

UTE GNA I Geração de Energia S.A.

**Interim financial statements
on June 30th, 2020**

Contents

Balance sheets	3
Statements of operations	5
Statements of comprehensive income (loss)	6
Statement of changes in shareholders' equity	7
Statements of cash flows	8
Notes of the interim financial information	9

UTE GNA I Geração de Energia S.A.

Balance sheets on June 30th, 2020 and December 31st, 2019

(In thousands of Reais)

	Note	06/30/2020 (not reviewed)	12/31/2019
Current			
Assets			
Cash and cash equivalents	4	452,272	367,339
Accounts receivable	6	37,064	24,589
Other advances		385	307
Prepaid expenses	7	11,797	26,364
Recoverable taxes	8	3,767	2,839
Recoverable income tax and social contribution	8	812	-
Derivative financial instruments	22	63,714	2,684
Total current assets		569,811	424,122
Non-current			
Prepaid expenses	7	64	1,523
Recoverable taxes	8	1,364	322
Deferred taxes	9	24,277	19,512
Derivative financial instruments	22	-	667
Escrow account	5	10,852	11,446
Property plant, and equipment	10	3,726,825	3,170,284
Intangible assets	11	31,245	30,933
Right of use assets	12	1,432,157	104,858
Total non-current assets		5,226,784	3,339,545
Total assets		5,796,595	3,763,667

The notes are an integral part of these interim financial information.

UTE GNA I Geração de Energia S.A.

Balance sheets on June 30th, 2020 and December 31st, 2019

(In thousands of Reais)

	Note	06/30/2020 (not reviewed)	12/31/2019
Current			
Liabilities			
Suppliers	13	88,643	72,514
Salaries and charges payable	14	10,728	12,371
Accounts payable	6	110,615	88,090
Taxes and contributions payable	15	826	2,510
Income tax and social contribution payable	15	11	281
Derivative financial instruments	22	664	3,941
Trade accounts payable	16	-	5,700
Borrowings	17	41,082	62,416
Lease liabilities	12	73,300	1,226
Other accounts payable		80	80
Total current liabilities		325,949	249,129
Non-current			
Accounts payable	6	938	-
Derivative financial instruments	22	-	2,653
Trade accounts payable	16	16,387	16,477
Borrowings	17	2,052,417	1,576,332
Provision for contingencies	18	650	270
Lease liabilities	12	1,545,814	118,918
Total non-current liabilities		3,616,206	1,714,650
Shareholders' equity			
Share capital	19	925,802	925,802
Capital reserves		925,802	925,802
Adjustment of equity valuation		63,050	(3,243)
Accumulated losses		(60,214)	(48,473)
Total shareholders' equity		1,854,440	1,799,888
Total liabilities and shareholders' equity		5,796,595	3,763,667

The notes are an integral part of these interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of operations

Six-month period ending on June 30th, 2020 and 2019

(In thousands of Reais)

	Note	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
Operating income (expenses)					
General and administrative expenses	20	(17,588)	(35,697)	(7,898)	(18,383)
Impairment and other losses	4	(11)	2	(29)	(1)
Net income before financial result (expenses)		(17,599)	(35,695)	(7,927)	(18,384)
Net financial result	21				
Financial income		558	10,524	(821)	8,221
Financial expenses		(490)	(6,620)	(185)	(5,052)
Loss before taxes		(17,531)	(31,791)	(8,933)	(15,215)
Current income tax and social contribution	9	1,026	-	995	-
Deferred income tax and social contribution	9	4,764	7,893	1,766	3,500
Loss of the period		(11,741)	(23,898)	(6,172)	(11,715)

The notes are an integral part of these interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of comprehensive income (loss)

Six-month period ending on June 30th, 2020 and 2019

(In thousands of Reais)

	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
Loss of the period	(11,741)	(23,898)	(6,172)	(11,715)
Items that can subsequently be reclassified to the result				
Gains and losses from hedge operations	66,292	(575)	(6,170)	(9,989)
Total comprehensive loss of the period	54,551	(24,473)	(12,342)	(21,704)

The notes are an integral part of these interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of changes in shareholders' equity

Six-month period ending on June 30th, 2020 and 2019

(In thousands of Reais)

	<u>Capital Reserve</u>				
	Share capital	Goodwill on the issuance of shares	Adjustment of equity valuation	Accumulated losses	Shareholders' equity
Balance on January 1st, 2019	445,698	445,612	-	(13,674)	877,636
Loss of the period	-	-	-	(23,898)	(23,898)
Capital increase - Infra	321,669	-	-	-	321,669
Capital increase - Siemens	158,435	-	-	-	158,435
Capital reserve increase - Infra	-	321,727	-	-	321,727
Capital reserve increase - Siemens	-	158,463	-	-	158,463
Losses from hedge operations	-	-	(575)	-	(575)
Balance on June 30th, 2019 (not reviewed)	925,802	925,802	(575)	(37,572)	1,813,457
Loss of the period	-	-	-	(10,901)	(10,901)
Losses from hedge operations	-	-	(2,668)	-	(2,668)
Balance on December 31st, 2019	925,802	925,802	(3,243)	(48,473)	1.799.888
Loss of the period	-	-	-	(11,741)	(11,741)
Gain from hedge operations	-	-	66,293	-	66,293
Balance on June 30th, 2020 (not reviewed)	925,802	925,802	63,050	(60,214)	1,854,440

The notes are an integral part of these interim financial information.

UTE GNA I Geração de Energia S.A.

Statements of cash flows

Six-month period ending on June 30th, 2020 and 2019

(In thousands of Reais)

	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)
Cash flow from operating activities		
Loss before taxes	(17,531)	(31,791)
Adjustments of items without cash effect:		
Depreciation and amortization	680	2,870
Exchange variation	208	(482)
Provisions for contingencies	380	386
Adjusted net losses	(16,263)	(29,017)
(Increase) decrease in assets and increase (decrease) of liabilities:		
Recoverable taxes	(2,782)	(818)
Prepaid expenses	16,026	(119,535)
Other advances	(78)	(98)
Other receivables	-	2
Escrow account	306	(10,273)
Legal deposits	-	(116)
Accounts receivable	(12,475)	(297)
Suppliers	16,129	169,601
Accounts payable	23,463	(16,301)
Taxes and contributions payable	(928)	4,015
Trade accounts payable	(5,710)	(8,127)
Salaries and charges payable	(1,643)	2,409
Net cash from (used in) operational activities	16,045	(8,555)
Cash flows from investment activities		
Acquisition of PPE	(280,592)	(983,078)
Acquisition of intangible assets	(411)	(106)
Expenses with right of use	(388)	-
Net cash used in investment activities	(281,391)	(983,184)
Cash flow from financing activities		
Capital increase - Infra	-	321,669
Capital increase - Siemens	-	158,435
Capital reserve - Infra	-	321,727
Capital reserve - Siemens	-	158,463
New loans	377,754	-
Payment of loan interests	(27,475)	-
Net cash provided by financing activities	350,279	960,294
Increase (decrease) in cash and cash equivalent	84,933	(31,445)
At the beginning of the period	367,339	53,427
At the end of the period	452,272	21,982
Increase (decrease) in cash and cash equivalent	84,933	(31,445)

The notes are an integral part of these interim financial information.

Notes of the interim financial information

(In thousands of Reais, unless stated otherwise)

1 Operations

UTE GNA I Geração de Energia S.A. (“GNA 1” or “Company”) was incorporated on September 17th, 2015 and on October 20th, 2017 the company was changed from a limited company to a privately held corporation. Its core activities are studying, planning, protecting, constructing, operating, maintaining and exploring of electricity generation systems awarded to it by concession or authorization of any nature; trading electricity; activities associated with the electricity service, including the management of energy transmission and generation systems; construction, maintenance, operation and exploration of liquefied natural gas (LNG) terminals and natural gas pipelines; transportation of gases and liquids through pipelines and transfer lines acquiring interests in other companies, and representing Brazilian and foreign companies. Its direct parent company is Gás Natural Açú Infraestrutura S.A. (“GNA Infra”), and indirect parent company is Gás Natural S.A. (“GNA HoldCo”), a subsidiary of Prumo Logística S.A (Prumo).

The project of UTE GNA I Geração de Energia S.A. (“UTE GNA I”) entails the construction of a combined-cycle gas-fired thermoelectric power station with an output of approximately 1,300 MW which will handle the contractual obligations of UTE Novo Tempo under its energy trading contracts, an LNG regasification terminal (“Regasification Terminal”), with the capacity to import natural gas for the UTE GNA I project and future power plants and other potential projects in the industrial complex of Porto do Açú, in addition to comprising the development of the “Açú Gas Hub”, strategically located in the north-east of Rio de Janeiro state, which offers efficient logistical solutions for the sale and consumption of natural gas and related products.

Work on the thermoelectric plant is underway, as well as the construction of the LNG Regasification Terminal and the cabling work for the 345 kV Transmission Line, which will drain the energy produced by UTE GNA I.

As of June 30th, 2020, the works at GNA I had 95.6% of the project completed, with some delay in the schedule initially agreed due to the reduction in activities due to the outbreak of COVID19. The company is resuming work with the contracted companies and in coordination with the local authorities.

Practically all thermoelectric equipment is already in Porto do Açú. As of the date of issuance of this report, FSRU’s clearance process was completed, and it is docked at the LNG Regasification Terminal.

In August 2019, disbursements in the amount of R\$ 1,224,804 from BNDES and R\$ 804,059 from IFC were released, as requested by the Company, according to note 17 on loans, financing, and debentures. In April 2020, the second disbursement in the amount of R\$ 206,478 from BNDES and R\$ 171,276 from IFC was performed, as requested by the Company.

a. COVID-19

On March 11th, 2020, the World Health Organization declared that the corona virus outbreak is characterized as a pandemic. The consequences of the pandemic have increased the degree of uncertainty for economic agents and may have an impact on the amounts recognized in the financial statements.

A decrease in the number of coronavirus cases in Brazil is expected soon, with loosening of the distance measures. At the federal level, Decrees 10,282/20, 10,292/20 and 10,329/20 treated the activities of electric power generation (including the respective engineering works), oil and gas and cargo logistics as essential activities that must continue operating during a state of exception.

All companies in the GNA Group have implemented special operating regimes to minimize the chances of total stops of their activities, in addition to other measures to minimize the contagion of their employees.

A Crisis Management Committee was implemented involving all the companies of the GNA Group to identify risks to operations and business continuity, assess different scenarios and outline action plans to mitigate the risks raised. In this committee, 5 working groups were created to focus on specific topics:

- Safety, Environment, and Emergency Response.
- People, Health, and Internal Communication.
- Market and Customers.
- Finance, Controllership, and Treasury; and
- Operations and Supplies.

Since then, there has been daily monitoring of the main risks raised by each of these groups, including, among others, impacts related to:

- supply chain and demand for products or services.
- ability to honor the payment commitments.
- credit risk: default or requests for contractual renegotiation.
- the company's ability to keep operations in good working order; and
- reduction in the productivity of employees and stakeholders related to health and safety issues.

Several preventive measures have been and continue to be adopted in each of the Group's companies.

UTE GNA I Geração de Energia S.A. ("GNA I") had its construction activities reduced to minimize contagion at the plant and in the region. The reduction in activities was communicated to the local authorities and the resumption is being implemented gradually.

Some relevant key activities were continued, with emphasis on energizing the transmission line and final repairs to the LNG regasification terminal. The project schedule has been revised and the start-up of operations will be delayed by 5 months, with a consequent loss of fixed revenue for the same period. ANEEL was informed of the intention to postpone the start-up of GNA I due to the pandemic and the request for exclusion of liability for the delay in putting into operation caused by Covid-19 is being analyzed by ANEEL.

The financial impacts on the project are being measured and an estimate must be finalized by September 30th, 2020, the date for the conclusion of negotiations with suppliers and the complete resumption of works

No impacts were identified in relation to the supply chain. Financing contributions were received normally and, today, GNA I have a sufficient financial position to finance the works until the end of the year, when it is now expected to make the last debt disbursement.

2 Base of preparation and presentation of the interim financial statements and main accounting policies

a. Statement of compliance

The Interim financial information has been prepared in accordance with CPC 21 (R1) - Interim Statement issued by the Accounting Pronouncements Committee (CPC) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB.

The interim financial information should be read in conjunction with the financial statements of December 31st, 2019, approved on March 26th, 2020, which were prepared in accordance with accounting practices adopted in Brazil and with international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB).

Authorization for the conclusion of the preparation of this financial information was given by Management on August 7th, 2020.

b. Preparation base

The interim financial information has been prepared based on historical cost, except for certain financial instruments which have been measured at fair value through profit and loss.

c. Functional currency and presentation currency

This interim financial information is report in Reais, which is the Company's functional currency. All balances were rounded to the nearest thousand, unless otherwise noted

3 Use of estimates and judgments

Judgments, estimates, and assumptions are used to measure and recognize certain assets and liabilities in the Company's the interim financial information. These estimates considered experience from past and current events, assumptions about future events and other objective and subjective factors.

Significant items subject to estimates include the evaluation of the useful lives of property, plant and equipment, the analysis of the recovery of fixed assets, intangible assets, the evaluation of the recoverable amount of deferred income tax and social contribution, financial instruments, among others. The future settlement of transactions involving these estimates may result in values that are different from those recorded in the interim financial information due to the inaccuracies inherent in the determination process. The company review its estimates and assumptions at least annually.

4 Cash and cash equivalents

	06/30/2020 (not reviewed)	12/31/2019
Cash and banks	45,516	21
Financial investments		
Financial investments (a)	406,805	367,356
	406,805	367,356
	452,321	367,377
Provision for expected loss (b)	(49)	(38)
Total	452,272	367,339

- (a) The balance of cash and cash equivalents as of June 30th, 2020 consists of current accounts at banks Santander, Bradesco (Escrow), Banco do Brasil, Citibank and an investment in CDB at Citibank and (Exclusive) Fund of BNP, which are readily convertible into a known amount of cash and are subject to an insignificant risk of change in value.
- (b) Estimated financial losses were calculated based on the loss rates of a Corporate Default study published by S&P on April 7th, 2020, referring to 15 years of data collected by it on the default risk of companies at each rating level.

Cash and cash equivalents are held with bank and financial counterparties, which have been grouped into 5 levels, separated between AAA and BB according to their rating on Fitch Ratings, Moody's, and Standard & Poor's. As shown in the table below, the counterparties in which the Company has outstanding balances on June 30th, 2020 are classified as AAA, based on the average of their ratings at the rating companies listed above.

The estimated loss position in cash and cash equivalents was calculated based on the expected loss rate of 12 months and reflects the maturity periods of the risk exposures.

In thousands of Reais

Risk Level	Rating	Gross Balance	Loss rate (1)	Provision for Loss
Level 1	AAA	452,321	0,01%	(49)

Loss Rate considers the Global Corporate Average Default Rate for 1 year released by S&P on 04/09/19.

5 Escrow account

	06/30/2020 (not reviewed)	12/31/2019
NTN-B deposit (a)	10,852	11,446
Total	10,852	11,446
Current	-	-
Non-current	10,852	11,446
Total	10,852	11,446

- (a) On May 2019, GNA I granted, as a fiduciary guarantee in favor of BNDES, certain Federal Public Bonds (NTN-B 2035) in the amount of R\$ 11,446 (R\$ 10,073 principal, plus R\$ 1,373), which will remain available until the end of the obligations in the financing agreement. On June 30th, 2020, UTE GNA I recognized the amount of R\$ 594 as mark-to-market loss on the value of its securities informed in note 21.

6 Related Parties

The Company adopts the Corporate Governance practices recommended and/or required by law. The Company's Corporate Governance Policy determines that the members of the Board of Directors must monitor and manage potential conflicts of interest of the executives, members of the Board and the Partners, in order to avoid the inappropriate use of the Company's assets and, especially, abuses in transactions between related parties.

In accordance with the Brazilian Corporation Law, the members of the Company's Board of Directors are prohibited from voting at any Board Meeting or acting in any operations or businesses in which they have conflicting interests with those of the Company.

The main balances of assets and liabilities at June 30th, 2020 and December 31st, 2019, regarding transactions with related parties, as well as the transactions that influenced the result for the period arise out of the Company's transactions with subsidiaries, members of the Management and other related parties, as follows:

UTE GNA I Geração de Energia S.A.
Interim financial information
as of June 30th, 2020

	06/30/2020 (not reviewed)	12/31/2019
Asset:		
Accounts receivable		
GNA Infra (a)	6,833	5,962
GNA HoldCo (a)	6,136	4,400
UTE GNA 2 (a)	24,095	14,227
Total assets	37,064	24,589
Liability:		
Accounts payable		
GNA HoldCo (a)	7,843	6,598
GNA Infra (a)	1,790	1,638
GNA UTE II (a)	6	-
Prumo Logística S.A. (b)	348	289
Porto do Açú Operações S.A. (b)	1,298	586
Siemens Aktiengesellschaft (c)	100,220	78,646
BP Global (d)	-	333
Reserva Ambiental Fazenda Caruara (e)	48	-
Total	111,553	88,090
Accounts receivable		
Current	37,064	24,589
Non-current	-	-
Total	37,064	24,589
Accounts payable		
Current	110,615	88,090
Non-current	938	-
Total	111,553	88,090

Result:

Shared costs	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
GNA HoldCo (a)	578	(5,261)	315	-
GNA Infra (a)	719	(549)	(214)	-
UTE GNA 2 (a)	9,863	7	6,182	-
Prumo Logística S.A. (b)	(59)	-	-	-
Porto do Açú Operações S.A. (b)	(4)	(115)	2	-
Total	11,097	(5,918)	6,285	-

a) Agreement for sharing personnel expenses and other expenses between the GNA Group companies.

b) Acknowledgement of personnel expenses and other general expenses incurred between UTE GNA I X Porto do Açú X Prumo.

c) Purchase of equipment for thermal plant.

d) Provision of services on the management of the terminal.

e) Provision of services in the Caruara reserve under the control of seedlings.

The amounts related to the remuneration of the Management members are shown below:

	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
Officers				
Pro-labore	(1,486)	(1,376)	(775)	(688)
Bonus	(1,390)	(457)	(718)	136
Benefits and charges	(449)	(416)	(234)	(208)
Cost transfer between companies (a)	436	(750)	226	-
Total	(2,889)	(2,999)	(1,501)	(760)

- (a) Amounts related to expenses with management at the companies GNA HoldCo, GNA Infra and UTE GNA 2 and which were transferred to the Company.

7 Prepaid expenses

	06/30/2020 (not reviewed)	12/31/2019
Insurance premium (a)	10,224	18,595
Transaction cost (b)	1,637	9,292
Total	11,861	27,887
Current	11,797	26,364
Non-current	64	1,523
Total	11,861	27,887

- (a) Insurance premiums: engineering risks, civil liability, transportation, FSRU and bond.
- (b) The composition of financial expenses and charges includes, in addition to interest expenses, all incremental expenses (and revenues) that originated from the borrowing operation, such as fees and commissions, expenses with financial intermediaries, with financial advisors, with elaboration of projects, auditors, lawyers, specialized offices, printing, travel etc.

While the funds referred to in the transaction costs incurred are not raised, these must be appropriated and kept in a specific account of the asset as prepayment, which will be reclassified to a reduction account of the borrowed amount, in liabilities, once completed the funding process. In September 2019 and April 2020, the transfer was made referring to the first and second disbursements as mentioned in note 17.

8 Recoverable taxes

	06/30/2020 (not reviewed)	12/31/2019
Withholding income tax ("IRRF")	1,052	2,369
PIS/COFINS on imports	-	418
PIS / COFINS to be recoverable	486	-
ICMS to be recovered	90	52
ISS to be recovered	6	-
	1,634	2,839
Income tax and social contribution ("IRPJ/CSLL")	2,176	322
Paid income tax and social contribution to offset previous years	2,133	-
Total	5,943	3,161
Current	4,579	2,839
Non-current	1,364	322
Total	5,943	3,161

9 Deferred taxes

	06/30/2020 (not reviewed)	12/31/2019
Deferred tax assets	24,277	19,512
Total	24,277	19,512

	Deferred tax assets	Deferred tax liabilities
Balance on January 1st, 2019	7,019	-
Pre-operating expenses	12,493	-
Balance on December 31st, 2019	19,512	-
Balance on January 1st, 2020	19,512	-
Pre-operating expenses	4,765	-
Balance on June 30th, 2020	24,277	-

UTE GNA I Geração de Energia S.A.
Interim financial information
as of June 30th, 2020

	06/30/2020 (not reviewed)	06/30/2019
Loss before taxes	(17,531)	(31,791)
Income tax and social contribution rate	34%	34%
Income tax and social contribution (base x rate)	5,961	10,809
Increases:		
Gifts	(1)	-
Bonus withholding	(556)	(481)
INSS /Bonuses/	(95)	(80)
Donations + Taxes on donation	(566)	-
Non-deductible fines	(3)	-
Unrecognized tax credits	-	(2,355)
Tax loss compensation	7	-
IRPJ / CSLL adjustment from previous fiscal year	1,037	-
Income tax additional	6	-
Total income tax and social contribution for the period	5,790	7,893
Current	1,026	-
Deferred	4,764	7,893
Total	5,790	7,893
	(33.03) %	(24.83) %

Technical feasibility studies indicate the full capacity to recover, in subsequent years, the recognized deferred tax amounts and correspond to the best estimates of Management on the future evolution of the Company and the market in which it will start operations in 2021.

10 Property, plant, and equipment

	Advances for formation of Property, plant, and equipment (*)	Works in progress and equipment under construction (**)	Furniture and Utensils	Machines and Equipment	IT equipment	Total
Balance on December 31st, 2018	278,493	517,495	111	-	60	796,159
Increases (***) and (***)	-	2,373,586	47	9	609	2,374,251
Transfers	(263,406)	263,406	-	-	-	-
Depreciation	-	-	(16)	-	(110)	(126)
Balance on December 31st, 2019	15,087	3,154,487	142	9	559	3,170,284
Cost	15,087	3,154,487	159	9	669	3,170,411
Accumulated depreciation	-	-	(17)	-	(110)	(127)
Balance on December 31st, 2019	15,087	3,154,487	142	9	559	3,170,284
Increases (***) and (***)	49,483	506,634	166	48	313	556,644
Depreciation	-	-	(12)	(1)	(90)	(103)
Balance on June 30th, 2020 (not reviewed)	64,570	3,661,121	296	56	782	3,726,825
Cost	64,570	3,661,121	325	57	982	3,727,055
Accumulated depreciation	-	-	(29)	(1)	(200)	(230)
Balance on June 30th, 2020 (not reviewed)	64,570	3,661,121	296	56	782	3,726,825

(*) Advance for formation of Property, plant, and equipment: The balance of advances on June 30th, 2020 is composed of advances made to suppliers for the delivery of equipment.

(**) Works in progress and equipment under construction: The balance of works in progress as of June 30th, 2020 is comprised of the construction costs of the thermoelectric plant.

(***) Out of the increases occurred in the period, the total amount of R\$ 276,052 had no cash flow effect.

(****) The following amounts were capitalized by June 30th, 2020:

	06/30/2020	12/31/2019
	(not reviewed)	
Loan Interests (BNDES and IFC)	148,911	67,693
IOF on loans (BNDES and IFC)	32,146	28,272
Financial income transaction cost *	-	(9.885)
Transaction cost (BNDES and IFC)	19,554	11,041
Amortization of right of use (Land)	6,328	4,219
Interest expense on lease (lands)	16,791	10,916
Amortization of right of use (FSRU)	4,717	-
Interest expenses on lease (FSRU)	10,767	-
Exchange variation on lease (FSRU)	148,112	-
IOF on mutual	9,210	9,210
Interest on mutual	6,987	6,987
Total	403,523	128,453

*Amount reclassified to the Loan Interests line.

11 Intangible assets

	Energy trading right (*)	Software licenses	Implementation of Systems	Total
Balance on January 1st, 2019	30,000	813	-	30,813
Additions	-	136	-	136
Amortization	-	(16)	-	(16)
Balance on December 31st, 2019	30,000	933	-	30,933
Cost	30,000	949	-	30,949
Accumulated amortization	-	(16)	-	(16)
Balance on December 31st, 2019	30,000	933	-	30,933
Additions	-	120	291	411
Amortization	-	(99)	-	(99)
Balance on June 30th, 2020 (not reviewed)	30,000	954	291	31,245
Cost	30,000	1,069	291	31,360
Accumulated amortization	-	(115)	-	(115)
Balance on June 30th, 2020 (not reviewed)	30,000	954	291	31,245
Service life	23 years	5 years		

(*) On December 19th, 2017, through authorization resolution No. 6,769, ANEEL transfers the right to trade energy. The scheduled date for the start of the thermal plant's operation is described in note 1.

12 Right of use/Lease liability

IFRS 16 introduces a single model of accounting for leases in the balance sheet for lessees. A lessee recognizes a right-of-use asset that represents its right to use the leased asset and a lease liability that represents its obligation to make lease payments. Exemptions are available for short-term leases and low-value items.

Changes over the first six months of 2020 of the right-of-use assets and lease liabilities is shown in the table below:

UTE GNA I Geração de Energia S.A.
Interim financial information
as of June 30th, 2020

	Balance 12/31/2019	PIS/COFINS to be recovered	Increases	Write-off	Amortization	Payments	Appropriated interest	Exchange Variation	Balance 06/30/2020 (not reviewed)
Assets									
Land	101,252	-	-	-	(2,109)	-	-	-	99,143
Commercial room	3,606	-	-	(251)	(527)	-	-	-	2,828
FSRU	-	-	1,334,903	-	(4,717)	-	-	-	1,330,187
Total assets	104,858	-	1,334,903	(251)	(7,353)	-	-	-	1,432,157
Liabilities									
Land	-	-	7,086	-	-	-	-	-	7,086
(-) Financial charges to be incurred - Land	-	-	(6,406)	-	-	-	5,875	-	(531)
Commercial room	1,291	-	644	-	-	(600)	-	-	1,335
(-) Financial charges to be incurred - Commercial room	(65)	-	-	(166)	-	-	165	-	(66)
FSRU	-	-	70,102	-	-	-	-	-	70,102
(-) Financial charges to be incurred - FSRU	-	-	(4,626)	-	-	-	-	-	(4,625)
CP lease liability	1,226	-	66,800	(166)	-	(600)	6,040	-	73,300
Land	325,964	-	-	(7,086)	-	-	-	-	318,878
(-) Financial charges to be incurred - Land	(209,576)	-	-	6,406	-	-	-	-	(203,170)
Commercial room	3,115	-	-	(644)	-	-	-	-	2,471
(-) Financial charges to be incurred - Commercial room	(585)	-	(86)	-	-	-	-	-	(671)
FSRU	-	-	3,901,148	-	-	-	-	148,112	4,049,260
(-) Financial charges to be incurred - FSRU	-	-	(2,631,721)	-	-	-	10,767	-	(2,620,954)
LP lease liability	118,918	-	1,269,341	(1,324)	-	-	10,767	148,112	1,545,814
Total liabilities	120,144	-	1,336,141	(1,490)	-	(600)	16,807	148,112	1,619,114
Result									
Amortization - Commercial room	491	(49)	-	-	527	-	-	-	478
Interest Expense - Commercial room	187	(7)	14	-	-	-	(165)	-	(158)
Lease result	678	(56)	14	-	527	-	(165)	-	320

After analyzing the adherence to IFRS 16, the Company identified the following contracts: rental of the land of the company Porto do Açú Operações S.A (related party), rental of the commercial room, and rental of FSRU “floating storage and regasification unit” vessel from the company BW FSRU III PTE LTD in compliance with this standard.

13 Suppliers

	06/30/2020 (not reviewed)	12/31/2019
National suppliers	5,752	18,256
Foreign suppliers	82,891	54,258
Total	88,643	72,514

14 Salaries and charges payable

	06/30/2020 (not reviewed)	12/31/2019
Bonuses payable	4,496	8,798
Vacations	1,548	1,206
Charges on vacations	1,003	878
13 th Salary	687	-
Charges on 13 th Salary	239	-
INSS	2,169	1,305
FGTS	572	171
Insurances	11	11
Union contribution	3	2
Total	10,728	12,371

15 Taxes and contributions payable

	06/30/2020 (not reviewed)	12/31/2019
Service tax ("ISS")	47	825
INSS third parties	240	13
Tax on the circulation of goods and services ("ICMS")	40	739
Withholding income tax ("IRRF")	316	756
PIS/COFINS payable	42	69
PIS/COFINS/CSLL - tax withholding	127	108
PIS/COFINS w/o import.	14	-
Total	826	2,510
Income tax and social contribution ("IRPJ/CSLL")	11	281
Total	837	2,791
Current	837	2,791
Non-current	-	-
Total	837	2,791

16 Trade accounts payable

	06/30/2020 (not reviewed)	12/31/2019
TCCA - terminal (a)	-	207
Bolognesi Energia (b)	16,387	21,970
Total	16,387	22,177
Current	-	5,700
Non-current	16,387	16,477
Total	16,387	22,177

- (a) Statement of commitment to environmental compensation - terminal.
This statement aims to establish the environmental compensation, provided for in article 36 of Federal Law no. 9,985/00, which instituted an amount of R\$2,495, to be paid monthly in 12 equal installments in the amount of R\$207.
- As of June 30th, 2020, the Company has no outstanding payments.
- (b) In the contract, the amounts to be paid are divided into fixed installments, already provisioned in the original amount of R\$30,000 until December 31st, 2018, which are adjusted annually according to IPCA until the effective payment date and variable installments that will be recognized at the beginning of the operation, as per the table below:

Maturity	Installment	Original value	Consumer Price Index (IPCA)			Payment	2020 Balance
			2018	2019	2020		
May/18	1	10,000	-	-	-	(10,000)	-
January/20	2	5,000	275	217	-	(5,492)	-
April/21	3	15,000	1,110	368	(91)	-	16,387
Total		30,000	1,385	585	(91)	(15,492)	16,387

The variable installments will be paid annually, starting in April/2021, 90 days after the start of operation of the thermal plant, always on the first business day of April, based on the audited financial statements of the previous year, with installments equivalent to 3% calculated on the shareholder's free cash flow, defined by:

= EBITDA

- (+/-) change in working capital.
- (-) paid IR/CSSL.
- (-) financial expenses.
- (+) financial income from reverse accounts (*).
- (-) investment in maintenance.
- (-) amortization of financing.
- (+) financing disbursements
- (+/-) change in reserve accounts (*)

If the reserve accounts are filled with operating cash flow, the variation in the reserve account and the corresponding financial income will be disregarded from the formula above.

Failure to pay any of the amounts provided for in this contract will incur the monetary restatement according to the variation of the CDI rate, up to the date of the actual payment, in addition to default interest of one percent (1%) per month, as well as a default penalty of two percent (2%) on the outstanding balance.

17 Borrowings

On December 20th, 2018 and March 15th, 2019, the Company signed financing agreements with BNDES and IFC, respectively, the amounts of which are being made available during the years 2019 and 2020.

The loans have a “Project Finance” structure, guaranteed mainly through fiduciary sale of assets (equipment), shares, accounts and conditional assignment of the company's contractual rights, as well as the flow of receivables from its energy commercialization contracts (Contract for Trade of Electricity in the Regulated Environment, “CCEAR”).

The table below shows how the financing is structured:

Banks	Currency	Purpose	Maturity	Guarantees (a)	Total credit line
BNDES	Actual	Investments	January/33	Reserve, Fiduciary Sale, and Conditional	1,762,800
IFC (b)	USD	Investments	January/34	Assignment Accounts.	288,000

- (a) The guarantee package is shared in the first degree, proportionally and without any order of preference of receipt among the senior creditors.
- (b) Credit limit contracted in dollars, with disbursements/funding made in reais (converted at the exchange rate at the time of disbursement for the purpose of consuming the credit limit).

In August 2019, the first disbursements in the amount of R\$ 1,224,804 from BNDES and R\$ 804,059 from IFC were released. In April 2020, the second disbursement in the amount of R\$ 206,478 from BNDES and R\$ 171,276 from IFC was performed, as requested by the Company.

As of June 30th, 2020, liabilities are recognized as follows:

	12/31/2019		06/30/2020 (not reviewed)			Total
	Total	Fundraising	Appropriated interest	Interest paid	Funding cost	
Institutions						
BNDES	860,911	206,478	54,876	-	9,316	1,131,581
IFC	777,837	171,276	41,083	(27,475)	(803)	961,918
	1,638,748	377,754	95,959	(27,475)	8,513	2,093,499
Current	62,416	-	6,647	(27,981)	-	41,082
Non-current	1,576,332	377,754	89,312	506	8,513	2,052,417
Total	1,638,748	377,754	95,959	(27,475)	8,513	2,093,499

In accordance with CPC 20(R1), costs of loans that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of such asset, thus the Company appropriates the portion of the funding cost and interest to the fixed asset in progress until it goes into operation.

Financial and non-financial covenants

The financing agreements have clauses with financial and non-financial covenants, usual for this type of transaction, such as the obligation to present financial statements to creditors, compliance with tax, social security, labor and applicable environmental legislation, restrictions on additional indebtedness and disposals of assets outside the normal course of business.

The contracts entered between the Company and creditors also establish, 12 months after the start of operations, the obligation to maintain the Debt Service Coverage Ratio above 1.10 times on the applicable measurement dates.

18 Provision for contingencies

As of June 30th, 2020, the Company has a balance of civil contingencies in the amount of R\$ 650 (R\$ 270 on December 31st, 2019), referring to the probable loss provision in the administrative institution of right-of-way in the area of the Transmission Line in the region of the municipality of São João da Barra.

19 Shareholders' equity

Shareholders	06/30/2020 (not reviewed)		12/31/2019	
	Number of common shares (thousand)	Participation %	Number of common shares (thousand)	Participation %
GNA Infra	1,240,575	67%	1,240,575	67%
Siemens	611,029	33%	611,029	33%
Total	1,851,604	100%	1,851,604	100%

a. Share capital

As of June 30th, 2020, and December 31st, 2019, the Company's capital stock is R\$925,802, represented by 1,851,604 common shares, nominative and without par value. The Capital Stock increase contributions made in the period are shown below:

Initial Balance	Shareholder		Share Capital
	GNA Infra	Siemens	
01/01/2020	620,287	305,515	925,802
Total	620,287	305,515	925,802

b. Capital reserve

As of June 30th, 2020, and December 31st, 2019, the Company's capital reserve is R\$925,802, where GNA Infra has R\$620,288 and Siemens R\$305,514. The Capital Reserve increase contributions made in the period are shown below:

Initial Balance	Shareholder		Capital reserve
	GNA Infra	Siemens	
01/01/2020	620,288	305,514	925,802
Total	620,288	305,514	925,802

c. Dividends

The Company's shares participate on equal terms in the distribution of dividends, interest on equity and other benefits to shareholders. The bylaws provide for the distribution of a minimum mandatory dividend of 25% of net income for the year, adjusted in accordance with article 202 of Law no. 6,404/76. In the six-month period ended June 30th, 2020, the Company posted a loss with no dividend distribution.

20 General and administrative expenses

	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
Personnel	(8,937)	(21,349)	(3,788)	(11,890)
Legal expenses	(1,129)	(2,465)	73	(1,964)
Consulting and auditing	(1,309)	(1,023)	(956)	(733)
Taxes, fines, and fees	(165)	(108)	(51)	(37)
IT and telecom.	(335)	(683)	18	(530)
Communication and institutional affairs	(1,980)	(435)	(1,796)	(281)
Environmental and land expenses	(298)	(685)	(207)	(350)
Travels	(317)	(2,140)	90	(586)
Administrative services	(1,030)	(2,481)	(330)	(286)
Operational services	46	(31)	222	-
Insurances	(245)	(148)	(113)	(74)
Depreciation and amortization	(680)	(3,143)	(338)	(1,327)
General and maintenance expenses	(460)	(311)	(63)	(4)
Other third-party services	(749)	(600)	(513)	(321)
Other expenses	-	(95)	-	-
Total	(17,588)	(35,697)	(7,898)	(18,383)

21 Net financial result

On June 30th, 2020, the net financial result was R\$ 68, as follows:

	06/30/2020 (not reviewed)	06/30/2019 (not reviewed)	Three-month period ending on 06/30/2020 (not reviewed)	Three-month period ending on 06/30/2019 (not reviewed)
Financial expenses				
Bank expenses	(13)	(11)	(3)	(8)
Commissions and brokerage	(11)	(16)	(5)	(14)
Loss on Hedge transactions (NDF)	(14)	(1,505)	(14)	(1,505)
IOF	(9)	(60)	(111)	(7)
Interest and fines	(365)	(29)	(194)	(29)
Expenses with updating of lease	(158)	-	(72)	-
Financial variation - IPCA	80	(500)	214	(310)
Exchange variation	-	(4,499)	-	(3,179)
	(490)	(6,620)	(185)	(5,052)
Financial incomes				
Interest on financial investments	650	3,093	(1,688)	1,078
Gain on Hedge transactions (NDF)	169	6,445	159	6,445
Financial variation - IPCA	-	281	-	(4)
Monetary variation - government securities	(288)	702	684	702
Active or earned interest	4	3	1	-
Discounts obtained	23	-	23	-
	558	10,524	(821)	8,221
Net financial result	68	3,904	(1,006)	3,169

22 Financial risk management

a. General considerations and internal policies

The management of the Company's financial risks follows the proposal in the Financial Risk Policy and in the Credit Risk Policy approved by the Board of Directors, in addition to the other financial regulations.

Among the guidelines foreseen in these Policies and regulations, it is worth mentioning the following: exchange rate protection for all debt in foreign currency.

In addition, the use of derivative instruments has the sole purpose of protecting and mitigating risks, so that the contracting of exotic derivative instruments or for speculative purposes is prohibited.

The monitoring of risks is done through a management of controls that aims to continuously monitor the contracted operations and comply with the approved risk limits.

The Company is exposed to several financial risks, including market, credit, and liquidity risks.

b. Market risk management

Foreign exchange risk

To ensure that significant fluctuations in the quotations of currencies to which its liabilities with foreign exchange exposure are subject do not affect its results and cash flow, the Company had on June 30th, 2020 foreign exchange hedge operations.

Foreign exchange hedge strategies are described in item e) 'Additional information on derivative instruments'

Interest rate risk

This risk arises from the possibility of the Company incurring losses, due to fluctuations in interest rates or other debt indexes, such as price indexes, which impact financial expenses related to income from financial investments.

Accordingly, the Company continuously monitors market interest rates to assess the possible need for contracting protection against the risk of volatility in these rates.

c. Liquidity risk management

Liquidity risk is characterized by the possibility of the Company not fulfilling its commitments on the respective maturities. The financial management adopted by the Company constantly seeks to mitigate liquidity risk, having as main point the hedge of debts in foreign currency.

The permanent monitoring of the cash flow allows the identification of eventual needs for fundraising, with the necessary advance for the structuring and choice of the best sources. In case of surplus cash, financial investments are made for excess funds, with the objective of preserving the Company's liquidity.

As of June 30th, 2020, the Company had a total of short-term investments of R\$ 406,805.

d. Credit risk management

Credit risk refers to the possibility that the Company may incur losses due to non-compliance with obligations and commitments by counterparties.

Credit risk with financial institutions

For operations involving cash and cash equivalents and derivatives, the Company follows the provisions of its Credit Risk Policy, which aims to mitigate risk through diversification with financial institutions with good credit quality.

The exposure is also monitored with each counterparty, its credit quality and its long-term ratings published by the rating agencies for the main financial institutions with which the Company has outstanding operations.

The following shows the total credit exposure held by the Company in financial assets. The amounts are fully stated without considering any balance of the provision for impairment of the asset.

	06/30/2020	12/31/2019
	(not reviewed)	
Measured at fair value through profit or loss		
Cash and cash equivalent	452,272	367,339

e. Additional information on derivative instruments

The Company has derivative instruments for the purpose of economic and financial protection against foreign exchange risk. The main instrument used is Non-deliverable Forwards (NDF).

All derivative instrument operations of the hedge programs are detailed in the table below, which includes, by derivative instrument contract, information on the type of instrument, (nominal) reference value, maturity, fair value including credit risk and amounts paid/received or accrued in the period.

In order to determine the economic relationship between the protected payments to suppliers and the hedge instrument, the Company adopts prospective effectiveness testing methodology through the critical terms of the object and the contracted derivative instruments in order to conclude whether there is an expectation that changes in the cash flows of the hedge item and the hedge instrument can be mutually offset.

Non-deliverable Forward hedge program - NDF

To reduce cash flow volatility, the Company may contract operations via NDF (Non-deliverable forwards) to mitigate foreign exchange exposure arising from disbursements denominated or indexed to the Dollar and the Euro.

	Contracted NDFs in R\$		Mark-to-market (MTM)		Accumulated effect Amount receivable/received or payable/paid
	NDF	06/30/2020	Maturity (year)	06/30/2020	12/31/2019
USD Term	69,621	2020	13,553	2,473	18,147
USD Term	87,250	2021	29,634	667	-
EUR Term	97,342	2020	10,527	(3,730)	12,234
EUR Term	41,109	2021	9,335	(2,653)	-
Net			63,050	(3,243)	30,381

This program is classified according to the hedge accounting criteria and measured at fair value through other comprehensive income.

Accounting treatment of derivative instruments

Derivative financial instruments are recognized as assets or liabilities in the balance sheet and measured at fair value. When the transaction is eligible and designated as hedge accounting, changes in the fair value of derivatives are recorded as follows:

- (i) Cash flow hedge: variations in the fair value of derivative financial instruments designated as effective cash flow hedges have their effective component recorded in equity (other comprehensive income) and the ineffective component recorded in income (Revenue/Financial expense). The amounts recorded in equity are only transferred to Fixed assets in an appropriate account (Settled hedge) when the protected item is effectively realized.

The Company registers at the beginning of the hedge accounting operation, for the purpose of risk management, the relationship between the hedge instruments and the items it protects, the strategy for carrying out hedge operations and also, both in beginning and on an ongoing basis, its assessment that the derivative instruments used in hedge operations are effective.

f. Sensitivity analysis

The following analyzes estimate the potential value of the instruments in hypothetical stress scenarios of the main market risk factors that impact each position, keeping all other variables constant.

- Probable Scenario: The charges and income for the following period were projected, considering the balances, exchange rates and/or interest rates in effect at the end of the period.
- Scenario II: considers a 25% shock in risk factors in relation to market rates in the probable scenario.
- Scenario III: considers a 50% shock in risk factors in relation to market rates in the probable scenario.

For income from financial investments, scenarios II and III consider a reduction of 25% and 50%, respectively, in relation to the probable scenario.

Operation	Currency	Risk	Quotation	Exposure	Probable Scenario	Impact scenario (II)	Impact scenario (III)
NDF							
Protected item: part of disbursement in USD	Dollar	Decrease of Dollar	5,476	43,187	44,163	(6,095)	(56,354)
Protected item: part of disbursement in EUR	Euro	Decrease of Euro	6.1539	19,862	19,404	(20,060)	(59,524)
Net exposure				63,050	63,567	(26,155)	(115,878)

For the sensitivity analysis of derivative financial instruments, the Management understands that there is a need to consider liabilities subject to protection, with exposure to fluctuations in exchange rates or price indexes, which are recorded in the balance sheet.

22.1 Estimated fair value

Fair value is the price that would be received for the sale of an asset or would be paid for the transfer of a liability in an orderly transaction between market participants at the measurement date, in the main market or, in its absence, in the most advantageous market to which the Company has access on that date. The fair value of a liability reflects its risk of non-performance. The risk of non-compliance includes, among others, the Company's credit risk.

For measurement and determination of the fair value of derivative instruments, named Non-Deliverable Forward (NDF), contracted by UTE GNA I, we use the market rates from B3 website, which are (i) DI x Pre; (ii) Real x USD (iii) Real x Euro. For pricing, we consider the closing date of the accounting period under analysis.

Financial assets and liabilities recorded at fair value must be classified and disclosed according to the following levels:

- Level 1 - Prices quoted without adjustments in active markets for instruments identical to those of the Company.
- Level 2 - Prices quoted with or without adjustments for similar assets or liabilities with information directly or indirectly in active markets, except for quoted prices included in the previous level.

The table below shows the book and fair values of the Company's financial instruments and other assets and liabilities, as well as their measurement level, on June 30th, 2020 and December 31st, 2019:

	Level	06/30/2020 (not reviewed)		12/31/2019	
		Accounting	Fair Value	Accounting	Fair Value
Financial assets (Current/Non-current)					
Measured at amortized cost		452,272	452,272	367,339	367,339
Cash and cash equivalent	1	452,272	452,272	367,339	367,339
Financial liabilities (Current/Non-current)					
Measured at amortized cost		2,182,142	2,182,242	1,711,262	1,711,262
Suppliers	2	88,643	88,643	72,514	72,514
Loans	2	2,093,499	2,093,499	1,638,748	1,638,748
Measured at fair value through the comprehensive result		63,050	63,050	(3,243)	(3,243)
Non-deliverable forwards (NDF) – Hedge Instrument	2	63,050	63,050	(3,243)	(3,243)

There were no transfers between Level 1 and Level 2 during the period ended June 30, 2020.

Assessment methods and techniques

The Company understands that the fair value of suppliers, as it has most of its short-term maturities, is already reflected in its book value.

For financing classified and measured at amortized cost, the Company understands that, since they are bilateral operations and do not have an active market or another similar source with conditions comparable to those already presented and that can be a parameter in determining their fair values, the amounts accounts reflect the fair value of the transactions.

To calculate mark-to-market - MTM, the projection of the currency quotation contracted in the NDF is used for the maturity date according to the BM&F futures curve. This value is brought to present value in accordance with the CDI projection according to BM&F's future DI curve.

23 Insurance coverage

The Company adopts the policy of contracting insurance coverage for assets subject to risks, for amounts considered by Management to be sufficient to cover possible claims, considering the nature of its activity.

The policies are in effect and the premiums have been duly paid. The Company considers that its insurance coverage is consistent with that of other companies of similar size operating in the sector.

As of June 30th, 2020, and December 31st, 2019, insurance coverage is as follows:

	06/30/2020	12/31/2019
	(not reviewed)	
Material Damage (Engineering Risks)	4,898,946	3,605,950
Civil Liability and Environmental Damages	82,577	82,578
Expected Loss of Profits	4,100,323	3,018,110
Transportation of Imported Equipment	2,064,452	1,519,574
Civil Liability (Office and Employees)	10,000	10,000
Performance Guarantee	152,609	152,609
Bond Guarantee - Lease	1,711	1,711
D&O	-	100,000
Fire (office property)	6,000	6,000
Civil Liability (Port Operator)	580,456	-

24 Commitments made

On June 30th, 2020, the Company presented commitments for future purchases in the amount of R\$ 2,602,299 (R\$ 1,776,774 on December 31st, 2019), which must be fulfilled during the construction of the thermoelectric plant.