market risk

Regarding the risks of the oil and gas sector, two factors stand out; namely: (i) Maintenance of oil barrel prices at levels considered low, since the beginning of 2015. The Company is not directly affected by this risk, since it does not have contracts or any type of remuneration pegged to the price of oil, however, its operations have been impacted by the reduction of activities in this segment in Brazil: and (ii) the situation involving Petrobras, a Brazilian state-owned company that is the largest oil company in Brazil, and the recent investigations, the result of which may impact its investment plans.

During the year ended December 31, 2019, the Company's main customers were Petrobras Petróleo Brasileiro S.A., Chevron Brasil Upstream Frade Ltda. and Dommo Energia S.A., accounting for 42%, 5% and 9% of the Company's gross revenue. On consolidated basis, the customer Petrobras Petróleo Brasileiro S.A. represented 47% of the total consolidated gross revenue for the year ended December 31, 2019 and, together with other Petrobras Group companies (Petrobras Transporte S.A. – Transpetro, Petrobras Logística de Exploração e Produção S.A. and Fundo de Investimento Imobiliário RB Logística), accounted for 66% of the consolidated gross revenue for the year ended December 31, 2019.

d) Liquidity risk

The Company and its subsidiaries manage the liquidity risk by maintaining adequate reserves and bank credit facilities, by monitoring cash flows and maturity profiles.

The tables below show the maturity analysis for outstanding financial liabilities as at December 31, 2019, 2018 and 2017:

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Up to 1 year	29,929	12,291	8,294	49,962	16,338	9,719
From 1 to 5 years	-	687	1,030	-	2,614	1,030
Trade payables	29,929	12,978	9,324	49,962	18,952	10,749
Up to 1 year	46,258	16,150	3,706	93,312	41,344	23,942
1 to 2 years	42,657	15,505	4,261	83,246	40,071	24,069
2 to 5 years	29,773	6,710	3,731	109,499	69,233	60,520
After 5 years	15,831	-	-	137,058	134,315	148,606
Borrowings and financing	134,519	38,365	11,698	423,115	284,963	257,137
Up to 1 year	9,972	-	2,121	10,118	3,784	2,121
From 1 to 5 years	21,542	-	-	23,246	6,206	-
After 5 years	6,336	-	-	6,746	-	-
Lease liabilities	37,850	-	2,121	40,110	9,900	2,121

As mentioned in note 24, intragroup loans and borrowings have an indefinite term and, therefore, were not included in the table above.

e) Sensitivity tables

The Company and its subsidiaries performed sensitivity analysis tests as required by accounting practices, prepared based on the net exposure to the variable rates of the relevant financial assets and liabilities, outstanding at the end of the reporting period, assuming that the value of the following assets and liabilities was outstanding for the entire period, adjusted based on the estimated rates for a probable scenario of the risk behavior that, if materialized, may generate adverse results. The rates used to calculate the probable scenarios are referenced by an independent external source, which are used as a basis for the definition of two additional scenarios with stress of 25% and 50% in the risk variable considered (scenarios A and B, respectively) in net exposure, when applicable, as shown below:

Foreign exchange variation

As at December 31, 2019, the Company has R$2,464 payable to foreign suppliers and, together with its subsidiaries, the balance of consolidated payables to foreign suppliers is R$8,776 and the balance of payables to BNDES is R$203,432 (consolidated). These payables are pegged to the US dollar converted into Brazilian reais at the prevailing rate. The effects on profit (loss) before taxes, considering a horizon of one year, when the next financial statements containing such analysis are to be disclosed, are shown below, in the scenario considered by Management as the most probable, with market expectation data from the Focus bulletin (BACEN) released on December 27, 2019.

Parent - 12/31/19	Balance in R$ thousand	Balance in USD thousand
Operations		
Trade payables	2,462	611

Consolidated		Scenarios		
Currency fluctuation	12/31/2019	Probable	25%	50%
US dollar	4.03	4.08	5.10	6.12
Impact on profit or loss				
Trade payables	USD 611 thousand	31	654	1,277
Expense (income)		31	654	1,277

Consolidated – 12/31/2019	Balance in R$ thousand	Balance in USD thousand
Operations		
Trade payables	8,773	2,177
Borrowings and financing	203,427	50,478

Consolidated		Scenarios		
Currency fluctuation	12/31/2019	Probable	25%	50%
US dollar	4.03	4.08	5.10	6.12
Impact on profit or loss				
Trade payables	USD 2,177 thousand	109	2,329	4,550
Borrowings and financing	USD 50,478 thousand	2,524	54,011	105,499
Expense (income)		2,633	56,340	110,049

- Interest rate - CDI

  As at December 31, 2019, the Company and its subsidiaries have consolidated asset and liability balances pegged to the CDI rate, basically consisting of financial investments (cash equivalents) and borrowings and financing. As at December 31 2019, such balances have a net liability exposure of R$98,431 in the parent and R$131,080 in the consolidated. Based on projections released by BM&F Bovespa dated December 30, 2019, the DI projection for the next 12 months of 4.45% was obtained, which was defined as a probable scenario. Based on this scenario, stress of 25% and 50% of the index was calculated representing the conditions corresponding to different, always deteriorating scenarios.

Parent	Balance as at 12/31/2019	Index
Operations		
Cash equivalents	10,959	98% of CDI
Marketable securities	1,027	98% of CDI
Borrowings and financing	110,417	CDI + 2.92% p.a. (*)

(*) Weighted average index of balances pegged to the CDI

Parent		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
CDI	98% of CDI	4.45% x 98%	3.34% x 98%	2.23% x 98%
Cash equivalents	10,959	(478)	(359)	(239)
Marketable securities	1,027	(45)	(34)	(22)
Expense (income)		(523)	(393)	(261)

Parent		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
CDI	CDI + 2.92%	4.45%+2.92%	5.56%+2.92%	6.67%+2.92%
Borrowings and financing	110,417	8,138	9,363	10.589
Expense (income)		8,138	9,363	10,589
Net effect of total CDI exposure		7,615	8,970	10,328

Consolidated	Balance as at 12/31/2019	Index
Operations		
Cash equivalents	35,549	98% of CDI
Marketable securities	7,100	98% of CDI
Borrowings and financing	173,729	CDI + 3.29% p.a. (*)

(*) Weighted average index of balances pegged to the CDI

Consolidated		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
CDI	98% of CDI	4.45% x 98%	3.34% x 98%	2.23% x 98%
Cash equivalents	35,549	(1,550)	(1,164)	(777)
Marketable securities	7,100	(310)	(232)	(155)
Expense (income)		(1,860)	(1,396)	(932)

Consolidated		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
CDI	CDI + 3.29%	4.45%+3.29%	5.56%+3.29%	6.67%+3.29%
Borrowings and financing	173,729	13,447	15,375	17.303
Expense (income)		13,447	15,375	17,303
Net effect of total CDI exposure		11,587	13,979	16,371

- Interest rate - TJLP

As at December 31, 2019, the Company and its subsidiaries have consolidated liability balances pegged to the TLP rate, basically consisting of borrowings and financing. As at December 31 2019, such balances have a net liability exposure of R$98,431 in the parent and R$17,793 in the consolidated. Based on projections released by Bradesco, a TJLP projection at the end of 2020 of 5.06% was obtained, which was defined as a probable scenario. Based on this this scenario, stress of 25% and 50% of the index was calculated representing the conditions corresponding to different, always deteriorating scenarios.

Parent	Balance at 12/31/2019	Index
Operations		
Borrowings and financing	16,813	TJLP + 0.12% p.a. (*)

(*) Weighted average index of balances pegged to the TJLP

Parent		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
TJLP	TJLP + 0.12%	5.06%+0.12%	6.33%+0.12%	7.59%+0.12%
Borrowings and financing	16,813	871	1,084	1,296
Expense (income)		871	1,084	1,296

Consolidated	Balance at 12/31/2019	Index
Operations		
Borrowings and financing	17,793	TJLP + 0.24% p.a. (*)

(*) Weighted average index of balances pegged to the TJLP

Consolidated		Scenarios		
Interest rate changes	12/31/2019	Probable	25%	50%
TLP	TLP + 0.24%	5.06%+0.24%	6.33%+0.24%	7.59%+0.24%
Borrowings and financing	17,793	943	1,169	1,393
Expense (income)		943	1,169	1,393

23. OTHER PAYABLES

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Customers' contractual fines (*)	3,671	3,274	337	3,756	3,274	337
Advances from related parties (note 24)	4,697	-	-	-	-	-
Acquisition of investment (note 14.2.b)	2,233	3,313	-	2,233	3,313	-
Other payables	83	210	429	2,719	1,486	683
Total	10,684	6,797	766	8,708	8,073	1,020
Current	8,886	3,932	669	7,289	5,448	923
Noncurrent	1,798	2,865	97	1,419	2,625	97

(*) The Company recognized fines due to breach of contractual clauses with the customer Petrobras in the amount of R$3,671 as at December 31, 2019 (R$3,724 as at December 31, 2018), and R$3,386 of this amount is being discussed through a lawsuit, with a probable likelihood of loss.

24. RELATED PARTIES

24.1. Compensation of key management personnel

The statutory officers make up the Company's Key management personnel (Management). In the year ended December 31, 2019, the amounts paid were R$3,807 (R$3,847 in the year ended December 31, 2018 and R$3,916 in the year ended December 31, 2017).

In the consolidated the amounts paid to Management were R$7,318 in the year ended December 31, 2019 (R$6,840 in the year ended December 31, 2018 and R$5,345 in the year ended December 31, 2017).

The Company does not have a Supervisory Board, Board of Directors and Audit Committee established in the reporting years of these financial statements.

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Short-term benefits:						
Management fees	3,541	3,301	3,616	5,256	4,740	4,963
Bonuses	266	546	300	2,062	2,100	382
	3,807	3,847	3,916	7,318	6,840	5,345

The Company and its subsidiaries do not have long-term benefits and other short-term benefits in addition to those disclosed above, granted to its Management.

24.2. Summary of transactions with related parties

	Parent			Consolidated		
	12/31/2019	12/31/2018	12/31/2017	12/31/2019	12/31/2018	12/31/2017
Trade receivables	1,741	57	879	47	17	997
Shared expenses	1,085	3,782	852	143	283	331
Loans receivable	1,390	26,438	996	1,470	1,339	1,143
Dividends receivable (see note 14.1)	2,801	2,525	5,069	746	149	1,814
Other receivables	61	1,928	1,704	1	-	100
Total asset balance with related parties	7,078	34,730	9,500	2,407	1,788	4,385
Trade payables	(1,020)	(305)	(69)	(125)	(27)	(24)
Loans payable	(50,743)	(53,083)	(55,033)	(38)	-	-
Dividends payable (see note 25.d)	(13,519)	(7,795)	(7,795)	(13,525)	(7,798)	(7,836)
Other payables	(4,697)	-	-	-	-	-
Total liability balances with related parties	(69,979)	(61,183)	(62,897)	(13,688)	(7,825)	(7,860)

	Parent								
	12/31/2019							2019	
Entities	Trade receivables	Shared expenses receivable	Loans		Other receivables	Trade payables	Other payables	Revenues	Costs and expenses
			Receivable	Payable					
OceanPact Navegação	-	385	-	(50,743)	-	-	-	-	(4,439)
OceanPact Geociências	1,727	241	-	-	60	-	(4,697)	2,806	(177)
O'Brien's do Brasil	14	143	-	-	1	(125)	-	244	(1,702)
OceanPact International	-	-	-	-	-	-	-	-	-
Cod Hole	-	-	-	-	-	(414)	-	-	(3,254)
MMB	-	-	-	-	-	(481)	-	-	(844)
Servmar	-	316	-	-	-	-	-	19	(3,287)
OceanPact Mexico	-	-	1,390	-	-	-	-	-	-
Total	1,741	1,085	1,390	(50,743)	61	(1,020)	(4,697)	3,069	(13,703)

	Parent							
	12/31/2018						2018	
Entities	Trade receivables	Shared expenses receivable	Loans		Other receivables	Trade payables	Revenues	Costs and expenses
			Receivable	Payable				
OceanPact Navegação	-	780	-	(53,083)	129	-	-	(5,393)
OceanPact Geociências	8	190	-	-	-	-	4,190	(1,965)
O'Brien's do Brasil	-	93	-	-	-	(27)	-	(927)
OceanPact International	-	-	26,438	-	1,743	-	-	-
Cod Hole	-	-	-	-	-	(217)	-	(2,558)
MMB	-	-	-	-	-	(61)	-	(481)
Servmar	49	2,719	-	-	17	-	767	(2,719)
OceanPact Netherlands	-	-	-	-	39	-	-	-
Total	57	3,782	26,438	(53,083)	1,928	(305)	4,957	(14,043)

	Parent							
	12/31/2017						2017	
Entities	Trade receivables	Shared expenses receivable	Loans Receivable	Loans Payable	Other receivables	Trade payables	Revenue	Costs and expenses
OceanPact Navegação	-	521	-	(55,033)	200	-	-	(3,493)
OceanPact Geociências	879	245	-	-	15	-	3,215	(2,097)
O'Brien's do Brasil	-	86	-	-	1	(24)	105	(830)
OceanPact International	-	-	996	-	1,488	-	-	-
Cod Hole	-	-	-	-	-	-	-	(932)
MMB	-	-	-	-	-	(45)	-	-
OML	-	-	-	-	-	-	4	-
Total	879	852	996	(55,033)	1,704	(69)	3,324	(7,352)

Balances receivable from OceanPact Geociências refer to services provided by the Company's vessels in support of environmental monitoring, meteoceanography, collection and processing of geophysical data, among others.

The receivables from O’Briens do Brasil refer to consultancy services provided by the Company.

Balances receivable from Servmar refer to the rental of equipment from the Company in support of emergency response activities to contingencies to prevent the leakage of oil and oil products, among others.

All loan agreements entered into between the Company and its investees have a fixed amount and an indefinite payment term, with no interest. The variations in the balances of intragroup loans and borrowings for the years ended December 31, 2019, 2018 and 2017 are shown below:

Intragroup borrowings						
Parent						
12/31/2016	Payments	12/31/2017	Payments	12/31/2018	Payments	12/31/2019
55,033	-	55,033	(1,950)	53,083	(2,340)	50,743

Intragroup loans	
	Parent
Balance as at 12/31/2016	-
Loans granted	996
Balance as at 12/31/2017	996
Loans granted	25,442
Balance as at 12/31/2018	26,438
Loans granted	21,476
Exchange rate changes	1,922
Loans converted into capital	(48,446)
Balance as at 12/31/2019	1,390

The Company has a balance of R$4,697 as at December 31, 2019 related to other payables to the related party OceanPact Geociências, referring to advance made by this related party in connection with maritime support services performed until February 2020 by OceanPact Geociências to the Parent.

No balance of due from related parties has a provision for losses recorded as at December 31, 2019, 2018 and 2017 and no expense was recognized in the years ended December 31, 2019, 2018 and 2017 referring to balances with related parties considered as bad debts.

The Company is a party to a contract for sharing administrative expenses with its investees O'Brien's do Brasil (effective until December 2020), OceanPact Geociências (effective until December 2020), its subsidiary OceanPact Navegação (effective until December 2020) and Servmar (effective until December 2020). Under the agreements, the Company must be reimbursed in a percentage negotiated between the parties of its administrative expenses (personnel, office supplies, etc.), as its associates benefit from its structure. In the year ended December 31, 2019, shared expenses totaled R$9,337 (R$8,006 in the year ended December 31, 2018 and R$6,152 in the year ended December 31, 2017), and due from investees as at December 31, 2019 is R$1,085 (R$3,782 as at December 31, 2018 and R$852 as at December 31, 2017).

	Consolidated						
	12/31/2019					2019	
Entities	Trade receivables	Shared expenses receivable	Loans receivable	Other receivables	Trade payables	Revenue	Costs and expenses
O'Brien's do Brasil	47	143	80	1	(125)	244	(1,702)
OceanPact Mexico	-	-	1,390	-	-	-	-
Total	47	143	1,470	1	(125)	244	(1,702)

	Consolidated						
	12/31/2018					2018	
Entities	Trade receivables	Shared expenses receivable	Loans receivable	Other receivables	Trade payables	Revenue	Costs and expenses
OceanPact Geociências	8	190	-	-	-	4,190	(1,965)
O'Brien's do Brasil	9	93	-	-	(27)	686	(927)
OML	-	-	1,339	-	-	-	-
Total	17	283	1,339	-	(27)	4,876	(2,892)

	Consolidated						
	12/31/2017					2017	
Entities	Trade receivables	Shared expenses receivable	Loans receivable	Other receivables	Trade payables	Revenues	Costs and expenses
OceanPact Geociências	879	245	-	99	-	3,215	(2,181)
O'Brien's do Brasil	118	86	-	1	(24)	1,083	(830)
OML	-	-	1,143	-	-	130	-
Total	997	331	1,143	100	(24)	4,428	(3,011)

The balance referring to OML corresponds to a loan made with OceanPact International Inc. in 2015, with maturity of 5 years, LIBOR interest + 4% p.a., amortization starting in July 2016. In the year ended December 31, 2019, the amount of R$54 (R$195 in the year ended December 31, 2018 and R$58 as at December 31, 2017) was recognized as a foreign exchange gain arising from the inflation adjustment of the OML loan.

25. EQUITY

25.a. Issued capital

The Company's fully paid-up capital as at December 31, 2019, 2018 and 2017 is R$34,567, represented by 4,900,627 registered common shares, with no par value, held as follows:

Shareholders	Number of shares [1]	Equity interest (%)
Tinharé Participações S.A.	3,600,000	73.46
Dyna II Fundo Investimento em Participações	1,300,627	26.54
Total	4,900,627	100.00

(1) Before the shares split occurred on December 7, 2020, disclosed in note 35.

Tinharé Participações S.A. is the Company's ultimate controlling party.

25.b. Capital reserves

This represents the goodwill received in the amount of R$78,701 on the issue of 1,300,627 shares in 2013, subscribed by the shareholder Dyna II Fundo Investimento em Participações, less new share issue costs of R$2,354.

In 2014 the shareholder Dyna II Fundo Investimento em Participações made an additional capital contribution of R$7,242, referring to the difference between the result expected at the time of the assessment and the actual result as at December 31, 2013, as provided for in the contractual clause. This contribution does not represent an increase in the equity interest of such shareholder and was recognized as a capital reserve of goodwill.

25.c. Earnings reserve and distribution of profits

i. Legal reserve: in the reporting years, the Company is exempt from recognizing a legal reserve because the balance of this line item, plus the balance of the capital reserve line items, exceeds the limit of 30% of the issued capital, as defined by art. 193 of Law No. 6,404 / 76.

ii. Investment reserve: represents the balance of retained earnings for investment in the Company's activity, based on its capital budget.

iii. Distribution of dividends: a minimum mandatory dividend corresponding to 25% of the profit for the year is guaranteed to shareholders, after recognition of the legal reserve, calculated in accordance with accounting practices adopted in Brazil.

Proposal for allocation of profit for the year	2019	2018	2017
Profit (loss) for the year	9,616	(14,017)	7,299
Percentage of minimum mandatory dividends	25%	25%	25%
Minimum mandatory dividends	2,404	-	1,825
Interest on capital declared	8,568	-	-
IRRF (withholding income tax) on interest on capital	(944)	-	-
Additional dividends proposed	-	-	1,825
Dividends and interest on capital declared	7,624	-	1,825
Dividend and interest on capital per share (in R$)	0.440	-	0.372

Summary of allocations	2019	2018	2017
Investment reserve	1,048	(14,017)	5,474
Dividends declared	-	-	1,825
Interest on capital declared	8,568	-	-
Profit (loss) for the year	9,616	(14,017)	7,299

25.d. Dividends and interest on capital payable

	Parent	Consolidated
Dividends and interest on capital as at 12/31/2016	5,970	5,999
Minimum mandatory dividend for the year 2017	1,825	1,866
Payment of dividends declared in 2016	-	(29)
Dividends and interest on capital as at 12/31/2017	7,795	7,836
Payment of dividends by Environpact	-	(38)
Dividends and interest on capital as at 12/31/2018	7,795	7,798
Interest on capital declared for the year 2019	8,568	8,568
IRPJ payment on interest on capital declared in 2018	(944)	(944)
Interest on capital for the year 2016 paid	(1,900)	(1,900)
Divides declared by Environpact	-	3
Dividends and interest on capital as at 12/31/2019	13,519	13,525

25.e. Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of common shares outstanding during the year.

For the reporting periods, the Company’s basic and diluted earnings per share are equivalent, considering that the Company and its subsidiaries do not have any instruments with dilutive potential. The weighted average number of common shares used in the calculation corresponds to the average number of shares outstanding for the reporting periods.

	2019[1] (Restated)	2018[1] (Restated)	2017[1] (Restated)
Profit (loss) attributable to the owners of the Company	9,616	(14,017)	7,299
Weighted average number of common shares issued (thousands)	122.51 5,675	122.515, 675	122.51 5,675
Basic and diluted earnings (loss) per share (in R$)	0.08	(0.11)	0.06

(1) Before the shares split occurred on December 7, 2020, disclosed in note 35.

25.f. Other comprehensive income

In accordance with the provisions of CPC 02 (R2) - The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements, equivalent to IAS 21, which determines that the adjustments of exchange rate changes to foreign investments are recognized in the parent’s equity, the Company recognized the line item "Cumulative translation adjustments", arising from the translation of the financial statements and its foreign subsidiaries and the translation of the respective goodwill arising from their acquisitions, when applicable. As at December 31, 2019, this line item had a credit balance of R$11,131 (credit balance of R$9,382 as at December 31, 2018 and credit balance of R$3,668 as at December 31, 2017). This variation is mainly due to the variations in the main functional currencies of the subsidiaries, other than the Real (see note 2.3).

26. REVENUE

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Services provided in Brazil	275,470	183,535	136,319	483,542	343,982	192,742
Services provided abroad	1,002	1,789	1,152	10,614	4,249	1,287
Foz-Ocean consortium services	-	-	597	-	-	597
Gross revenue	276,472	185,324	138,068	494,156	348,231	194,626
Taxes on revenue (*)	(29,540)	(23,568)	(17,361)	(50,941)	(46,898)	(23,961)
Net revenue	246,932	161,756	120,707	443,215	301,333	170,665

(*) Refers to taxes levied on revenue, with 7.6% referring to COFINS, 1.65% to PIS and 2% to 5% to ISS on services provided.

In subsidiary Servmar, taxes on revenue are levied at the rates of 0.65% and 1.65% for PIS, 3% and 7.6% for COFINS, and a variable rate from 2% to 5% for ISS.

During the year ended December 31, 2019, the Company's main customers were Petrobras Petróleo Brasileiro S.A., Chevron Brasil Upstream Frade Ltda. and Dommo Energia S.A., accounting for 42%, 5% and 9% of the Company's gross revenue. The customer Petrobras Petróleo Brasileiro S.A. accounted for 47% of the total consolidated gross revenue and, together with other Petrobras Group companies (Petrobras Transporte S.A. – Transpetro, Petrobras Logística de Exploração e Produção S.A. and Fundo de Investimento Imobiliário RB Logística), accounted for 66% of the consolidated gross revenue for the year ended December 31, 2019.

During the year ended December 31, 2018, the Company's main customers were Petrobras Petróleo Brasileiro S.A., Chevron Brasil Upstream Frade Ltda. and Dommo Energia S.A., accounting for 37%, 12% and 13% of the Company's gross revenue. The customer Petrobras Petróleo Brasileiro S.A. accounted for 57% of the total consolidated gross revenue and, together with other Petrobras Group companies (Petrobras Transporte S.A. – Transpetro, Petrobras Logística de Exploração e Produção S.A. and Fundo de Investimento Imobiliário RB Logística), accounted for 67% of the consolidated gross revenue for the year ended December 31, 2018.

During the year ended December 31, 2017, the Company's main customers were Petrobras Petróleo Brasileiro S.A., Chevron Brasil Upstream Frade Ltda. and Dommo Energia S.A., accounting for 47%, 14% and 14% of the Company's gross revenue. The customer Petrobras Petróleo Brasileiro S.A. accounted for 51% of the total consolidated gross revenue and, together with other Petrobras Group companies (Petrobras Transporte S.A. – Transpetro, Petrobras Logística de Exploração e Produção S.A. and Fundo de Investimento Imobiliário RB Logística), accounted for 64% of the consolidated gross revenue for the year ended December 31, 2019.

27. SEGMENT REPORTING

The segment reporting is presented in relation to the Company's businesses, which were identified based on the management structure and internal managerial information.

The Company's Management considers that the segments are: (i) vessels and (ii) services

The Company's chief decision maker does not analyze the balance sheet accounts segregated by operating segments. Therefore, this segment reporting is not being presented.

The main information about results by business segment is summarized below:

Year ended December 31, 2019	Vessels	Services	Consolidated
Net revenue	242,587	200,628	443,215
Cost of services	(197,436)	(165,963)	(363,399)
Gross profit (loss)	45,151	34,665	79,816
General and administrative expenses	(27,677)	(22,376)	(50,053)
Share of profit (loss) of investees	-	4,685	4,685
Other operating income and expenses, net	735	5,487	6,222
EBIT	18,209	22,461	40,670
(+) Depreciation and amortization	44,292	18,649	62,941
EBITDA	62,501	41,110	103,611

EBITDA	103,611
Depreciation and amortization	(62,941)
Finance income (costs)	(27,936)
Income taxes	(3,118)
Profit for the year	9,616

Year ended December 31, 2018	Vessels	Services	Consolidated
Net revenue	174,602	126,731	301,333
Cost of services	(128,362)	(99,717)	(228,079)
Gross profit (loss)	46,240	27,014	73,254
General and administrative expenses	(23,517)	(19,769)	(43,286)
Share of profit (loss) of investees	-	(1,971)	(1,971)
Other operating income and expenses, net	(6,028)	(1,148)	(7,176)
EBIT	16,695	4,126	20,821
(+) Depreciation and amortization	29,059	10,777	39,836
EBITDA	45,754	14,903	60,657

EBITDA	60,657
Depreciation and amortization	(39,836)
Finance income (costs)	(41,672)
Income taxes	6,834
Loss for the year	(14,017)

Year ended December 31, 2017	Vessels	Services	Consolidated
Net revenue	149,210	21,455	170,665
Cost of services	(115,909)	(13,859)	(129,768)
Gross profit (loss)	33,301	7,596	40,897
General and administrative expenses	(22,277)	(6,200)	(28,477)
Share of profit (loss) of investees	-	4,842	4,842
Other operating income and expenses, net	3,596	(131)	3,465
EBIT	14,620	6,107	20,727
(+) Depreciation and amortization	26,342	370	26,712
EBITDA	40,962	6,477	47,439

EBITDA	47,439
Depreciation and amortization	(26,712)
Finance income (costs)	(9,386)
Income taxes	(4,042)
Profit for the year	7,299

Revenue broken down by operating segment is as follows:

Consolidated net revenue	2019	2018	2017
Environmental:	254,954	219,423	121,929
Vessels	131,044	123,087	100,474
Services	123,910	96,336	21,455
Subsea:	46,419	-	-
Vessels	42,942	-	-
Services	3,477	-	-
Logistics and engineering:	141,842	81,910	48,735
Vessels	68,601	51,516	48,735
Services	73,241	30,394	-
Total net revenue	443,215	301,333	170,664

The Company and its subsidiaries operate in the following geographic areas: Brazil (headquarters), Norway, Uruguay, Mexico, Netherlands, Cayman Islands and the United Kingdom. As they are not individually material, the financial information from operations in foreign countries is being disclosed together as follows:

	2019	2018	2017
Brazil	432,601	297,084	169,378
Other countries	10,614	4,249	1,287
Consolidated net revenue	443,215	301,333	170,665

	December 31, 2019	December 31, 2018	December 31, 2017
Brazil	372,039	257,093	277,251
Other countries	131,791	137,048	55,001
Noncurrent assets - consolidated	503,830	394,141	332,252

28. COSTS AND EXPENSES BY NATURE

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Personnel	88,471	52,529	49,607	179,878	116,007	65,920
Leases and chartering	12,065	27,079	21,251	16,828	33,810	21,924
Depreciation and amortization	36,371	18,750	15,807	62,941	39,836	26,712
Travel, transportation and meals	10,236	6,635	5,631	14,411	8,273	6,987
Third-party services	37,953	14,185	10,822	65,772	29,369	15,185
Inputs and maintenance	34,260	19,001	13,313	46,410	32,900	15,976
Customs expenses	289	921	977	289	921	977
Taxes and legal expenses	1,277	638	595	2,218	1,635	1,012
Insurance expenses	2,433	1,701	1,693	3,707	2,869	2,256
Other costs and expenses	2,826	(769)	792	20,998	5,745	1,296
Total	226,181	140,670	120,488	413,452	271,365	158,245
Classified as:						
Cost of services	198,973	118,975	99,768	363,399	228,079	129,768
General and administrative expenses	27,208	21,695	20,720	50,053	43,286	28,477
	226,181	140,670	120,488	413,452	271,365	158,245

29. OTHER OPERATING INCOME (EXPENSES)

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Customers' contractual fines	(333)	(4,123)	(580)	(839)	(5,673)	(619)
Reversal of accrued fine	-	-	3,311	-	-	3,061
Insurance indemnity	842	(1,300)	1,398	868	(898)	1,398
Gain on sale of property and equipment	-	-	-	3,442	-	-
Gain on remeasurement of investment held before the business combination (note 14)	2,142	-	-	2,142	-	621
Bargain purchase gain (note 14)	-	-	-	125	-	394
Other operating income (expenses)	(25)	(468)	(41)	484	(605)	(1,390)
Total	2,626	(5,891)	4,088	6,222	(7,176)	3,465

In the year ended December 31, 2019 the Company incurred fines due to non-compliance with contractual clauses with the customer Petrobras in the amount of R$333 (R$4,123 in the year ended December 31, 2018 and R$579 in the year ended in December 31, 2017).

In the year ended December 31, 2019 the subsidiary Servmar incurred fines due to non-compliance with contractual clauses with the customer Petrobras in the amount of R$327 (R$1,516 in the year ended December 31, 2018).

In the year ended December 31, 2019 the subsidiary OceanPact Navegação incurred fines due to non-compliance with contractual clauses with the customer Petrobras in the amount of R$179 (R$34 in the year ended December 31, 2018 and R$289 in the year ended in December 31, 2017).

30. FINANCE INCOME (COSTS)

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Finance income						
Income from financial investments	326	449	725	954	885	1,652
Exchange rate changes	1,274	941	236	-	-	235
Interest	466	286	719	859	286	896
Other income	50	83	120	60	106	121
	2,116	1,759	1,800	1,873	1,277	2,904
Finance costs						
Bank interest and charges	(7,174)	(2,854)	(817)	(15,607)	(9,319)	(6,491)
Exchange rate changes	-	-	-	(9,374)	(32,798)	(3,241)
Lease interest and charges	(3,633)	(303)	(796)	(3,928)	(371)	(796)
Taxes on finance income	(39)	(39)	(73)	(91)	(58)	(118)
Fines and other expenses	(459)	(115)	(1,178)	(809)	(403)	(1,644)
	(11,305)	(3,311)	(2,864)	(29,809)	(42,949)	(12,290)
Finance income (costs), net	(9,189)	(1,552)	(1,064)	(27,936)	(41,672)	(9,386)

31. INCOME TAX AND SOCIAL CONTRIBUTION

The amounts recorded in profit or loss for the years ended December 31, 2019, 2018 and 2017 are detailed below.

	Parent			Consolidated		
	2019	2018	2017	2019	2018	2017
Profit (loss) before income tax and social contribution	12,785	(11,398)	10,407	12,734	(20,851)	11,341
Statutory rate	34%	34%	34%	34%	34%	34%
IRPJ and CSLL at statutory rate	(4,347)	3,875	(3,538)	(4,330)	7,089	(3,856)
Share of profit (loss) of investees	477	(8,514)	682	(405)	41	82
Tax loss carryforwards - Foreign investees	(2,172)	2,172	-	-	-	-
Interest on capital	2,913	-	-	2,913	-	-
Bonuses to Management	(318)	(136)	-	(454)	(224)	-
Other balances	278	(16)	(252)	(842)	(72)	(268)
IRPJ and CSLL	(3,169)	(2,619)	(3,108)	(3,118)	6,834	(4,042)
Current	(5,150)	(5,030)	(2,332)	(9,380)	(8,666)	(5,545)
Deferred	1,981	2,411	(776)	6,262	15,500	1,503

32. COMMITMENTS

As at December 31, 2019, the Company has no outstanding balance payable regarding the hiring of charter from supplier Seacor Offshore do Brasil (R$687 as at December 31, 2018 and R$1,030 as at December 31, 2017), according to the term established between the parties.

33. INSURANCE

The Company and its subsidiaries have insurance coverage in an amount considered sufficient by Management to cover any losses, considering the nature of their activities and the risk involved in their operations. As at December 31, 2019, the main insurance policies taken out by the Company and its subsidiaries with third parties are as follows:

Nature of insurance / insured item	Insurance company	Effective date (*)	Insured amount
Vessels	West of England	Dec/2020	426,944
Civil liability	Fairfax Brasil	Dec/2020	n/a

(*) Insurance policies taken out by the Group are renewed annually.

34. NON-CASH TRANSACTIONS

The transactions presented below did not involve cash in the reporting years:

- On September 5, 2018, the Company entered into a contract with BP Energy do Brasil Ltda. and recognized in its inventories the amount of R$8,466, against liabilities.
- In July 2019, the Company disposed of property and equipment items in the amount of R$224 (there were no transactions of this nature in the years ended December 31, 2018 and 2017).
- In October 2019, the sale of the Vessel Marimar, which took place in 2018, was reversed, with a residual value of R$732 (adjusted cost of R$1,979 and R$1,247 related to depreciation) (see note 16).
- As at December 31, 2019, the Company has a balance payable of R$366 referring to the acquisition of property and equipment with payment in 2020 (there was a balance payable of R$12 as at December 31, 2018 related to the acquisition of property and equipment with payment in 2019 and there was a balance payable of R$473 at December 31, 2017 related to the acquisition of property and equipment with payment in 2018).
- In the context of the acquisition of control over Servmar by the Company, the purchase price included consideration transferred and contingent consideration, the latter measured at its fair value at the acquisition date at R$3,491 and recognized as “Other payables” (see notes 14.2.b and 23). The amounts actually paid for this contingent consideration in the years ended December 31, 2019 and 2018 were R$1,080 and R$178, respectively.
- As at December 31, 2018, the subsidiary OceanPact Netherlands has a balance of trade payables in the amount of R$1,927, arising from the acquisition of property and equipment, paid in 2019.

- During the year ended December 31, 2018, the subsidiary Servmar entered into a financing agreement with Banco Itaú, for the acquisition of certain items of property and equipment in the amount of R$4,571 (see note 20).
- In the year ended December 31, 2017, the Parent Company made a capital decrease through share buyback in its investee OceanPact International in the amount of R$4,204 (see note 14.1.a), having received the amount of R$2,716 in that year and the remaining balance of R$1,488 was recognized as other receivables from this investee (see note 22.4).

35. EVENTS AFTER THE REPORTING PERIOD (Restated)

COVID-19 effect

On March 11, 2020, the World Health Organization (WHO) declared the Covid-19 coronavirus outbreak as global pandemic. The pandemic, up to the date of issue of these financial statements, has had significant impacts and challenging working conditions, as well as the disruption to the global supply chain. The Group has been joining efforts to plan and implement actions to combat COVID-19, with investments made to date that exceeded R$3,000. The main actions taken by the Group area:

• Quick establishment of the COVID-19 Crisis Committee with daily meetings;

• Establishment of strict protocols for work on vessels, port bases, shipyards, and offices, as well as for pre-shipments, post-shipments and displacements;

• Purchases and availability of specific personal protective equipment, sanitization items and health care equipment for employees when exercising their activities, as well as in cases of isolation (availability of hand sanitizers, distribution of protective masks and temperature measurement of employees);

• Creation of the "Granja Comary Project", with six inns dedicated to carrying out the crews' pre-boarding quarantine, including the distribution of sanitization, food and cleaning kits, and daily medical and nutritional monitoring.

• Conducting more than 4,000 tests to control COVID-19 (PCR, serological, rapid and antigen) on employees, suppliers and other business partners;

• Increase of the boarding period, raising the safety of the crew;

• Availability of a dedicated Physician for assistance and specific COVID-19 guidelines for employees;

• Monitoring employees' health condition by launching the COVID-19 Situation Room, 24 hours/day, 7 days/week, and the availability of a Control Panel for the Crisis and Executive Committee;

• Intensified communication with employees to share qualified information and instructions, through the release of communications, booklets, videos and webinars;

• Implementation of the Health Center, for clinical and psychology support during 24 hours/day, 7 days/week, for employees and their dependents.

• Implementation of the Unified Action Program for Health (P.A.U.S.A.), with health care professionals, offering remote classes of physical activities and mindfulness, 3 times a day; and

• Conducting conversation circles to manage employees' working environment.

The Group promptly determined a teleworking regime for employees and was a pioneer in establishing protocols. Few of its employees were contaminated by COVID-19.

The effectiveness of the actions implemented allowed the Group to maintain its activities, based on the budget for the year ending December 31, 2020 - without loss of revenue, despite the fully adverse scenario. Accordingly, the Company's Management, based on the exercise of its best judgment, believes that it is not necessary to record any accrual derived from uncertainties and risks of future losses related to COVID 19 in its operations.

The events and conditions generated by the dissemination of COVID 19 did not generate uncertainties related to the Company's operational continuity, impairment of non-financial assets, realization of deferred taxes, noncurrent assets, fixed assets, inventories, intangible assets and accounts receivable from third parties /customers. In addition, until the date of issuance of this financial statements, there was no need for a general review of the Company’s budget plan and its subsidiaries, for the year ending December 31, 2021 and subsequent years.

<u>Corporate restructuring</u>

On August 13, 2020, the Company started to hold a direct 50% interest in OML, which was previously held by OceanPact International.

<u>SLP acquisition</u>

The Company acquired control over Santa Lúcia Patrimonial Ltda., which holds a 100% interest in SLI Meio Ambiente e Infraestrutura Eireli, on August 20, 2020, when it started to hold a 96.78% interest in this investee (see note 11). This financial resource of the loan to third parties was used by the Company on August 20, 2020 and the acquisition price was R$6,042, relating to the balance of loans to third parties on the acquisition date, fully used.

<u>Capital increase</u>

On September 29, 2020, the Company’s capital was increased as a result of the downstream merger of Tinharé Participações S.A., in the amount of R$8,432 thousand, and the Company's capital amounted to R$42,999, comprised of 5,128,427 registered common shares, without par value. Tinharé Participações S.A., previously a non-operating holding of OceanPact Serviços, only maintained investments in the Company and, after the downstream merger, this company was extinguished.

Debenture issuance

The Company issued debentures on September 28, 2020 and September 30, 2020 and under these two issues it has raised total proceeds of R$265,000, with the release of R$204,000 on September 28, 2020, R$45,375 on September 30, 2020 and R$15,626 on October 1, 2020. These debentures mature in 2025 and are subject to annual CDI rate + 5.50%. Service agreements entered into with Petrobras and the Company shareholders' signatures were pledged as collateral. The Company is subject to the compliance with certain non-financial covenants to be annually measured based on its net debt/EBITDA. The Company used part of the proceeds to settle short-term borrowings and thus extend its debt profile. Under such context, some significant borrowings and financing balances were settled before the issuance of this financial statements, such as, for example, balances with Banco Itaú, Banco Bradesco, Banco BOCOM BBM, Banco Guanabara and Banco ABC. On consolidated basis, the amount of R$145,585 was amortized in the three-month period ended September 30, 2020. Using part of the debenture issue proceeds, a loan agreement was entered into among the Company and its investee Geociências, in the amount of R$21,000 on August 14, 2020 and a loan agreement was entered into among the Company and its investee Servmar in the amount of R$5,814 on September 28, 2020.

New leases

The Group has entered into new lease contracts relating to the lease of properties, with contractual terms of 3, 10 and 25 years, which it believes to be extremely important for the business continuity and growth. These new leases entered into after the balance sheet date and before the issuance of these financial statements, represented an increase in the Company's assets and liabilities of R$21,951 (R$45,730 on consolidated basis).

In addition, in October and November 2020, two new lease agreements were signed for Havila Harmony and UP Água Marinha, with contractual terms of 3 years, which represented an increase in the Company's assets and liabilities, in consolidated terms, of R$ 65,003.

Stock option plan

On November 27, 2020, the Company's general meeting approved a Stock Option Plan authorizing the granting of 89,553 of the common shares issued by the Company, which were held in treasury within the scope of the merger of Tinharé Participações S.A., approved on September 29, 2020. Also, on November 27, 2020, as approved by the Board of Directors, these shares were granted to a Company's officer, but subject to the terms and conditions of the stock option agreement, Lock-up Periods (when shares cannot be transferred or encumbered and are subject to repurchase options by the Company in case of termination or death) which extend up to the end of their respective Vesting Periods (as set out in the respective agreement). As a result of such granting, an expense in the amount of R$4,572 was recognized in November 2020.

Taxes in installments

On November 26, 2020, the ordinary installment payment of federal taxes and contributions of several nature was requested at the e-CAC system of the Brazilian Federal Revenue Service, in an amount corresponding to R$22,671. The request was subsequently approved by the competent body with payment period of 60 months, including 20% fine on the total amount plus inflation adjustment based on the Selic rate.

New borrowings and financing

In the second quarter of 2020, the Company raised R$20,486 from BNDES and used these funds in the acquisition of vessel Sealion.

On October 28, 2020, the Company raised a loan with Banco BBM bearing interest at the CDI rate + 4.4% p.a., in the amount of R$10,000 for working capital purposes, with a grace period of 7 months and total term of 59 months.

On November 13, 2020, the Company raised a loan with Banco ABC bearing interest at the CDI rate + 4.5% p.a., in the amount of R$10,000 for working capital purposes, with a grace period of 12 months and total term of 48 months.

On November 26, 2020, the Company raised a loan with Banco Votorantim bearing interest at the CDI rate + 4.5% p.a., in the amount of R$10,000 for working capital purposes, with a grace period of 12 months and total term of 36 months.

On November 26, 2020, the Company, through its subsidiary Servmar, raised a loan with Banco BBM bearing interest at the CDI rate + 4.4% p.a., in the amount of R$10,000 for working capital purposes, with a grace period of 7 months and total term of 60 months.

On November 26, 2020, the Company, through its subsidiary OceanPact Geociências, raised a loan with Banco BBM bearing interest at the CDI rate + 4.4% p.a., in the amount of R$10,000 for working capital purposes, with a grace period of 7 months and total term of 60 months.

<u>Non-monetary obligations of debentures</u>

On November 4, 2020, the Company has identified and readily informed the fiduciary agent about the delay in the performance of certain non-monetary obligations within the scope of its first issue of debentures related to (i) the non-submission of the conditional sale on the vessel Seabulk Angra with the Port Authority within the period set forth in the First Issue indenture, (ii) the non-submission of electronic copies registered with the registry office of the instruments of release related to the CCBs with Banco Bradesco S.A., and (iii) the notification of the conditional assignment related to the Petrobras agreement, to the fiduciary agent of the First Issue.

The Company, before the date of approval of these restated individual and consolidated financial statements, received the banks formal approval, where they waived the right to declare the early maturity of the balances due by the Company, although certain non-pecuniary obligations of the debentures have been fulfilled outside the initially determined. In this context, the General Meeting of Debenture Holders, held on December 15, 2020 and filed with the Commercial Registry of the State of Rio de Janeiro on December 31, 2020, resolved on the non-declaration of early maturity of debentures by the debentureholders, due to the delay in fulfilling the aforementioned non-pecuniary obligations.

<u>Accident involving a vessel</u>

Vessel Carmen, owned by the Company, with 322 deadweight tonnage (DWT), representing 0.8% of the Company’s fleet tonnage, which was bareboat chartered by subsidiary OceanPact Geociências for the purpose of performing oceanographic data survey services, has sank on November 20, 2020, about 98 km distant from Cabo de São Tomé, at the Campos Basin, without any victims.

To face this scenario, the following measures were taken by the Company:

- Immediate rescue and unconditional support with psychological care to all crew members and their families;
- Prompt notification to the Brazilian Navy and the IBAMA;
- Immediate activation of the Company’s Resilience Program, with prompt creation of the Emergency Management Team, operational response management level, and the Crisis Management Team, with participation of the technical executive board and senior management;
- Sending of vessels to provide the necessary support to the accident;

- Definition and implementation of the contingency plan, focused on the possible environmental impacts and risk mitigation;
- Contacting the insurance company responsible for the Hull and Machinery insurance policy, in charge of CARMEN, which loss coverage has an approximate indemnifiable amount of US$1 million – the carrying residual value as at September 30, 2020 of this vessel was R$175;
- Contacting the insurance company (Clube de P&I West of England) responsible for the P&I ("Protection and Indemnity") insurance policy, in charge of the fleet, which loss coverage has an indemnifiable amount of US$8 billion limited to US$1 billion for pollution-related environmental damages;
- Establishment of an independent investigation commission with participation of an internationally renowned company to determine the causes of the accident.

It was already determined that the vessel sank with 64 m3 of oil onboard (diesel, hydraulic fluid and lubricant); that small oily films were observed at the surface on the first days after the accident through overflights, which is deposited at the bottom of the sea far from any submarine asset or environmentally sensitive areas; and that there are no more signs of oil spill.

Management estimates that other similar vessels, which fulfill the same technical requirements for the services contracted by vessel Carmen, are available to replace it so as to meet the demand without significant effect on the outcome of the planned projects.

IPO

In the minutes of the Extraordinary General Meeting held on December 7, 2020 and filed with the Commercial Registry of the State of Rio de Janeiro on December 10, 2020, the Company's IPO (initial public offering) and submission of a request for registration as a securities issuer with CVM, under Category "A", pursuant to CVM Instruction 480, of December 7, 2009, as amended ("CVM Instruction 480") and the split of the Company's shares from 1 to 25 shares were approved.