



# Management Report and Accounts 2020



## **C O N T E N T S**

### **Corporate Officers**

- 1. Introduction**
- 2. Economic and Financial Situation**
  - 2.1. Economic and Financial Situation**
  - 2.2. Acknowledgments**
  - 2.3. Proposal for the Appropriation of Profits**
- 3. Balance Sheet and Income Statement**
- 4. Statement of Changes Equity and Cash Flow Statement**
- 5. Notes to the Balance and Profit & Loss Account**
- 6. Statutory Auditor's Report and Opinion**
- 7. Legal Certification of Accounts**

## **CORPORATE OFFICERS**

### **General Meeting:**

Chairman:	Dr. Manuel Joaquim Rodrigues
Deputy-Chairman:	Eng. José Luís Pinares Angelino Barbosa
Secretary:	Dra. Ana Maria Morgado Mesquita da Silva

### **The Board of Directors:**

Chairman:	Dr. Nelson Nunes Rodrigues
Director:	Eng. José António Leite Mendes Rodrigues
Director:	Dr. João Rui Carvalho dos Santos
Director:	Eng. Manuel Serpa Leitão

### **Statutory Auditor:**

S.R.O.C.	RSM & Associados, SROC, Lda.
Full Auditor:	Dr. Joaquim Patrício da Silva
Alternate Auditor:	Dr. José Carlos Nogueira Faria e Matos

<b>Certified Accountant:</b>	Mr. Manuel Jorge Bento
------------------------------	------------------------

## 1. Introduction

Lisnave Internacional's ongoing business is the management of holdings, trading and provision of services.

Study activities, projects and others are situations that arise as commercial complements or as leverage in Due Diligence for future investments.

During 2020, the World Health Organization (WHO) declared a global pandemic called COVID-19.

This pandemic had a significant economic and social impact in the Company's performance in terms of sales volume of materials and services, which did not, however, endanger the continuity of the operations and its connection and viability of Lisnave Internacional and its subsidiary Dakarnave, even in terms of financial commitments.

The situation was managed in order to maintain its own balance and the balance of its subsidiary Dakarnave.

The latter was also affected by the pandemic, which keeps affecting Senegal.

Lisnave Internacional' turnover of the trading activity was around €2.1 million, 33% below the previous year as a result of the decrease in demand for materials and services.

By and large the international recession, particularly arising from COVID-19, also affected our primary client.

Net Income arising from trading activities stood at €65k.

Net Income of the year after the equity-method holding in our subsidiary Dakarnave is positive and amounted to €193k.

Financially, Lisnave Internacional maintained the volume of financial applications at €12 million.

The financial balance was always sought after so as not to create constraints in any of the companies, particularly in Dakarnave given the number of employees and the volume of monthly wages and timely payments to their suppliers.

Continuity was lent to the management of subsidiaries and to trading in materials and services. Even so, the company is keeping an eye open for other business opportunities that may come to be developed in the future.

The year's Net Income provided a return on equity of 1%, which is reasonable given that about 63% of its assets are financial investments subject to low or non-existent interest.

The connection with Dakarnave was maintained under the technical commercial assistance and production agreement, besides the provision of legal and financial services.

The purpose of this policy is also to guarantee and ensure the preparation of economic and financial viability studies for third parties and for external investments that may be interesting for the company itself.

In 2021, Lisnave Internacional will continue to seek business opportunities in the core areas of its activity, in particular in vocational training, in the management of industrial facilities of the naval shipping industry sector and in consultancy.

Lisnave Internacional also decided to start the analysis process for the renewal of Dakarnave's concession.

During the year, Lisnave Internacional started a refresh process of its information system's technological base.

The server was migrated into a virtual machine system for all users in teleworking with the facility of allowing access to the information.

The replacement of the enclosure switch systems was also underway not only for the adjustment to the virtual machine's needs, but also for updating its capacities in order to grant redundancy to the system as a form of security.

In financial terms, the acquisition of this system prevented the replacement of physical computers that were becoming obsolete and were already completely amortised.

As described in this Report on the 2020 accounts, and considering the current state of the COVID-19 pandemic is controlled during the first four months of 2021, which will begin to gradually increase the free movement of people and goods, with the consequent positive effect on the economy, global maritime transport and, therefore, in the ship repair activity, it is expected that Lisnave Internacional and its subsidiary may reach a business level not lower than the one in the year 2020.

## **In Senegal**

### **DAKARNAVE**

Lisnave Internacional continues to be the largest shareholder of Dakarnave, with 51% of the share capital.

Lisnave Internacional continues to hold a significant position in Dakarnave, both in its management bodies and also in the technical assistance that annually and contractually assures it.

During the year, Dakarnave had periods of almost no work.

For Dakarnave, 2020 was a year of modest billing. Turnover, in the amount of €13.4 million, was 20% less than the one estimated in the budget, i.e., €16.5 million.



Net Income was €251k, a return on equity of 2%.



From a standpoint of some prudence, it was budgeted for 2021 a sales volume of €14 million.

Within the scope and framework of the agreement for the provision of assistance to Dakarnave, renegotiated in April 2020, Lisnave Internacional was also its main consultant for matters of greater technical expertise, material or staff, which, when necessary, resorts to a worldwide search of particularly demanding needs from time to time.



Dakarnave continued with its maintenance, consolidation, and development activities of the several certification processes in which they are accredited.

Lisnave Internacional continues to be greatly committed to support for Dakarnave in the aspects of safety and hygiene at work, surveillance and security of the facilities and safety of persons and property, taking the implementation of the ISPS code into account.



## 2. Economic and Financial Situation

### 2.1- Economic and Financial Situation

The year's sales and provision of services amounted to €2.1 million, against the €3.0 million of the previous year.

Net income of the company's business (before the equity method) stood at €65.5k.

After the equity method with Dakarnave, net income amounts to €193k.

Sale of materials amounted to €1.2 million, and billing of provision of services amounted to €0.9 million.

Other income, namely of a financial nature, in the sum of €7k must be added to the commercial income.

Of our commercial activities, 99.9% were for the foreign market.



Although investments of capital were the same as those of the preceding year, interest income was less as a result of the reduction of the interest rates offered by the banks, which in some cases are zero%.

Costs for the year were those necessary and proportionate to turnover, no impairment costs having been booked either for holdings or for debtor balances.

Overheads were subject to a slight adjustment, although the reduction of sales meant that the ratio was greater.

Staff costs were €933k, with a small reduction in comparison with the previous year.

The foregoing facts allow us to underscore a number of indicators of our Income Statement:

	In €000's
Income from commercial activities .....	2,071
Financial and associated income.....	7.5
Pre-tax income .....	225
Net Income for the year .....	193
Cost of goods sold and consumed.....	639
Third-party supplies & services .....	395
Staff costs.....	933
Cash flow for the year.....	233
Gross value added.....	1,158

The EBITDA indicator at €216k reflects an amount corresponding to 10.5% of income.

This indicator is practically equal to the EBIT in that Lisnave Internacional requires few tangible assets to conduct its trading and provision-of-services operations.

The GVA of €1.2 million shows the importance of what the company adds to the products and services it sells.

The financial situation remained comfortable throughout the year, the result of the availability of funds.

As at December 31, 2020, total cash and cash equivalents amounted to €12.5 million.

On that date the company had further assets in the amount of €107k in respect of payments on account of corporate income tax (IRC) made during the year and VAT to be recovered.

Dividend distribution amounted to €500k, in accordance with the resolution passed with the approval of the 2019 accounts by the General Meeting.

At the year-end, trade accounts receivable amounted to about €70k.

Third-party debt is the result of payment terms normal to the company's business, with correlation with the customer balance, which this year was lower than previous years.

The balances of accounts related with the State at the year-end are in respect of debits and credits not yet fallen due in that they reflect estimated taxes on profits, payments on account and taxes withheld, settlement of which takes place in 2021.

In our balance sheet, Financial fixed assets related with the holding in Dakarnave are carried at €6.6 million, while the initial value of the holding was €1.399 million. This means a shareholder policy to maintain the company capitalised, where they have a financial holding with decision-making power.





Equity remained stable at €18.9 million, showing an excellent degree of self-financing. It is now equal to 7 times the share capital.

Equity covers 98% of Total assets, also showing excellent self-financing.

Assets consist mainly of 62% of cash and balances and 35% of financial fixed assets.

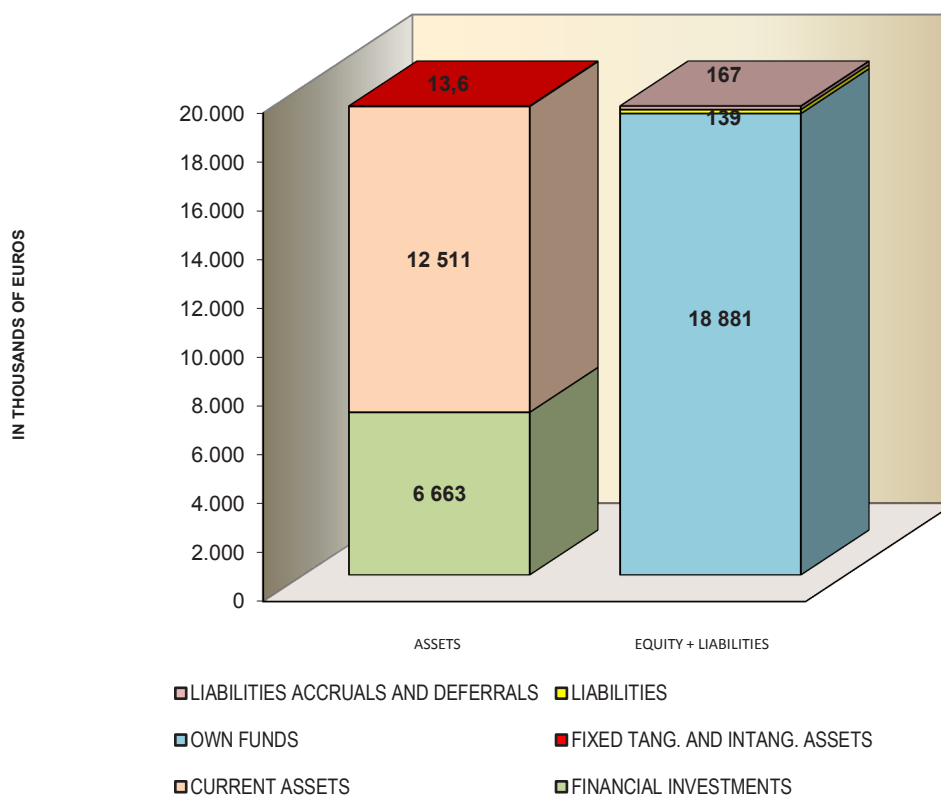
Notwithstanding the year, the consolidated balance sheet shows that return on equity stood at 1%.

Prudent investment in risk-free products moderated the return on these assets, the result of the modest or zero rates of remuneration offered by the banking system.

Permanent capital is very liquid, able to ensure initiatives of new business opportunities that may be of interest.

### **FUNDING OF NET ASSETS**

**AS AT DECEMBER 31, 2020**



At the year-end employees having a permanent contractual tie with company numbered seven, while eight were on secondment in Senegal.

The provision of services contract was regularly used whenever the context demanded it, both with individuals and businesses.

During the entire year, the personnel went into teleworking ensuring occasional visits to the company in essential situations of support to commercial activities. These activities allowed the company not to resort to the several state support systems, i.e., lay-off.

Lastly, in keeping with legal requirements, Lisnave declares that it held no own shares as at December 31, 2020, and there was no past-due debt to the State Public Sector, Social Security including.

## **2.2- Acknowledgements**

The Board of Directors expresses its gratitude to the people and entities that directly and/or indirectly supported the company in achieving its objectives.

In particular, our customers and suppliers for their trust in us, notwithstanding delays or problems encountered in the export processes.

To the shareholder for the collaboration and monitoring of the more relevant projects and situations that were presented to it.

To the banks for their interest in the resolution of the financial issues that we presented to them, in particular, in the quest for solutions of term deposits with capital guarantees.

To the Statutory Auditor for the co-operative and enlightening manner in which he performed his duties.

The Board of Directors also expresses its special appreciation for the efforts of all employees in achieving the year's results, with particular emphasis on those who are on secondment to Dakarnave, in Senegal and those who are at home, on teleworking, striving for continuing commercial and administrative activities.

Our thanks also to Dakarnave in particular for its preference for us in its acquisitions in a competitive market, which puts both under the fiscal transparency system.

## 2.3 Proposal for the Appropriation of Profits

Taking into account the Net Income presented, the Board of Directors proposes:

2.3.1- The net income for the year, in the sum of: (one hundred and ninety-three thousand three hundred and six euros and seventy-three cents), be appropriated as follows:

- Retained Earnings: €193,306.73

The Board of Directors



Dr. Nelson Nunes Rodrigues  
Chairman



Eng.º José António Leite Mendes Rodrigues  
Director



Dr. João Rui Carvalho dos Santos  
Director



Eng.º Manuel Serpa Leitão  
Director

### **3. BALANCE SHEET AND INCOME STATEMENT**





## BALANCE SHEET

PERIOD ENDED 31 DECEMBER 2020

Amounts expressed in Euros

ITEMS	Notes	YEARS	
		2020	2019
ASSET			
NON-CURRENT ASSET			
Tangible fixed	8	13,592.33	14,675.08
Other financial investments	9.2	11,258.40	9,848.00
Financial holdings - equity	9.1	6,651,605.19	6,529,361.19
		6,676,45.92	6,553,884.27
CURRENT ASSET			
Clients	16.1	69,530.02	608,502.02
State and other public entities	18.1	107,867.36	241,791.90
Other receivables	16.2	5,372,28	11,588.71
Deferrals	18.2	179,618.80	32,261.55
Cash and equivalents	4	12,148,283.40	12,078,005.73
		12,510,771.86	12,972,149.91
TOTAL ASSETS		19,187,227.78	19,526,034.18
EQUITY & LIABILITIES			
Equity			
Share Capital	16.5	2,750,000.00	2,750,000.00
Legal reserves	18.3	572,752.20	572,752.20
Adjustments/others changes in equity	18.3	901,044.12	906,635.43
Retained earnings	18.3	14,464,374.99	14,300,701.19
		18,688,171.31	18,530,088.82
Net income for the period	18.3	193,306.73	663,673.80
Minority Interests		18,881,478.04	19,193,762.62
TOTAL EQUITY		18,881,478.04	19,193,762.62
CURRENT LIABILITIES			
Suppliers	16.3	166,566.75	74,823.93
State and other public entities	18.1	70,060.09	144,892.36
Other payables	16.4	69,122.90	112,555.27
Deferrals		0.00	0.00
TOTAL LIABILITIES		305,749.74	332,271.56
TOTAL EQUITY & LIABILITIES		19,187,227.78	19,526,034.18

## INCOME STATEMENT BY NATURE

PERIOD ENDED 31 DECEMBER 2020

Amounts expressed in Euros

INCOME AND EXPENDITURE	Notes	YEARS	
		2020	2019
SALES AND SERVICES RENDERED	12	2,071,177.52	3,070,751.73
GAINS/LOSSES IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES	18.8	127,835.31	341,995.80
COST OF GOODS SOLD AND MATERIALS CONSUMED	11	-639,212.13	-1,107,283.39
EXTERNAL SUPPLIES AND SERVICES	18.4	-395,961.35	-485,958.99
PERSONNEL COSTS	17	-933,561.07	-1,034,607.05
OTHER INCOME	18.5	7,268.17	24,150.02
OTHER EXPENSES	18.6	-4,229.77	-28,547.18
<b>Income before depreciation, financing costs and taxes</b>		<b>233,316.68</b>	<b>780,500.94</b>
COSTS/REVERSALS OF DEPRECIATION AND AMORTISATION	18.7	-8,228.75	-7,451.38
<b>Income before taxes</b>		<b>225,087.93</b>	<b>773,049.56</b>
INCOME TAX FOR THE PERIOD	15	-31,781.20	-109,375.76
<b>Net income for the period</b>		<b>193,306.73</b>	<b>663,673.80</b>

<b>Income from discontinued activities (net of taxes) included in net income for the period</b>			
---	--	--	--

<b>Basic income per share</b>		<b>0,35</b>	<b>1,21</b>
-------------------------------	--	-------------	-------------

## **4. STATEMENT OF CHANGES EQUITY AND CASH-FLOW STATEMENT**



## STATEMENT OF CHANGES EQUITY

**PERIOD ENDED 31 DECEMBER 2020**
**Amounts expressed in Euros**

DESCRIPTION	EQUITY HOLDERS OF THE PARENT COMPANY					
	SHARE CAPITAL	LEGAL RESERVES	RETAINED EARNINGS	ADJUSTMENTS /OTHERS CHANGES IN EQUITY	NET INCOME	TOTAL
<b>POSITION AT 01/01/2019</b>	2,750,000.00	572,752.20	14,072,729.61	925,008.63	1,727,971.58	20,048,462.08
<b>CHANGES IN THE PERIOD</b>						
	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME FOR THE PERIOD					666,673.80	663,673.80
TRANSACTIONS WITH EQUITY HOLDERS IN THE PERIOD						
DISTRIBUTIONS					-1,500,000.00	-1.500,000.00
OTHER OPERATIONS			227,971.58	-18,373.26	-227,971.58	-18,373.26
	0.00	0.00	227,971.58	-18,373.26	-1,064,297.78	-854,699.46
<b>POSITION AT THE END OF THE PERIOD 2019</b>	<b>2,750,000.00</b>	<b>572,752.20</b>	<b>14,300,701.19</b>	<b>906,635.43</b>	<b>663,673.80</b>	<b>19,193,762.62</b>

DESCRIPTION	EQUITY HOLDERS OF THE PARENT COMPANY					
	SHARE CAPITAL	LEGAL RESERVES	RETAINED EARNINGS	ADJUSTMENTS /OTHERS CHANGES IN EQUITY	NET INCOME	TOTAL
<b>POSITION AT 01/01/2020</b>	2,750,000.00	572,752.20	14,300,701.19	906,635.43	663,673.80	19,193,762.62
<b>CHANGES IN THE PERIOD</b>						
	0.00	0.00	0.00	0.00	0.00	0.00
NET INCOME FOR THE PERIOD					193,306.73	193,306.73
TRANSACTIONS WITH EQUITY HOLDERS IN THE PERIOD						
DISTRIBUTIONS					-500,000.00	-500,000.00
OTHER OPERATIONS			163,673.80	-5,591.31	-163,673.80	-5,591.31
	0.00	0.00	163,673.80	-5,591.31	-470,367.07	-312,284.58
<b>POSITION AT THE END OF THE PERIOD 2020</b>	<b>2,750,000.00</b>	<b>572,752.20</b>	<b>14,464,374.99</b>	<b>901,044.12</b>	<b>193,306.73</b>	<b>18,881,478.04</b>

**INDIVIDUAL CASH FLOW STATEMENT**
**PERIOD ENDED 31 DECEMBER 2020**
**Amounts expressed in Euros**

	<b>YEARS</b>	
	<b>2020</b>	<b>2019</b>
<b><u>Cash flows from operating activities</u></b>		
Receipts from customers	2,613,770.62	2,848,718.53
Payments to suppliers	-1,149,645.34	-1,815,006.99
Payments to staff	-958,772.78	-1,059,521.97
Cash generated by operations	505,352.50	-25,808.43
<b>Payment/receipt of income tax</b>	11,686.17	-209,969.88
<b>Other payments/receipts</b>	58,416.02	27,863.25
<b>Cash flows from operating activities (1)</b>	<b>575,454.69</b>	<b>-207,915.06</b>
<b><u>Cash flows from investment activities</u></b>		
<b>Receipts from:</b>		
<i>Tangible fixed assets</i>		
<i>Interest and similar income</i>	2,788.91	15,263.27.00
<i>Dividends</i>	0.00	918,000.00
<b>Payments relating to:</b>		
<i>Tangible fixed assets</i>	-5,645.70	-16,452.97
<b>Cash flows from investment activities (2)</b>	<b>-2,856.79</b>	<b>916,810.30</b>
<b><u>Cash flows from financing activities</u></b>		
<b>Payments relating to:</b>		
<i>Interest and similar expenses</i>	-2,220.23	-2,408.33
<i>Dividends</i>	-500,000.00	-1,500,000.00
<b>Cash flows from financing activities (3)</b>	<b>-502,220.23</b>	<b>-1,502,408.33</b>
<b>Variation in cash and cash equivalents</b>		
<b>(4) = (1) + (2) + (3)</b>	<b>-70,377.67</b>	<b>-793,513.09</b>
<b>Effect of exchange rate differences</b>	0.00	0.00
<b>Cash and cash equivalents at the beginning of the period</b>	12,078,005.73	12,871,518.82
<b>Cash and cash equivalents at the end of the period</b>	12,148,383.40	12,078,005.73
	<b>70,377.67</b>	<b>-793,513.09</b>



## **5. NOTES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT**



## **ANNEX**

(Values are shown in Euros  
except when expressly indicated in another format)

### **1. Identification of the Company**

The Company was incorporated by public deed on the 9th of July, 1993, with the commercial designation of LISNAVE INTERNACIONAL- ENGENHARIA, GESTÃO E DESENVOLVIMENTO, S.A.

The company is registered at the ALMADA Commercial Registry Office under the No. 503 022 020.

Its main social object is to provide engineering, conception, planning, management and project services for all types of developments, the execution of commercial, import and export representations, in addition to the development and transaction of technological processes and economic study methods, including the promotion of their respective use.

Its registered office is located at Rua da Bela Vista, 110-5º B Monte de Caparica – 2825-165 CAPARICA Almada.

100% of the Company's capital is held by NAVALSET – Serviços Industriais e Navais, S.A. (Industrial and Naval Services, Ltd), which is the parent company.

Is located at Rua da Bela Vista, 110-5ºA Monte da Caparica 2825-165 CAPARICA.

### **2. Accounting reference for the preparation of financial statements**

With the publication of Decree Law 158/2009 dated 13 July, the Official Accounting Plan (POC) and the Accounting Guidelines were revoked, with effect from the 1st of January, 2010. Therefore, after this date, the company began to carry out the account reporting of its accounts in accordance with the Standards for Accounting and Financial Reporting (NCRF), which is an integral part of the SNC, fulfilling the provisions of the Ordinance 220/2015 , in the presentation of the financial statements.

With the entry into force on January 1, 2016 of Decree-Law 98/2015, being the company of the “Lisnave Group”, opted for the general regime on disclosure of financial statements, being classified as a large company.

### **3. Main accounting policies**

#### **3.1 Basis for measurements used for the preparation of financial statements**

In preparing the financial statements to which these notes refer, the company adopted:

- The Bases for the Preparation of the Financial Statements given in the attachment to Decree Law 158/2009, dated 13 July, which established the SNC, fulfilling the provisions of the Ordinance 220/2015.
- The NCRF in effect on this date;
- Thus, the financial statements were prepared considering the basis for continuity, of the accrual regime, the consistency of presentation, the materiality and aggregation, non-compensation and comparative information.

Based on what is stated in the NCRF, the accounting policies adopted by the company were the following:

#### **(a) Tangible Fixed Assets**

Tangible Fixed Assets refer to the assets used in production, in the provision of services or in administrative use.

With the exception of Land which is not depreciable, the Tangible Fixed Assets are depreciated during the expected economic life period and valued in terms of their impairment whenever there is an indication that the asset may be being impaired. Depreciation is calculated based on the duodecimal, from the time when the assets are available to be used for the desired purpose, using the following methods:

The depreciation rates are defined considering the full depreciation of the assets until the end of their expected useful life and are the following:

	2020	2019
Buildings and other constructions		
Basic Equipment	5.00%-12,5%	5,00%-12,5%
Transport Equipment	25,00%	25,00%
Administrative Equipment	6,25% - 33,33%	6,25% -33,33%
Other Tangible Assets		

The net book value is considered null, whereby the depreciable value which falls on the depreciation coincides with the cost.

The depreciation methods, estimated useful life and net book value are reviewed at the end of each year and the effects of the alterations are treated as estimate alterations, i.e.: the effect of the alterations is treated in a prospective manner.

Depreciation expenses are recognized in the financial statements in the Expenses / Reversals of Depreciation and Amortization.

Current maintenance and repair costs are recognized as expenses during the period in which they occur.

Any earning or loss from the non- recognition of a tangible asset (calculated as the difference between the sale value less the sale costs and the accounting value) is included in the year end value in the year in which the asset is not recognized

Tangible Fixed Assets in Progress relate assets which are still under construction or development and are valued at the acquisition cost and are only depreciated when they are available for use.

#### Impairment

The Company evaluates if there is any indication that an asset may be impaired at the end of the year. If there is an indication, the Company estimates the recoverable sum of the asset (which is the higher of the fair value of the asset or a unit which generates cash less sale costs and its use value) and recognizes, in the year end results, the impairment whenever the quantity recoverable is lower than the accounting value.

In evaluating if there is an indication of impairment, the following situations are taken into consideration:

- During the period, the market value of an asset falls significantly more than what would be expected as a result of the passing of time or normal use;
- During the period, there were, or will be, in the near future, significant alterations with an adverse effect on the Company, related to the technological, market, economic or legal environment in which the Company operates or in the market in which the asset is placed;
- Market interest rates or other return on investment market rates increased during the periods and these increases will probably affect the discount rate used in calculating the use value of an asset and will materially reduce the recoverable value of the asset;
- The sum reported for Company net assets is greater than its market capitalization;
- There is evidence of obsolescence or physical damage to an asset;
- Significant alterations with an adverse effect on the entity will occur during the period, or are expected to occur in the near future, to the point at which, or in a manner in which the asset will be used or is expected to be used. These alterations include an asset which may become idle, plans to discontinue or restructure the operational unit to which the asset belongs, plans to transfer an asset before the previously forecast date;
- There is evidence in internal reports which indicates that the economic performance of an asset is, or will be, worse expected;

Regardless of there being indications of impairment, the assets which are not yet available for use are tested annually.

The reversals of impairment are recognized in the results and are only carried out up to the limit which would be the result if the asset had never been subject to the impairment.

**(b) Deferred Tax Assets and Liabilities and Tax on Income from the Period**

**(b.1) Deferred Tax Assets and Liabilities**

Deferred Tax Assets and Liabilities result from the identification of the temporary differences between the accounting base and the tax base of Company assets and liabilities.

Deferred Tax Assets reflect:

- The temporary differences which are deductible up to the point where the existence of future taxable income is probable pertaining to which the deductible difference can be used;
- Unused tax losses and unused tax credits up to the point where the existence of future taxable profits is available against those which can be used.

Deductible temporary differences are temporary differences from which the quantities are deductible in the determination of the taxable profit/tax loss of future periods when the declared value of the asset or liability is recovered or liquidated.

Deferred Tax Liabilities reflect temporary taxable differences.

Taxable temporary differences are temporary differences from which the taxable quantities result in the determination of the taxable profit/tax loss of future periods when the declared value of the asset or liability is recovered or liquidated.

Deferred taxes pertaining to the temporary differences associated with investment in branches and associated companies and interests in joint development are not recognized as it is considered that they simultaneously meet the following conditions:

- The Company is able to control the timing of the reversal of the temporary difference; and
- It is probable that the temporary difference will not revert in the foreseeable future.

The measurement of Assets and Liabilities from Deferred Taxes:

- Is carried out in accordance with the rates which are expected to be applied during the period in which the asset is paid-up or the liability settled, based on tax rates which are approved on the date of the balance sheet; and
- Reflects the tax consequences which are the way that the Company expected, on the date of the balance sheet, to recover or settle the sum declared for its assets and liabilities.

**(b.2) Tax on Income**

The Tax on Income for the Period includes current and deferred taxes from the year.

The Current Tax is determined based on the adjusted accounting result in accordance with the fiscal legislation in force to which each of the companies incorporated in the consolidation is subject.

The Company is taxed in terms of Tax on Income at a rate of 21%, plus the Surcharge, up to the maximum rate of 1.5% on Taxable Income, and the State Surcharge, which results in a maximum aggregated rate of 22.5%.

Under the terms of the legislation in force, the corresponding tax declarations are subject to revision by tax authorities during a period which varies between 4 and 5 years, which can be extended in specific cases, namely when there are tax losses, or inspections, complaints or appeals are in progress.

The Board of Directors, supported in the positions of its tax consultants and considering the recognized responsibilities, believes that from possible reviews to these tax declarations, no material corrections will be needed in terms of the consolidated financial statements.

**(c) Stocks**

The stocks include the raw materials which are valued at the lower of the acquisition cost or net realizable value, and the costing method is the average cost.

The stocks include the raw materials which are valued at the lower of the acquisition cost or net realizable value, and the costing method is the average cost.

Stock costs include:

- Purchasing costs (purchase price, import rights, non-recoverable taxes, transport costs, handling and other costs directly attributed to the purchase, less sales discounts, deductions and other similar items);
- Other costs incurred in placing the stock at its intended location and conditions;
- Variations in fair value, in cases in which stocks are associated with coverage related tools (§37 b) of NCRF 27).

Whenever the net realizable value is less than the acquisition or production cost, the reduction of the value of the stock is carried out, with the recognition of a loss due to impairment, which is reversed when the situation no longer exists.

For this purpose, the net realizable value is the estimated sale price in the ordinary course of business less the estimated finishing costs and the costs needed to make the sale. The estimates take into consideration the variations related to the events which took place after the end of the period to the extent that these events confirm existing conditions at the end of the period.

**(d) Financial Assets not included in the abovementioned paragraphs**

The Financial Assets are recognized when the Company is party to the respective contractual relationship.

The Financial Assets not included in the abovementioned paragraphs and which are not valued at a fair value are valued at cost or at the net depreciated cost of losses due to impairment, when applicable.

At the end of the year, the company evaluated the impairment of these assets. Whenever there is objective evidence of impairment, the company recognized a loss due to impairment in the financial statements.

The objective evidence that a financial asset or a group of assets could be in impairment took into account data which could be observed and which brought attention to the following events of loss:

- Significant financial difficulty of a debtor;
- Breach of contract, such as non-payment or non-compliance with payment of interest or the writing-off of debt;
- The Company, for economic or legal reasons related to the financial difficulty of the debtor, offers the debtor concessions that in any other circumstances would not be considered;
- it is probable that the debtor will become insolvent or undergo some other financial reorganization;
- Information observed indicating the existence of a reduction in the valuation of the estimates for the future cash flows of a group of financial assets from its initial recognition.

The financial assets with an individual significance were individually evaluated for the purpose of impairment. The rest were evaluated based on similar credit risk characteristics.

The impairment identified under the abovementioned terms does not differ from that identified with criteria and for tax purposes.

The following are some specifics related to each of the types of Financial Assets.

**(d.1) Clients**

Client Accounts Receivable are valued, during their initial recognition, in accordance with the criteria for valuing the Sale and Provision of Services described in paragraph k) and are subsequently valued at cost less impairment.

Impairment is determined based on the criteria defined in paragraph d).

**(d.2) Other Accounts Receivable**

The other accounts receivable are valued in the following manner:

- Personnel – at cost less impairment;
- Debtors for accrued income – at cost less impairment;
- Other debtors at cost less impairment.
- Advances to suppliers – at cost less impairment
- Shareholders

Impairment, in both cases, is determined based on the criteria defined in paragraph d).

**(d.3) Petty Cash and Banks**

The values included in the Petty Cash and Banks item correspond to the petty cash values and other deposits, due in less than three months, and which can be immediately moved with an insignificant risk in the alteration of the value.

These balances are valued at cost.

For the purpose of the cash flow statements, the item “Cash and cash equivalents” also corresponds to, in addition to Petty Cash and Banks, when applicable:

- Bank overdrafts included in the item for Financing Obtained in the Balance Sheet; and
- The Cash and cash equivalent balances included in the item Non-Current Assets Held for Sale.

**(e) State and Other Public Entities**

The asset and liability balances in this item are identified based on the legislation in force.

Pertaining to assets, no impairment was recognized as it was considered not to be applicable given the specific nature of the relationship.

**(f) Asset and Liability Deferrals**

This item reflects the transactions and other events pertaining to which their integral attribution is not suitable for the results in a single year.



**(g) Equity Items**

**(g.1) Subscribed Capital**

In complying with the provisions in article 272 of the Commercial Company Code (CSC), the company contract indicates the deadline for the payment of the issued capital not paid-up on the date of the deed. During the period, the respective shareholders are not entitled to the right to vote in General Meetings under the terms defined in article 384 also from the CSC

**(g.2) Legal Reserves**

In accordance with article 295 of the CSC, at least 5% of results must be used for the constitution or reinforcement of the legal reserve until it represents at least 20% of Equity.

The legal reserve is not distributable except in the case in which the Company is liquidated, and can only be used to absorb losses after all other reserves have been exhausted, or for incorporation into the Equity (article 296 of the CSC)

**(g.3) Retained Earnings**

This item does not include any earnings from increases in the Fair Value of Financial Tools, Financial Investments and Investment Properties which, in accordance with no. 2 of article 32 of the CSC would only be available for distribution when the elements or rights which created them were transferred, exercised, extinguished or liquidated.

**(h) Provisions**

This account reflects the present obligations (legal or constructive) of the entity stemming from past events, whose liquidation is expected to result in an outflow of resources from the entity which incorporate economic benefits and whose timing and quantity are uncertain, but whose value can be reasonably estimated.

Provisions are valued by the best estimate of the expenditure required to liquidate the present obligation on the date of the balance sheet. Whenever the time value effect of the money is material, the sum of a provision is the present value of the expenditures that are expected to be needed to liquidate the obligation using a discount rate before tax which reflects the current market evaluations of the time value of the money and specific risks of liabilities and which does not reflect risks pertaining to those to which the estimates of the future cash flows have been adjusted.

The following are some specifics related to some of the Provisions.

**(h.1) Provisions for Legal Processes**

This item includes the provision for a legal process in progress. It will be measured in accordance with its current value;

Whereby there are no provisions at this time of this nature

**(h.2) Other Provisions**

This item, among others, includes the following provisions:

- Provisions for commissions to be paid related to the provision of services provided by the Company;
- Provisions for supplier invoices;
- Others.

These provisions are registered at their present value.

**(i) Other Financial Liabilities not included in the previous paragraphs**

The Financial Liabilities are recognized when the Company is party to the respective contractual relationship.

The Financial Liabilities not included in the abovementioned paragraphs are valued at cost or at the depreciated cost under the terms given in the following paragraphs.

**(i.1) Suppliers**

Accounts payable to suppliers are initially recognized at the respective fair value and are, subsequently, valued at cost.

**(i.2) Advances from Clients**

Advances from Clients do not attract interest nor imply any interest and so are valued at cost.

**(i.3) Other Accounts Payable**

Other accounts payable do not attract interest nor imply any interest and so are valued at cost.

**(j) Effect of exchange rate alterations**

Transactions in foreign currency are converted into Euros at the rate on the transaction dates.

Debit balances at the end of the year are converted at the closing rate and the difference is recognized in the results.

**(k) Provision of Services**

The Provision of Services is valued by the fair value of the return received or to be received less the amounts related to trade discounts and volume rebates granted.

When the provision of a service includes subsequent services, the part of the revenue corresponding to these services is deferred and recognized as revenue during the period in which the service is rendered.

Even though the revenue is only received when it is probable that the economic benefits associated with the transaction flow to the Company, when there is an uncertainty pertaining to the chargeability of a sum already included in the revenue, the non-chargeable sum, or the sum in respect of which recovery is unlikely, is recognized as an impairment, and not an adjustment of the amount of the revenue originally recognized.

The following are some specifics related to the recognition of the Provision of Services.

The revenue from the Provision of Services is recognized when the completion of the transaction can be reliably estimated, which occurs when the following conditions are fulfilled:

- The quantity of the revenue can be reliably valued;
- The economic benefits associated with the transaction are likely to flow to the Company;
- The completion phase of the transaction on the date of the balance sheet can be reliably valued; and
- The costs incurred with the transaction and the costs to conclude the transaction can be reliably valued.

The completion percentage is determined on the basis of the proportion of the costs incurred to date against the total estimated costs of the provision of services (pertaining to services rendered or being rendered).

Part payments and client advances are not considered for determining the completion percentage.

**(l) Personnel Expenses**

Personnel expenses are recognized when the services are rendered by employees regardless of their payment date.

The following are some specifics related to each of the types of Personnel Expenses.

**(l.1) Holidays and Holiday Subsidy**

In accordance with the labour law in force, employees are entitled to holidays and holiday subsidy the year following the one worked. Therefore, in the results, an addition to the sum to be paid in the following year was recognized and is reflected in the item “Other Accounts Payable”.

**(l.2) Distribution of Profits among Employees**

Distribution of Profits among employees is recognized in Personnel Expenses in the period to which they relate to and not as a distribution of Profits. Therefore, in the results an addition to the sum to be paid in the following year was recognized and is reflected in the item “Other Accounts Payable”.

**(l.3) Termination of Employment Benefits**

The Company recognizes a liability and an expense in the Termination of employment Benefits when it has already committed to the following in a demonstrable manner:

- Termination of the position of an employee or group of employees before the normal retirement date; or
- Provides termination benefits as a result of an offer aimed at encouraging a voluntary termination.

The Company is considered to have made a commitment in a demonstrable manner when it has a detailed formal plan for the termination and there is no realistic probability of it being withdrawn and when the plan includes, as a minimum:

- The location, position and approximate number of employees whose services will be terminated;
- The termination benefit for each classification or employment position; and
- Time when the plan will be implemented.

The Employment Termination Benefits are immediately recognized as an expense and whenever they are due more than 12 months after the date of the balance sheet, they are valued at the discounted value.

In the case of offers made to encourage a voluntary termination, the valuation of the Employment Termination Benefits is based on the number of employees who are expected to accept the offer.

**(m) Interest and similar costs incurred**

Financing expenses are recognized in the financial statements of the period to which they relate and include the interest incurred, determined based on the effective interest rate method.

**(n) Contingent Assets and Liabilities**

A Contingent Asset is a possible asset stemming from past occurrences and whose existence will only be confirmed by the occurrence or not of one or more uncertain future occurrences which are not fully under the Company’s control.

Contingent Assets are not recognized in the financial statements so that they do not result in the recognition of income which may never occur. However, they are listed when the existence of a future inflow is probable.

A Contingent Liability is:

- A possible obligation stemming from past occurrences and whose existence will only be confirmed by the occurrence or not of one or more uncertain future occurrences which are not fully under the Company's control,

or:

- A current obligation stemming from past occurrences, but which is not recognized because:
  - < The use of resources is not likely to be required to liquidate the obligation, or
  - < The sum of the obligation cannot be reliably valued.

Contingent Liabilities are not recognized in the financial statements so that they do not result in the recognition of expenses which may never occur. However, they are listed when a probable future outflow which is not remote exists.

### **3.2 Value judgments made in the process of the application of accounting policies**

#### **(a) Useful lives of Tangible and Intangible Fixed Assets**

The useful life of an asset is the period during which an entity expects this asset to be available for their use and must be reviewed at least at the end of each economic year.

The amortization/depreciation method to be applied and the estimated losses from the substitution of equipment before the end of its useful life are essential in determining the effective useful life of an asset for reasons of technological obsolescence.

These parameters are defined in accordance with the best management estimate, for assets and businesses in question, also considering the practices adopted by companies in the sectors in which the Company operates.

#### **(b) Deferred Tax Assets**

Deferred Tax Assets are recognized for all the damages recoverable to the extent that it is probable that there will be taxable income against which losses can be offset.

Taking into consideration the context of a crisis and the impact that it may have on future results, the Board needs to make a judgment to determine the quantity of deferred tax assets which can be recognized, considering:

- The date and probable quantities of future taxable profits, and
- Future strategies for fiscal planning.

#### **(c) Recognition of the Provision of Services**

The Company uses the finishing percentage method in the recognition of its Provision of Services. The use of this method requires the Company to estimate the services carried out as a percentage of the total services to be rendered, which also need to be estimated.

#### **(d) Provisions for Taxes**

The Company, supported in the positions of its tax consultants and considering the recognized responsibilities, believes that, from possible reviews to these tax declarations, no material corrections to the consolidated financial statements which will require the constitution of any provision for taxes.

### **3.3 Key sources of uncertainty in estimates**

The estimates are based on the best existing knowledge at each time and the actions planned, and are constantly reviewed based on information available. Alterations in the facts and subsequent circumstances can lead to the revision of the estimates in the future, and so the real results may differ from present estimates.

#### **(a) Impairment of Non-Financial Assets**

Impairment occurs when the accounting value of an asset or a cash-generating unit exceeds its recoverable value, which is the higher of the fair cost less the sale costs and its use value.

The calculation of the fair cost less the sales cost is based on information which exists in contracts already confirmed in transactions with similar assets with entities between which there is no mutual relationship, or prices observed in the market less incremental costs to sell the asset.

The value in use is calculated on the basis of a discounted cash flow method which takes into account a budget for the next five years which does not include re-structuring activities related to those in which there is no commitment nor significant future investments aimed at improving future economic benefits which will result from the cash-generating unit which is being tested.

The recoverable quantity is particularly sensitive:

- Market share during the budgeting period
- Inflation in the price of raw materials
- Gross margin
- Growth rate used to extrapolate the cash flows beyond 5 years
- Discount rates used to give discounts from future cash flows.

#### **(b) Impairment of accounts receivable**

The credit risk of accounts receivable balances is evaluated on each report date, taking into consideration the historical information of the debtor and their risk profile as mentioned in paragraph 3.1.

Accounts receivable are adjusted by the evaluation made of the estimated risks of charges which exist on the date of the balance sheet, which may differ from the effective risk to be incurred in the future.

#### **(c) Provisions**

The recognition of Provisions is inherent in the determination of the probability of future flow outputs and their reliable valuing. These factors depend greatly on future occurrences and cannot always be controlled by the Company and so may lead to significant future adjustments, both due to variations in the presuppositions used and the future recognition of provisions previously listed as contingent liabilities.

### **4. Cash Flow**

The Petty Cash and Banks items in the Balance sheet are broken down in the following manner:

	<b>2020</b>	<b>2019</b>
Petty Cash	1,086.09	1.103,95
Demand Deposits	814,436.40	694,817.58
Other Bank Deposits	11,332,860.91	11,382,084.20
	<b>12,148,283.40</b>	<b>12,078,005.73</b>

The balance of Petty Cash and Cash Equivalents in the Cash Flow Statement are broken down in the following manner:

	2020	2019
Petty Cash	1,086.09	1.103,95
Demand Deposits	814,436.40	694,817.58
Other Bank Deposits	11,332,860.91	11,382,084.20
	<b>12,148,383.40</b>	<b>12,078,005.73</b>

## 5. Accounting policies, alterations in accounting estimates and errors

Accounting policies were not altered.

## 6. Related parties

The Group of which the Company is part is comprised of the following entities:

Name	Location	% of interest	% of vote	Nature of the Relationship	
				Services that L. I. renders / Transactions made	Services that L. I. receives / Transactions received
Navalset-Serviços Industriais e Navais, S.A.	Portugal	100,00%	100,00%	Administrative support services	Rent and Administrative Support
Lisnave-Estaleiros Navais, S.A.	Portugal			Consulting Services	Support Services
Navivessel, Estudos e Projectos Navais, S.A.	Portugal				Support Services
Gaslimpo-Desgasificação de Navios, S.A.	Portugal				Supply of Zinc and Aluminium Anodes
Dakarnave	Senegal			Materials and support services for Naval Repairs	
Repropel – Sociedade de Reparação de Hélices, Lda	Portugal				Naval Repair Support Services

The parent company is the company Navalset – Serviços Industriais e Navais, S.A., with head offices in Portugal.

The quantity of the transactions, outstanding balances and the expenses recognized during the period at companies from related parties are indicated in the following table:

Name	Year	Clients	Suppliers	Sales / Serv. Prov.	Purchases	ESFs
Navalset-Serviços Industriais e Navais, S.A.	2020		42.83			48,438.23
	2019		0.00			48,722.65
Lisnave Est. Navais	2020		0.00			2,917.20
	2019		3,082.38	15,651.30		2,506.00
Navivessel, Estudos e Projectos Navais, S.A.	2020			3,000.00		19,500.00
	2019			3,000.00		19,500.00
Gaslimpo-Desgasificação de Navios, S.A.	2020				16.915,50	
	2019				19.664,00	
Dakarnave	2020	69,530.02		2,071,177.52		0.00
	2019	608,502.02		3,055,100.43		8,050.53
Repropel	2020					0.00
	2019					8,370.00

**7. Investment Properties**

The company does not have Investment properties.

**8. Tangible fixed assets:**

The amount reported and accumulated depreciation and losses due to impairment at the beginning and end of the period are as follows:

2020								
	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Admin Equipment	Other fixed tangible assets	Fixed tangible assets in progress	Total
<b>Assets</b>								
Initial Balance	0.00	355.25	8,274.11	15,958.41	47,193.97	0.00	0.00	71,781.74
Acquisitions					7,146.00			7,146.00
Transfers								0.00
Transfers and write-offs				-214.41				-214.41
Others variations								0.00
<b>Final Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>15,744.00</b>	<b>54,339.97</b>	<b>0.00</b>	<b>0.00</b>	<b>78,713.33</b>
<b>Accum. Amort./Impar. Losses</b>								
<b>Initial Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>4,150.41</b>	<b>44,326.898</b>	<b>0.00</b>	<b>0.00</b>	<b>57,106.66</b>
Amortisations for the year				3,936.00	4,292.75			8,228.75
Losses in impairment for the year								0.00
Reversals losses of impairment								0.00
Transfers								0.00
Transfers and write-offs				-214.41				-214.41
Others variations								0.00
<b>Final Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>7,872.00</b>	<b>48,619.64</b>	<b>0.00</b>	<b>0.00</b>	<b>65,121.00</b>
Net assets	0.00	0.00	0.00	7,872.00	5,720.33	0.00	0.00	13,592.33
Assets in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Tangible Assets</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,872.00</b>	<b>5,720.33</b>	<b>0.00</b>	<b>0.00</b>	<b>13,592.33</b>

2019								
	Land and natural resources	Buildings and other constructions	Basic equipment	Transport equipment	Admin Equipment	Other fixed tangible assets	Fixed tangible assets in progress	Total
<b>Assets</b>								
Initial Balance	0.00	355.25	8,274.11	28,774.25	46,617.57	0.00	0.00	84,021.18
Acquisitions				15,744.00	576.40			16,320.40
Transfers				-28,559.84				-28,559.84
Transfers and write-offs								0.00
Others variations								0.00
<b>Final Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>15,958.41</b>	<b>47,193.97</b>	<b>0.00</b>	<b>0.00</b>	<b>71,781.74</b>
<b>Accum. Amort./Impar. Losses</b>								
<b>Initial Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>28,774.25</b>	<b>40,811.51</b>	<b>0.00</b>	<b>0.00</b>	<b>78,215.12</b>
Amortisations for the year				3,936.00	3,515.38			7,451.38
Losses in impairment for the year								0.00
Reversals losses of impairment								0.00
Transfers				-28,559.84				-28,559.84
Transfers and write-offs								0.00
Others variations								0.00
<b>Final Balance</b>	<b>0.00</b>	<b>355.25</b>	<b>8,274.11</b>	<b>4,150.41</b>	<b>44,326.89</b>	<b>0.00</b>	<b>0.00</b>	<b>57,106.66</b>
Net assets	0.00	0.00	0.00	11,808.00	2,867.08	0.00	0.00	14,675.08
Assets in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Tangible Assets</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11,808.00</b>	<b>2,867.08</b>	<b>0.00</b>	<b>0.00</b>	<b>14,675.08</b>



## 9. Financial Investments

### 9.1. Subsidiaries Investments

Financial investments are valued at acquisition cost, adjusted by the equity method.

Company	Participation of capital	2020	2019
Dakarnave	51%	6,651,605.19	6,529,361.19
	Acquisition value	1,399,061.12	1,399,061.12
	Acumulated Adjustmant	5,252,544.07	5,130,300.07

### 9.2 Other Financial Investments

This item includes only the amount paid for Worker's Compensation Funds in accordance with Law 70/2013 of August 30, regulated by Ordinance no. 294-A / 2013 of September 30, which established the legal framework of the Labor Compensation Fund (LCF), the Equivalent Mechanism (EM) and the Workers' Compensation Guarantee Fund (WCGF), which entered into force on 1 October 2013, and applicable to employment contracts concluded from that date. The values considered are shown in the following table:

	2020	2019
Other Financial Investments CGF/WGF	11,258.40	9,848.00

## 10. Impairment of assets

No impairments were registered in tangible fixed assets or investment properties.

## 11. Inventories

The values of materials bought were all sold, whereby there is no value for stock. The values of inventories recognized as a cost during the period are given in the following table:

Cost of goods sold and materials consumed	Goods
Stock at 1 January 2019	0.00
Purchases	1,107,283.39
Impairments	0.00
Regularization of stock	0.00
Stock at 31 December 2019	0.00
	<b>1,107,283.39</b>
Stock at 1 January 2020	0.00
Purchases	639,212.13
Impairments	0.00
Regularization of stock	0.00
Stock at 31 December 2020	0.00
	<b>639,212.13</b>

**12. Revenue**

Revenue is listed in the following manner:

	2020	2019
Sale of Goods		
Foreign Market		
Extra-Community market	1,232,067.45	1,771,002.33
	<b>1,232,064.45</b>	<b>1,771,002.33</b>
Service Provision		
Services		
Internal Market	0.00	15,651.30
Community Market	0.00	0.00
Extra Community market	839,110.07	1,284,098.10
	<b>839,110.07</b>	<b>1,299,749.40</b>
	<b>2,071,177.52</b>	<b>3,070,751.73</b>

**13. Provisions**

The company did not have any provisions on 31 December 2020.

**14. Effect of alterations on exchange rates:**

The value of the differences on exchange rates recognized in the results is that given in the following table:

	2020	2019
Favourable exchange rate differences included in:		
Other income	0.00	166.59
	<b>0.00</b>	<b>166.59</b>
Unfavourable exchange rate differences included in:		
Other costs	634.58	0.00
	<b>634.58</b>	<b>0.00</b>

**15. Tax on Income**

Costs (income) for current taxes are given in the following table:

	2020	2019
Current Tax		
IRC (Company Tax) for the year	31,781.20	109,375.76
	<b>31,781.20</b>	<b>109,375.76</b>

There is no adjustment recognized in the period, of current taxes referring to previous periods.

There were no other alterations in the tax rates, nor were new taxes introduced and so the cost (income) value for deferred taxes did not suffer any alterations from these situations.

The numerical reconciliation between the average effective tax rate and the applicable tax rate is given in the following table:

	Tax base		Tax rate	
	2020	2019	2020	2019
Income before taxes	225,087.93	773,049.56		
Non-taxable profits				
Over-estimates of taxes				
Accountings gains		755.30		
Effects of the equity method	127,835.31	341,995.80		
Increase in AIM shares	1,650.00	8,685.00		
	129,485.31	351,436.10		
Costs not deductible for tax purposes				
taxable capital gains		377.65		
Undocumented expenses	60.00	682.02		
Personnel Costs not accepted for tax purposes	39,746.07	31,104.20		
Fines and penalties , comp. and default interest		5.87		
Corrections related to previous years	2.83	118.91		
Not accepted donations		10,000.00		
	39,808.90	42,288.65		
Taxable profit	135,411.52	463,902.11		
Tax rate on income in Portugall	21,00%	21,00%		
Calculated Tax	28,436.42	97,419.44	12,634%	12,602%
Autonomous taxation	2,231.04	6,389.49	0,991%	0,826%
Surcharge	1,624.943	5,566.83	0,721%	0,720%
Tax Benefit (CFEII ii)	(511.20)		(0,227%)	
Tax on Income	<b>31,781.206</b>	<b>109,375.76</b>	<b>14,119%</b>	<b>14,148%</b>

**16. Financial instruments**

The information in this note covers the following items in the Balance Sheet:

**Assets**

	2020	2019
Current		
Clients		
Gross	69,530.02	378,423.74
Other accounts receivable	5,372.28	11,588.71

**Liabilities**

	2020	2019
Current		
Suppliers	166,566.75	74,823.93
Other accounts payable	69,122.90	112,555.27

**Equity**

	2020	2019
Share capital	2,750,000.00	2,750,000.00
	<b>2,750,000.00</b>	<b>2,750,000.00</b>

**16.1 Clients**

The age of the client balance is broken down in the manner indicated in the following table:

	Total	Unmatured Debt	Matured debt			
			< 30 Days	30-90 Days	90-120 Days	>120 Days
Year 2020	69,530.02	69,530.02				
Year 2019	608,502.02	608,502.02				

**16.2 Other accounts receivable**

The other accounts receivable are listed as follows:

	2020	2019
Other current accounts receivable		
Advances to Suppliers		
National	1,003.13	7,546.29
Debtors for accrued income		
Interest Term Deposits	3,498.50	2,171.77
Other debtors and creditors		
Personnel		1,000.00
Others	870.65	870.65
	<b>5,372.28</b>	<b>11,588.71</b>

**16.3 Suppliers**

The balance of suppliers is broken down in the following manner:

	2020	2019
Current account suppliers		
Nacional	24,605.78	44,454.05
Foreign	141,918.14	27,287.50
Mother Company	42.83	0.00
Subsidiary Companies	0.00	3,082.38
	<b>166,566.75</b>	<b>74,823.93</b>

**16.4 Other accounts payable**

The other accounts payable are listed as follows:

	2020	2019
Other accounts payable – current		
Investment Suppliers	3,143.88	0.00
Creditors for accrued expenses		
Remunerations to be liquidated - holidays and holiday subsidy	53,739.12	102,794.62
Communications	416.68	655.32
Electricity and Water	2,152.92	2,425.20
Others	5,423.20	5,012.00
Goods		
Insurance	3,780.00	1,275.34
Miscellaneous	467.10	392.79
	<b>69,122.90</b>	<b>112,555.27</b>

**16.5 Share capital**

The values of nominal share capital and share capital to be paid up and respective deadlines are given in the following table:

	2020	2019
Nominal share capital issued	2,750,000.00	2,750,000.00
Nominal share capital issued and paid up		
Navalset-Serviços Industriais e Navais, ,S.A.	2,750,000.00	2,750,000.00

The Share Capital is represented by 550,000 Registered Shares with a nominal value of 5 Euros each.

**17. Personnel Expenses**

The details of Personnel Expenses are given in the following table:

	2020	2019
Remuneration of Social Bodies	29,442.00	29,442.00
Personnel Remuneration	698,277.03	793,201.66
Charges on Remuneration	148,234.71	161,390.00
Insurance for work accidents and professional illnesses	14,471.63	15,611.54
Other Personnel expenses	45,135.70	34,961.85
	<b>933,561.07</b>	<b>1,034,607.05</b>

**18. Other information**
**18.1 State and Other Public Entities**

This item is broken down in the manner indicated in the following table:

	2020	2019
Balance Receivable		
Tax on Income	89,630.34	210,664.00
VAT to be recovered	18,237.02	31,127.90
	<b>107,867.36</b>	<b>241,791.90</b>
Balance Payable		
Tax on Income	31,781.20	109,375.76
Withholding Tax on Income	18,114.42	16,609.63
Social Security Contributions	19,847.42	18,634.43
Others taxes – W. Comp. Fund	317.05	272.54
	<b>70,060.09</b>	<b>144,892.36</b>

**18.2 Deferrals**

Expenses to be recognized are described below:

	2020	2019
Expenses to be recognized		
Goods to debit	153,087.79	5,418.00
Insurance	26,084.33	26,546.53
Other Expenses	446.68	297.02
	<b>179,618.80</b>	<b>32,261.55</b>

**18.3 Reserves, Profit, Adjustments and Others Changes In Equity**

This item is broken down in the manner indicated in the following table:

	Adjustments and others changes in equity	Legal Reserves	Retained earnings	Net profit for the year	TOTAL
Balance on 1 January 2019	925,008.69	572,752.20	14,072,729.61	1,727,971.58.	17,298,462.08
Constitution of Legal Reserve					
Dividends				(1,500,000.00)	(1,500,000.00)
Remainder of the application of Results			227,971.58	(227,971.58)	
Profit (Loss) for the year				663,673.80	663,673.80
Others	(18,373.26)				(18,373.26)
<b>Balance on 31 December 2019</b>	<b>906,635.43</b>	<b>572,752.20</b>	<b>14,300,701.19</b>	<b>663,673.80</b>	<b>16,443.463.62</b>
Balance on 1 January 2020	906,635.43	572,752.20	14,300,701.19	663,673.80	16,443,762.62
Constitution of Legal Reserve					
Dividends				(500,000.00)	(500,000.00)
Remainder of the application of Results			163,673.80	(163,673.80)	
Profit (Loss) for the year				193,306.73	193,306.73
Others	(18,373.26)				(5,591.31)
<b>Balance on 31 December 2020</b>	<b>901,044.12</b>	<b>572,752.20</b>	<b>14,464,374.99</b>	<b>193,306.73</b>	<b>16,131,478.04</b>

In view of the Profit of the year, in the amount of 663,673.80 euros, the Board of Directors proposes in its Report the following distribution:

- Retained earnings 193,306.73€



**18.4 Supplies and External Services**

This item is broken down in the manner indicated in the following table:

	2020	2019
Subcontracts	1,320.00	5,240.78
Specialized work	49,232.92	78,128.85
Publicity and advertising	1,169.85	1,580.60
Surveillance and safety	241.08	426.28
Fees	30,926.50	67,219.50
Conservation and repair	17,043.22	3,282.09
Tools and Utensils	1.46	0.00
Technical books and documentation	0.00	271.70
Office Material	1,475.34	830.58
Gifts	80.95	139.85
Electricity	2,413.38	3,040.45
Fuel	2,816.85	4,367.40
Water	378.53	570.35
Travel and accommodation	4,725.38	27,149.48
Rent and leases	57,527.79	57,866.30
Communication	10,564.82	12,891.64
Insurance	146,631.59	150,342.83
Transport of Goods	59,327.63	48,579.64
Litigation and notaries	235.00	401.10
Representation expenses	534.10	2,197.52
Cleaning, hygiene and comfort	6,037.50	6,065.12
Others	3,277.46	15,366.99
	<b>395,961.35</b>	<b>485,958.99</b>

**18.5 Other income and Gains**

This item is broken down in the manner indicated in the following table:

	2020	2019
Supplementary Income		
Others	3,000.00	3,000.00
Cash payment discounts obtained	101.51	668.96
Interest Rates Obtained from Bank Deposits	4,146.74	8,710.13
Others		
Favourable differences in exchange rates	0.00	166.59
Corrections related to previous periods	18.45	4,102.56
Disposal Tangible assets	0.00	755.30
Others not specified	1.47	6,746.48
	<b>7,268.17</b>	<b>24,150.02</b>

**18.6 Other Expenses**

This item is broken down in the manner indicated in the following table:

	2020	2019
Taxes	224.94	370.38
Others		
Corrections related to previous periods	2.83	118.91
Unfavourable differences in exchange rates	634.58	35.20
Levies	3,300.00	17,370.00
Donations		10,000.00
Others	65.30	687.89
	<b>4,227.65</b>	<b>28,582.38</b>

**18.7 Expenses / Reversals of Depreciation and Amortization**

This item is broken down in the manner indicated in the following table:

	2020	2019
Depreciation and amortization expenses		
Tangible Fixed Assets	8,228.75	7,451.38
	<b>8,228.75</b>	<b>7,451.38</b>

**18.8 Income and Losses Charged from Sub's and Affiliates**

This item is broken down in the manner indicated in the following table:

	2020	2019
Income and Profit at sub's and affiliates		
Equity Method		
DAKARNAVE	127,835.31	341,995.80
	<b>127,835.31</b>	<b>341,995.80</b>

**19. Occurrences after the date of the balance sheet**

The date on which the financial statements have been authorized for release was 25 February 2021.

These financial statements were authorized for release by the Board of Directors.

There were no occurrences between the date of the balance sheet and the authorization date for release which were not registered or published in these financial statements.

**20. Other information required by law**

Under the terms and for the purpose of what is established in article 447 of the Commercial Company Code, we hereby advise that the Members of the Board, José António Leite Mendes Rodrigues and Nelson Nunes Rodrigues are indirect bearers of 50% shares each, by means of no. 2 of said article and by means of Navalset—Serviços Industriais e Navais, S.A.

In relation to the Company's Inspection Body, we hereby advise that it does not meet any of the situations given in the body of this Article.

Under the terms and for the purpose of what is established in no. 4 of article 448 the Commercial Company Code, we hereby advise that, on the date on which the Year was closed, and according to Company records, the following Shareholder owns 100.00% of Lisnave Internacional Capital:

- Navalset -Serviços Industriais e navais, S.A.  
Owner of 550,000 Shares.

Under the terms and for the purpose of what is established in no. 1 of article 66 A of the Commercial Company Code, we hereby advise that no transactions were excluded from the balance sheet.

Under the terms and for the purpose of what is established in no. 2 of article 66 A of the Commercial Company Code, we hereby advise of the detail of the fees invoiced during the financial years, by the Chartered Accountant::

	<u>2020</u>	<u>2019</u>
Fees	8,700.00	8,700.00

The positions held by the administrators of Lisnave Internacional, in other companies are the following:

	Companies	Position held
Nelson Nunes Rodrigues	Navivessel, S.A.	Chairman of Board of Directors
	Lisnave Infraestruturas Navais, S.A.	Director
	Navalset, S.A.	Director
	Lisnave-Estaleiros Navais, S.A.	Director
	Repropel, Lda.	Manager
	LisnaveYards-Naval Services, Lda.	Manager
	Dakarnave, S.A.	Chairman of Board of Directors
José António Leite Mendes Rodrigues	Navivessel, S.A.	Director
	Lisnave Infraestruturas Navais, S.A.	Chairman Board of Directors
	Navalset, S.A.	Chairman Board of Directors
	Lisnave-Estaleiros Navais, S.A.	Chairman Board of Directors
	LisnaveYards-Naval Services, Lda	Director
João Rui Carvalho dos Santos	Navivessel, S.A.	Director
	Lisnave-Estaleiros Navais, S.A.	Director
	Gaslimpo, S.A.	Director
	NavalRocha, S.A	Director
	A.I. Navais	President
	Fename - Fed. Nacional do Metal	President of. A. C.
	Dakarnave, S.A.	Director
	LisnaveYards-Naval Services, Lda	Manager
	Rebocalis, Lda.	Manager
	Tecor-Tecnologia AntiCorrusão, S.A.	Director
	Aiset – Assoc. Ind. Península Setúbal	President of. A. C.
	CPS – Comunidade Portuária Setúbal	President of. A. C.
Manuel Serpa Leitão	Navivessel, S.A.	President of Shareholders G.M.
	Lisnave Infraestruturas Navais, S.A.	Manag. Director
	Lisnave Estaleiros Navais, S.A.	President of A.C.
	Rebocalis, Lda.	Chairman Board of Directors
	Tecor-Tecnologia AntiCorrusão, S.A.	President of Shareholders G.M.
	Gaslimpo, S.A.	Chairman of Board of Directors

## **6. STATUTORY AUDITOR'S REPORT AND OPINION**



**RSM & Associados – Srocs, Lda**

Av. do Brasil, 15-1º 1749-112 Lisboa (Sede)

**T:** +351 21 3553 550 **F:** +351 21 3561 952 **E:** geral.lisboa@rsmpt.pt

Rua da Saudade, 132-3º 4150-682 Porto

**T:** +351 22 2074 350 **F:** +351 22 2081 477 **E:** geral.porto@rsmpt.pt

www.rsmpt.pt

## RELATÓRIO E PARECER DO FISCAL ÚNICO

### Exercício de 2020

Senhores Acionistas,

1. Em conformidade com as disposições legais e com contrato da Sociedade o Fiscal Único da **LISNAVE INTERNACIONAL – Engenharia, Gestão e Desenvolvimento, S.A.**, no exercício das suas competências, após ter procedido à análise do Balanço, da Demonstração dos Resultados e dos demais elementos de prestação de contas, preparados pelo Conselho de Administração, que acompanhavam o Relatório de Gestão relativo ao exercício de 2020, vem apresentar o seu Relatório sobre a Ação fiscalizadora desenvolvida e dar parecer sobre esses mesmos documentos de prestação de contas.
2. Com a periodicidade que julgou conveniente manteve o acompanhamento da atividade da **LISNAVE INTERNACIONAL, S.A.**, através dos contactos que manteve com a Administração e com os Serviços. Procedeu às verificações e análises da informação contabilística, com a consulta dos seus documentos de suporte e dos correspondentes registos. Verificou, em particular, as operações contabilísticas referentes ao apuramento dos resultados do exercício.
3. É sua convicção que os procedimentos técnicos seguidos que conduziram à elaboração das demonstrações financeiras apresentadas, e tendo em conta, em particular, as explicitações que se incluem no Anexo às Demonstrações Financeiras, complementadas com o exposto no Relatório de Gestão elaborado pelo Conselho de Administração, refletem os valores evidenciados nos documentos que lhes servem de suporte, e, no seu conjunto, expressam, em termos financeiros e económicos, uma correta avaliação do património e dos resultados.
4. Em documento separado, na qualidade de Revisor Oficial de Contas, procedeu à elaboração da Certificação Legal das Contas, parecer que deve ser tomado como parte integrante deste Relatório.
5. No seu relatório de gestão o Conselho de Administração refere a forma como se processou a atividade da **LISNAVE INTERNACIONAL – Engenharia, Gestão e Desenvolvimento, S.A.** no decorrer do exercício, e dos principais fatores que estiveram na origem dos resultados alcançados.

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING



6. O Fiscal Único, face ao exposto, tendo presente a evolução esperada da atividade para o ano de 2021, é de

**PARECER**

- a) que sejam aprovados o relatório de gestão e as contas do exercício de 2020, apresentadas pelo Conselho de Administração;
- b) que se delibere sobre a proposta de aplicação de resultados, contida no relatório de gestão apresentado pelo Conselho de Administração;
- c) que se proceda à apreciação geral da administração e fiscalização da sociedade e dela tire as conclusões referidas no artigo 455.º do Código das Sociedades Comerciais;

Lisboa, 10 de março de 2021

**O FISCAL ÚNICO**



---

**RSM & ASSOCIADOS – SROC, LDA**  
representada por Joaquim Patrício da Silva (Roc n.º 320)



## **7. LEGAL CERTIFICATION OF ACCOUNTS**



**RSM & Associados – Sroc, Lda**

Av. do Brasil, 15-1º 1749-112 Lisboa (Sede)

**T:** +351 21 3553 550 **F:** +351 21 3561 952 **E:** geral.lisboa@rsmpt.pt

Rua da Saudade, 132-3º 4150-682 Porto

**T:** +351 22 2074 350 **F:** +351 22 2081 477 **E:** geral.porto@rsmpt.pt

www.rsmpt.pt

## **CERTIFICAÇÃO LEGAL DAS CONTAS**

### **RELATO SOBRE A AUDITORIA DAS DEMONSTRAÇÕES FINANCEIRAS**

#### **Opinião**

Auditámos as demonstrações financeiras anexas da **LISNAVE INTERNACIONAL – Engenharia, Gestão e Desenvolvimento, S.A.** (a Entidade), que compreendem o balanço em 31 de Dezembro de 2020 (que evidencia um total de 19.187.228 euros e um total de capital próprio de 18.881.478 euros, incluindo um resultado líquido de 193.307 euros), a demonstração dos resultados por naturezas, a demonstração das alterações no capital próprio e a demonstração dos fluxos de caixa relativas ao ano findo naquela data, e o anexo às demonstrações financeiras que incluem um resumo das políticas contabilísticas significativas.

Em nossa opinião, as demonstrações financeiras anexas apresentam de forma verdadeira e apropriada, em todos os aspetos materiais, a posição financeira da **LISNAVE INTERNACIONAL – Engenharia, Gestão e Desenvolvimento, S.A.** em 31 de dezembro de 2020 e o seu desempenho financeiro e fluxos de caixa relativos ao ano findo naquela data de acordo com as Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística.

#### **Bases para a opinião**

A nossa auditoria foi efetuada de acordo com as Normas Internacionais de Auditoria (ISA) e demais normas e orientações técnicas e éticas da Ordem dos Revisores Oficiais de Contas. As nossas responsabilidades nos termos dessas normas estão descritas na secção “Responsabilidades do auditor pela auditoria das demonstrações financeiras” abaixo. Somos independentes da Entidade nos termos da lei e cumprimos os demais requisitos éticos nos termos do código de ética da Ordem dos Revisores Oficiais de Contas.

Estamos convictos de que a prova de auditoria que obtivemos é suficiente e apropriada para proporcionar uma base para a nossa opinião.

#### **Ênfase**

No decorrer do exercício de 2020 foi declarada pela Organização Mundial de Saúde (OMS) uma pandemia global denominada por COVID-19.

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

RSM & Associados – Sroc, Lda é uma firma independente, membro da RSM International. RSM International é a denominação de uma rede internacional de entidades jurídicas independentes que prestam serviços profissionais de contabilidade e consultoria. RSM International não corresponde, em qualquer jurisdição, a uma entidade legalmente reconhecida.

Inscrição na lista dos Revisores Oficiais de Contas sob o n.º 21

NIP 501 612 1811 Capital Social 144 000€

Inscrição na lista de Auditores da CMM sob o n.º 20161380



Conforme descrito no Relatório e contas de 2020 da Entidade a Administração, considerando que o atual estado da pandemia da COVID-19 seja controlado durante o primeiro quadrimestre de 2021, o que fará começar a aumentar progressivamente a livre circulação de pessoas e bens, com o consequente efeito positivo na economia, no transporte marítimo mundial e daí, na actividade de reparação naval, espera-se que a Lisnave Internacional e a sua participada possam atingir um nível de negócios que não seja inferior ao verificado no ano de 2020.

A nossa opinião não é modificada em relação a esta matéria.

### **Responsabilidades do órgão de gestão pelas demonstrações financeiras**

O órgão de gestão é responsável pela:

- preparação de demonstrações financeiras que apresentem de forma verdadeira e apropriada a posição financeira, o desempenho financeiro e os fluxos de caixa da Entidade de acordo com Normas Contabilísticas e de Relato Financeiro adotadas em Portugal através do Sistema de Normalização Contabilística;
- elaboração do relatório de gestão nos termos legais e regulamentares aplicáveis;
- criação e manutenção de um sistema de controlo interno apropriado para permitir a preparação de demonstrações financeiras isentas de distorção material devido a fraude ou erro;
- adoção de políticas e critérios contabilísticos adequados nas circunstâncias; e
- avaliação da capacidade da Entidade de se manter em continuidade, divulgando, quando aplicável, as matérias que possam suscitar dúvidas significativas sobre a continuidade das atividades.

### **Responsabilidades do auditor pela auditoria das demonstrações financeiras**

A nossa responsabilidade consiste em obter segurança razoável sobre se as demonstrações financeiras como um todo estão isentas de distorções materiais devido a fraude ou erro, e emitir um relatório onde conste a nossa opinião. Segurança razoável é um nível elevado de segurança mas não é uma garantia de que uma auditoria executada de acordo com as ISA detetará sempre uma distorção material quando exista. As distorções podem ter origem em fraude ou erro e são consideradas materiais se, isoladas ou conjuntamente, se possa razoavelmente esperar que influenciem decisões económicas dos utilizadores tomadas com base nessas demonstrações financeiras.

Como parte de uma auditoria de acordo com as ISA, fazemos julgamentos profissionais e mantemos ceticismo profissional durante a auditoria e também:

- identificamos e avaliamos os riscos de distorção material das demonstrações financeiras, devido a fraude ou a erro, concebemos e executamos procedimentos de auditoria que respondam a esses riscos, e obtemos prova de auditoria que seja suficiente e apropriada para proporcionar uma base para a nossa opinião. O risco de não detetar uma distorção material devido a fraude é maior do que o risco de não detetar uma distorção material devido a erro, dado que a fraude pode envolver conluio, falsificação, omissões intencionais, falsas declarações ou sobreposição ao controlo interno;



- obtemos uma compreensão do controlo interno relevante para a auditoria com o objetivo de conceber procedimentos de auditoria que sejam apropriados nas circunstâncias, mas não para expressar uma opinião sobre a eficácia do controlo interno da Entidade;
- avaliamos a adequação das políticas contabilísticas usadas e a razoabilidade das estimativas contabilísticas e respetivas divulgações feitas pelo órgão de gestão;
- concluímos sobre a apropriação do uso, pelo órgão de gestão, do pressuposto da continuidade e, com base na prova de auditoria obtida, se existe qualquer incerteza material relacionada com acontecimentos ou condições que possam suscitar dúvidas significativas sobre a capacidade da Entidade para dar continuidade às suas atividades. Se concluirmos que existe uma incerteza material, devemos chamar a atenção no nosso relatório para as divulgações relacionadas incluídas nas demonstrações financeiras ou, caso essas divulgações não sejam adequadas, modificar a nossa opinião. As nossas conclusões são baseadas na prova de auditoria obtida até à data do nosso relatório. Porém, acontecimentos ou condições futuras podem levar a que a Entidade descontinue as suas atividades;
- avaliamos a apresentação, estrutura e conteúdo global das demonstrações financeiras, incluindo as divulgações, e se essas demonstrações financeiras representam as transações e acontecimentos subjacentes de forma a atingir uma apresentação apropriada;
- comunicamos com os encarregados da governação, entre outros assuntos, o âmbito e o calendário planeado da auditoria, e as conclusões significativas da auditoria incluindo qualquer deficiência significativa de controlo interno identificado durante a auditoria.

A nossa responsabilidade inclui ainda a verificação da concordância da informação constante do relatório de gestão com as demonstrações financeiras.

## **RELATO SOBRE OUTROS REQUISITOS LEGAIS E REGULAMENTARES**

### **Sobre o relatório de gestão**

Dando cumprimento ao artigo 451.º, n.º 3, al. e) do Código das Sociedades Comerciais, somos de parecer que o relatório de gestão foi preparado de acordo com os requisitos legais e regulamentares aplicáveis em vigor, a informação nele constante é concordante com as demonstrações financeiras auditadas e, tendo em conta o conhecimento e apreciação sobre a Entidade, não identificámos incorreções materiais.

Lisboa, 10 de março de 2021



**RSM & ASSOCIADOS – SROC, LDA**

representada por Joaquim Patrício da Silva (ROC n.º 320)

