

# UTE GNA I Geração de Energia S.A.

**Interim financial statements  
on September 30<sup>th</sup>, 2020**

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# UTE GNA I Geração de Energia S.A.

Balance sheets on September 30<sup>th</sup>, 2020 and December 31<sup>st</sup>, 2019

*(In thousands of Reais)*

|  | Note | 09/30/2020<br>(not reviewed) | 12/31/2019       |
|--|------|------------------------------|------------------|
| <b>Current</b>                                 |      |                              |                  |
| <b>Assets</b>                                  |      |                              |                  |
| Cash and cash equivalents                      | 4    | 316,647                      | 367,339          |
| Accounts receivable                            | 6    | 44,164                       | 24,589           |
| Other advances                                 |      | 545                          | 307              |
| Prepaid expenses                               | 7    | 11,948                       | 26,364           |
| Recoverable taxes                              | 8    | 4,315                        | 2,839            |
| Recoverable income tax and social contribution | 8    | 723                          | -                |
| Derivative financial instruments               | 22   | 73,283                       | 2,684            |
| <b>Total current assets</b>                    |      | <b>451,625</b>               | <b>424,122</b>   |
| <b>Non-current</b>                             |      |                              |                  |
| Prepaid expenses                               | 7    | 55                           | 1,523            |
| Recoverable taxes                              | 8    | 1,329                        | 322              |
| Deferred taxes                                 | 9    | 26,622                       | 19,512           |
| Derivative financial instruments               | 22   | -                            | 667              |
| Escrow account                                 | 5    | 10,985                       | 11,446           |
| Property plant, and equipment                  | 10   | 3,972,857                    | 3,170,284        |
| Intangible assets                              | 11   | 31,497                       | 30,933           |
| Right of use assets                            | 12   | 1,353,399                    | 104,858          |
| <b>Total non-current assets</b>                |      | <b>5,396,744</b>             | <b>3,339,545</b> |
| <b>Total assets</b>                            |      | <b>5,848,369</b>             | <b>3,763,667</b> |

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

# UTE GNA I Geração de Energia S.A.

## Balance sheets on September 30<sup>th</sup>, 2020 and December 31<sup>st</sup>, 2019

(In thousands of Reais)

|   | Note | 09/30/2020<br>(not reviewed) | 12/31/2019       |
|---|------|------------------------------|------------------|
| <b>Current</b>                                    |      |                              |                  |
| <b>Liabilities</b>                                |      |                              |                  |
| Suppliers   | 13   | 89,377                       | 72,514           |
| Salaries and charges payable                      | 14   | 13,268                       | 12,371           |
| Accounts payable                                  | 6    | 119,683                      | 88,090           |
| Taxes and contributions payable                   | 15   | 1,270                        | 2,510            |
| Income tax and social contribution payable        | 15   | -                            | 281              |
| Derivative financial instruments                  | 22   | -                            | 3,941            |
| Trade accounts payable                            | 16   | -                            | 5,700            |
| Borrowings  | 17   | 84,969                       | 62,416           |
| Lease liabilities                                 | 12   | 27,251                       | 1,226            |
| Other accounts payable                            |      | 80                           | 80               |
| <b>Total current liabilities</b>                  |      | <b>335,898</b>               | <b>249,129</b>   |
| <b>Non-current</b>                                |      |                              |                  |
| Accounts payable                                  | 6    | 1,041                        | -                |
| Derivative financial instruments                  | 22   | -                            | 2,653            |
| Trade accounts payable                            | 16   | 16,632                       | 16,477           |
| Borrowings  | 17   | 2,035,946                    | 1,576,332        |
| Provision for contingencies                       | 18   | 650                          | 270              |
| Lease liabilities                                 | 12   | 1,601,421                    | 118,918          |
| <b>Total non-current liabilities</b>              |      | <b>3,655,690</b>             | <b>1,714,650</b> |
| <b>Shareholders' equity</b>                       | 19   |                              |                  |
| Share capital                                     |      | 925,802                      | 925,802          |
| Capital reserves                                  |      | 925,802                      | 925,802          |
| Adjustment of equity valuation                    |      | 73,283                       | (3,243)          |
| Accumulated losses                                |      | (68,106)                     | (48,473)         |
| <b>Total shareholders' equity</b>                 |      | <b>1,856,781</b>             | <b>1,799,888</b> |
| <b>Total liabilities and shareholders' equity</b> |      | <b>5,848,369</b>             | <b>3,763,667</b> |

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

# UTE GNA I Geração de Energia S.A.

## Statements of operations

Nine-month period ending on September 30<sup>th</sup>, 2020 and 2019

*(In thousands of Reais)*

|  | Note | 09/30/2020<br>(not reviewed) | 09/30/2019<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2020<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2019<br>(not reviewed) |
|--|------|------------------------------|------------------------------|---|---|
| <b>Operating income (expenses)</b>                       |      |                              |                              |   |   |
| General and administrative expenses                      | 20   | (26,834)                     | (38,350)                     | (9,246)   | (2,653)   |
| Impairment and other losses                              | 4    | 3                            | (57)                         | 14  | (59)  |
| <b>Net income before financial result<br/>(expenses)</b> |      | <b>(26,831)</b>              | <b>(38,407)</b>              | <b>(9,232)</b>  | <b>(2,712)</b>  |
| <b>Net financial result</b>                              | 21   |                              |                              |   |   |
| Financial income   |      | 86                           | 16,076                       | (472)   | 5,552   |
| Financial expenses                                       |      | (1,034)                      | (16,790)                     | (544)   | (10,170)  |
| <b>Loss before taxes</b>                                 |      | <b>(27,779)</b>              | <b>(39,121)</b>              | <b>(10,248)</b>   | <b>(7,330)</b>  |
| Current income tax and social<br>contribution            | 9    | 1,037                        | -                            | 11  | -   |
| Deferred income tax and social<br>contribution           | 9    | 7,109                        | 10,554                       | 2,345   | 2,661   |
| <b>Loss of the period</b>                                |      | <b>(19,633)</b>              | <b>(28,567)</b>              | <b>(7,892)</b>  | <b>(4,669)</b>  |

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

# UTE GNA I Geração de Energia S.A.

## Statements of comprehensive income (loss)

Nine-month period ending on September 30<sup>th</sup>, 2020 and 2019

*(In thousands of Reais)*

|  | 09/30/2020<br>(not reviewed) | 09/30/2019<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2020<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2019<br>(not reviewed) |
|--|------------------------------|------------------------------|---|---|
| <b>Loss of the period</b>  | <b>(19,633)</b>              | <b>(28,567)</b>              | <b>(7,892)</b>  | <b>(4,669)</b>  |
| <b>Items that can subsequently be<br/>reclassified to the result</b> |                              |                              |   |   |
| Gains and losses from hedge<br>operations                            | 76,525                       | 6,956                        | 10,233  | 7,531   |
| <b>Total comprehensive loss of the<br/>period</b>                    | <b>56,892</b>                | <b>(21,611)</b>              | <b>2,341</b>  | <b>2,862</b>  |

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

Nine-month period ending on September 30<sup>th</sup>, 2020 and 2019

*(In thousands of Reais)*

|  | Share capital  | Capital Reserve                    | Adjustment of equity valuation | Accumulated losses | Shareholders' equity |
|--|----------------|------------------------------------|--------------------------------|--------------------|----------------------|
|  |                | Goodwill on the issuance of shares |                                |                    |                      |
| <b>Balance on January 1<sup>st</sup>, 2019</b>                   | <b>445,698</b> | <b>445,612</b>                     | -                              | <b>(13,674)</b>    | <b>877,636</b>       |
| Loss of the period   | -              | -                                  | -                              | (28,567)           | (28,567)             |
| Capital increase - Infra   | 321,670        | -                                  | -                              | -                  | 321,670              |
| Capital increase - Siemens                                       | 158,434        | -                                  | -                              | -                  | 158,434              |
| Capital reserve increase - Infra                                 | -              | 321,727                            | -                              | -                  | 321,727              |
| Capital reserve increase - Siemens                               | -              | 158,463                            | -                              | -                  | 158,463              |
| Gain from hedge operations                                       | -              | -                                  | 6,956                          | -                  | 6,956                |
| <b>Balance on September 30<sup>th</sup>, 2019 (not reviewed)</b> | <b>925,802</b> | <b>925,802</b>                     | <b>6,956</b>                   | <b>(42,241)</b>    | <b>1,816,319</b>     |
| Loss of the period   | -              | -                                  | -                              | (6,232)            | (6,232)              |
| Losses from hedge operations                                     | -              | -                                  | (10,199)                       | -                  | (10,199)             |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>925,802</b> | <b>925,802</b>                     | <b>(3,243)</b>                 | <b>(48,473)</b>    | <b>1,799,888</b>     |
| Loss of the period   | -              | -                                  | -                              | (19,633)           | (19,633)             |
| Gain from hedge operations                                       | -              | -                                  | 76,526                         | -                  | 76,526               |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>925,802</b> | <b>925,802</b>                     | <b>73,283</b>                  | <b>(68,106)</b>    | <b>1,856,781</b>     |

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

# UTE GNA I Geração de Energia S.A.

## Statements of cash flows

Nine-month period ending on September 30<sup>th</sup>, 2020 and 2019

(In thousands of Reais)

|  | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>09/30/2019</b><br><b>(not reviewed)</b> |
|--|--|--|
| <b>Cash flow from operating activities</b>                                   |  |  |
| Loss before taxes  | (27,779)                                   | (39,121)                                   |
| <b>Adjustments of items without cash effect:</b>                             |  |  |
| Depreciation and amortization  | 1,040                                      | 3,183                                      |
| Exchange variation   | 330  | (838)                                      |
| Provisions for contingencies   | 380  | 1,397                                      |
| <b>Adjusted net losses</b>   | <b>(26,029)</b>                            | <b>(35,379)</b>                            |
| <b>(Increase) decrease in assets and increase (decrease) of liabilities:</b> |  |  |
| Recoverable taxes  | (3,206)                                    | (1,514)                                    |
| Prepaid expenses   | 15,884                                     | 29,619                                     |
| Other advances   | (238)                                      | (147)                                      |
| Other receivables  | -  | 2  |
| Escrow account   | 306  | (10,073)                                   |
| Legal deposits   | -  | (1,127)                                    |
| Accounts receivable  | (19,575)                                   | (15,542)                                   |
| Suppliers  | 16,863                                     | 89,654                                     |
| Accounts payable   | 32,634                                     | (13,089)                                   |
| Taxes and contributions payable  | (484)                                      | 7,498                                      |
| Trade accounts payable   | (5,720)                                    | (8,751)                                    |
| Salaries and charges payable   | 897  | 5,149                                      |
| <b>Net cash from (used in) operational activities</b>                        | <b>11,332</b>                              | <b>46,300</b>                              |
| <b>Cash flows from investment activities</b>                                 |  |  |
| Acquisition of PPE   | (372,997)                                  | (2,439,502)                                |
| Acquisition of intangible assets   | (734)                                      | (136)                                      |
| <b>Net cash used in investment activities</b>                                | <b>(373,731)</b>                           | <b>(2,439,638)</b>                         |
| <b>Cash flow from financing activities</b>                                   |  |  |
| Capital increase - Infra   | -  | 321,670                                    |
| Capital increase - Siemens   | -  | 158,434                                    |
| Capital reserve - Infra  | -  | 321,727                                    |
| Capital reserve - Siemens  | -  | 158,463                                    |
| New loans  | 377,755                                    | 2,000,591                                  |
| Payment of loan interests  | (66,048)                                   | -  |
| Loan - Infra - release   | -  | 561,390                                    |
| Loan - Infra - payment   | -  | (565,838)                                  |
| Loan - Siemens - release   | -  | 320,425                                    |
| Loan - Siemens - payment   | -  | (322,964)                                  |
| <b>Net cash provided by financing activities</b>                             | <b>311,707</b>                             | <b>2,953,898</b>                           |
| <b>Increase (decrease) in cash and cash equivalent</b>                       | <b>(50,692)</b>                            | <b>560,560</b>                             |
| At the beginning of the period   | 367,339                                    | 53,427                                     |
| At the end of the period   | 316,647                                    | 613,987                                    |
| <b>Increase (decrease) in cash and cash equivalent</b>                       | <b>(50,692)</b>                            | <b>560,560</b>                             |

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 17<sup>th</sup>, 2015 and on October 20<sup>th</sup>, 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 September 30<sup>th</sup>, 2020, the works at GNA I had 96.4% 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 resumed work with the contracted companies and in coordination with the local authorities.

Practically all thermoelectric equipment is already in Porto do Açú. On the date of issue of this report, the FSRU clearance process was completed.

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 11<sup>th</sup>, 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 of activities was communicated to the local authorities and the resumption was 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 entry into operation of GNA I due to the pandemic and the request for exclusion of responsibility for the delay in the entry into operation caused by COVID-19 is under analysis at ANEEL. At the time of this report, ANEEL issued a technical note favorable to the granting of the exclusion of liability and is pending to be included in the agenda of the Board meeting for final approval.

The financial impacts on the project were measured, including signing an amendment with the Thermal Power Plant Construction Consortium. The identified cost deviation does not exceed the contingency included in the project cost calculation, so at the time of this report we did not identify deviation in the total cost of the project.

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

**b. SPIC Brasil**

On August 7<sup>th</sup>, 2020, SPIC Brasil, a subsidiary of State Power Investment Corporation of China (SPIC), signed a binding contract to acquire 33% of the GNA I and GNA II thermoelectric projects. The two plants, natural gas, will have an installed capacity of 3 gigawatts (3 GW) and belong to Gás Natural Açú (GNA), a joint venture between Prumo Logística (controlled by EIG), BP and Siemens. The closing of the contract, scheduled for the last quarter of 2020 (GNA I), is subject to compliance with certain conditions precedent common to this type of transaction.

The condition precedent that we consider most critical to the completion of the transaction is the consent of the IFC and KFW/EH (lenders) in GNA I.

On the date of signing the contract, GNA Infra had control of GNA I, with 67% of the company's share. With the execution of the transaction, its stake will be diluted by 33% by the entry of SPIC (sale of shares corresponding to 22% of the total), which will lead GNA Infra to a 45% stake in GNA I, with the consequent loss of control, since there is no agreement for preponderance in decisions.

## **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 31<sup>st</sup>, 2019, approved on March 26<sup>th</sup>, 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 November 10<sup>th</sup>, 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 form 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 fixes 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

|                                 | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|---------------------------------|--|-------------------|
| Cash and banks                  | 8,932                                      | 21                |
| <b>Financial investments</b>    |  |                   |
| Financial investments (a)       | 307,750                                    | 367,356           |
|                                 | <b>307,750</b>                             | <b>367,356</b>    |
|                                 | <b>316,682</b>                             | <b>367,377</b>    |
| Provision for expected loss (b) | (35)                                       | (38)              |
| <b>Total</b>                    | <b>316,647</b>                             | <b>367,339</b>    |

- (a) The balance of cash and cash equivalents as of September 30<sup>th</sup>, 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 7<sup>th</sup>, 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 September 30<sup>th</sup>, 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*

| <b>Risk Level</b> | <b>Rating</b> | <b>Gross Balance</b> | <b>Loss rate (1)</b> | <b>Provision for Loss</b> |
|-------------------|---------------|----------------------|----------------------|---------------------------|
| Level 1           | AAA           | 316,647              | 0,01%                | (35)                      |

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

## 5 Escrow account

|                   | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|-------------------|--|-------------------|
| NTN-B deposit (a) | 10,985                                     | 11,446            |
| <b>Total</b>      | <b>10,985</b>                              | <b>11,446</b>     |
| Current           | -  | -                 |
| Non-current       | 10,985                                     | 11,446            |
| <b>Total</b>      | <b>10,985</b>                              | <b>11,446</b>     |

- (a) On May 2019, GNA I granted, as a fiduciary guarantee in favor of BNDES, certain Federal Public Bonds (NTN-B 2035) that will remain available until the end of the obligations in the financing contract. On September 30<sup>th</sup>, 2020, the title is recognized as follows:

|  | <b>Federal government bonds</b><br><b>(NTN-B 2035)</b> |
|--|--|
| <b>Balance on January 1<sup>st</sup>, 2019</b>                   | <b>-</b>   |
| Principal  | 10,073   |
| Interest provision   | 1,373  |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>11,446</b>  |
| Interest receipt (cash flow)                                     | (306)  |
| Interest provision (note 21)                                     | (155)  |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>10,985</b>  |
| <b>Expiration</b>  | <b>2035</b>  |

## 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 September 30<sup>th</sup>, 2020 and December 31<sup>st</sup>, 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 September 30<sup>th</sup>, 2020

|                                       | 09/30/2020<br>(not reviewed) | 12/31/2019    |
|---------------------------------------|------------------------------|---------------|
| <b>Asset:</b>                         |                              |               |
| <b>Accounts receivable</b>            |                              |               |
| GNA Infra (a)                         | 7,305                        | 5,962         |
| GNA HoldCo (a)                        | 7,074                        | 4,400         |
| UTE GNA 2 (a)                         | 29,785                       | 14,227        |
| <b>Total assets</b>                   | <b>44,164</b>                | <b>24,589</b> |
| <b>Liability:</b>                     |                              |               |
| <b>Accounts payable</b>               |                              |               |
| GNA HoldCo (a)                        | 8,318                        | 6,598         |
| GNA Infra (a)                         | 1,940                        | 1,638         |
| GNA UTE II (a)                        | 6                            |               |
| Prumo Logística S.A. (b)              | 409                          | 289           |
| Porto do Açú Operações S.A. (b)       | 632                          | 586           |
| Siemens Aktiengesellschaft (c)        | 109,371                      | 78,646        |
| BP Global (d)                         | -                            | 333           |
| Reserva Ambiental Fazenda Caruara (e) | 48                           | -             |
| <b>Total</b>                          | <b>120,724</b>               | <b>88,090</b> |
| <b>Accounts receivable</b>            |                              |               |
| Current                               | 44,164                       | 24,589        |
| Non-current                           | -                            | -             |
| <b>Total</b>                          | <b>44,164</b>                | <b>24,589</b> |
| <b>Accounts payable</b>               |                              |               |
| Current                               | 119,683                      | 88,090        |
| Non-current                           | 1,041                        | -             |
| <b>Total</b>                          | <b>120,724</b>               | <b>88,090</b> |

**Result:**

| Shared costs                  | 09/30/2020<br>(not reviewed) | 09/30/2019<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2020<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2019<br>(not reviewed) |
|-------------------------------|------------------------------|------------------------------|---|---|
| GNA HoldCo (a)                | 1,042                        | (6,784)                      | 464   | (1,523)   |
| GNA Infra (a)                 | 1,041                        | 2,418                        | 322   | 2,967   |
| UTE GNA 2 (a)                 | 15,553                       | 8,639                        | 5,690   | 8,632   |
| Prumo Logística S.A (b)       | (121)                        | 1,827                        | (62)  | 1,827   |
| Port of Açú Operações S.A (b) | (45)                         | (478)                        | (41)  | (363)   |
| <b>Total</b>                  | <b>17,470</b>                | <b>5,622</b>                 | <b>6,373</b>  | <b>11,540</b>   |

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:

|                                     | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>09/30/2019</b><br><b>(not reviewed)</b> | <b>Three-month</b><br><b>period ending</b><br><b>on 09/30/2020</b><br><b>(not reviewed)</b> | <b>Three-month</b><br><b>period ending</b><br><b>on 09/30/2019</b><br><b>(not reviewed)</b> |
|-------------------------------------|--|--|---|---|
| <b>Officers</b>                     |  |  |   |   |
| Pro-labore                          | (2,198)                                    | (2,064)                                    | (712)   | (688)   |
| Bonus                               | (2,062)                                    | (4,008)                                    | (672)   | (3,551)   |
| Benefits and charges                | (664)                                      | (624)                                      | (215)   | (208)   |
| Cost transfer between companies (a) | 656  | (412)                                      | 220   | 338   |
| <b>Total</b>                        | <b>(4,268)</b>                             | <b>(7,108)</b>                             | <b>(1,379)</b>  | <b>(4,109)</b>  |

- (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

|                       | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|-----------------------|--|-------------------|
| Insurance premium (a) | 6,662                                      | 18,595            |
| Transaction cost (b)  | 5,341                                      | 9,292             |
| <b>Total</b>          | <b>12,003</b>                              | <b>27,887</b>     |
| Circulating           | 11,948                                     | 26,364            |
| Non-rolling           | 55   | 1,523             |
| <b>Total</b>          | <b>12,003</b>                              | <b>27,887</b>     |

- (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

|  | 09/30/2020<br>(not reviewed) | 12/31/2019   |
|--|------------------------------|--------------|
| Withholding income tax ("IRRF")                                  | 1,454                        | 2,369        |
| PIS/COFINS on imports  | -                            | 418          |
| PIS / COFINS to be recoverable                                   | 515                          | -            |
| ICMS to be recovered   | 83                           | 52           |
| ISS to be recovered  | 5                            | -            |
|  | <b>2,057</b>                 | <b>2,839</b> |
| Income tax and social contribution ("IRPJ/CSLL")                 | 2,052                        | 322          |
| Paid income tax and social contribution to offset previous years | 2,258                        | -            |
| <b>Total</b>   | <b>6,367</b>                 | <b>3,161</b> |
| Current  | 5,038                        | 2,839        |
| Non-current  | 1,329                        | 322          |
| <b>Total</b>   | <b>6,367</b>                 | <b>3,161</b> |

## 9 Deferred taxes

|                       | 09/30/2020<br>(not reviewed) | 12/31/2019    |
|-----------------------|------------------------------|---------------|
| Deferred taxes assets | 26,622                       | 19,512        |
| <b>Total</b>          | <b>26,622</b>                | <b>19,512</b> |

|   | Deferred taxes assets | Deferred tax liabilities |
|---|-----------------------|--------------------------|
| <b>Balance on January 1<sup>st</sup>, 2019</b>    | <b>7,019</b>          | -                        |
| Pre-operating expenses                            | 12,493                | -                        |
| <b>Balance on December 31<sup>st</sup>, 2019</b>  | <b>19,512</b>         | -                        |
| <b>Balance on January 1<sup>st</sup>, 2020</b>    | <b>19,512</b>         | -                        |
| Pre-operating expenses                            | 7,110                 | -                        |
| <b>Balance on September 30<sup>th</sup>, 2020</b> | <b>26,622</b>         | -                        |

The subsidiary UTE GNA I presented on September 30<sup>th</sup>, 2020 a tax loss of IRPJ of R\$ 711 and negative base of CSLL R\$ 256.

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|  | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>09/30/2019</b><br><b>(not reviewed)</b> |
|--|--|--|
| <b>Loss before taxes</b>                                       | <b>(27,779)</b>                            | <b>(39,121)</b>                            |
| Income tax and social contribution rate                        | 34%  | 34%  |
| <b>Income tax and social contribution (base x rate)</b>        | <b>9,445</b>                               | <b>13,301</b>                              |
| <b>Increases:</b>  |  |  |
| Gifts  | (1)  | -  |
| Bonus withholding  | (783)                                      | (1,458)                                    |
| INSS /Bonuses/   | (140)                                      | (269)                                      |
| Donations + Taxes on donation                                  | (1,085)                                    | -  |
| Non-deductible fines   | (3)  | -  |
| Unrecognized tax credits                                       | (324)                                      | (1,020)                                    |
| IRPJ / CSLL adjustment from previous fiscal year               | 1,037                                      | -  |
| <b>Total income tax and social contribution for the period</b> | <b>8,146</b>                               | <b>10,554</b>                              |
| Current  | 1,037                                      | -  |
| Deferred   | 7,109                                      | 10,554                                     |
| <b>Total</b>   | <b>8,146</b>                               | <b>10,554</b>                              |
|  | <b>(29.32) %</b>                           | <b>(26.98) %</b>                           |

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<br>formation of<br>Property, plant,<br>and equipment (*) | Works in progress<br>and equipment<br>under<br>construction (**) | Furniture and<br>Utensils | Machines and<br>Equipment | IT Equipment | Total            |
|--|---|--|---------------------------|---------------------------|--------------|------------------|
| <b>Balance on December 31<sup>st</sup>, 2018</b>                 | <b>278,493</b>  | <b>517,495</b>   | <b>111</b>                | <b>-</b>                  | <b>60</b>    | <b>796,159</b>   |
| Increases (***) and (****)                                       | -   | 2,373,586  | 47                        | 9                         | 609          | <b>2,374,251</b> |
| Transfers  | (263,406)   | 263,406  | -                         |                           | -            | -                |
| Depreciation   | -   | -  | (16)                      |                           | (110)        | <b>(126)</b>     |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>15,087</b>   | <b>3,154,487</b>   | <b>142</b>                | <b>9</b>                  | <b>559</b>   | <b>3,170,284</b> |
| Cost   | 15,087  | 3,154,487  | 159                       | 9                         | 669          | <b>3,170,411</b> |
| Accumulated depreciation   | -   | -  | (17)                      |                           | (110)        | <b>(127)</b>     |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>15,087</b>   | <b>3,154,487</b>   | <b>142</b>                | <b>9</b>                  | <b>559</b>   | <b>3,170,284</b> |
| Increases (***) and (****)                                       | 34,753  | 767,366  | 174                       | 58                        | 388          | <b>802,739</b>   |
| Depreciation   | -   | -  | (21)                      | (3)                       | (142)        | <b>(166)</b>     |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>49,840</b>   | <b>3,921,853</b>   | <b>295</b>                | <b>64</b>                 | <b>805</b>   | <b>3,972,857</b> |
| Cost   | 49,840  | 3,921,853  | 333                       | 67                        | 1,057        | <b>3,973,150</b> |
| Accumulated depreciation   | -   | -  | (38)                      | (3)                       | (252)        | <b>(293)</b>     |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>49,840</b>   | <b>3,921,853</b>   | <b>295</b>                | <b>64</b>                 | <b>805</b>   | <b>3,972,857</b> |

(\*) Advance for formation of Property, plant, and equipment: The balance of advances on September 30<sup>th</sup>, 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 September 30<sup>th</sup>, 2020 is comprised of the construction costs of the thermoelectric plant.

(\*\*\*) Out of the increases occurred in the period, the total amount of R\$ 429,742 had no cash flow effect.

(\*\*\*\*) The following amounts were capitalized by September 30<sup>th</sup>, 2020:

|                                     | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|-------------------------------------|--|-------------------|
| Loan Interests (BNDES and IFC)      | 221,082                                    | 67,693            |
| IOF on loans (BNDES and IFC)        | 32,146                                     | 28,272            |
| Financial income transaction cost * | -  | (9,885)           |
| Transaction cost (BNDES and IFC)    | 31,882                                     | 11,041            |
| Amortization of right of use (Land) | 6,629                                      | 4,219             |
| Interest expense on lease (lands)   | 17,813                                     | 10,916            |
| Amortization of right of use (FSRU) | 17,975                                     | -                 |
| Interest expenses on lease (FSRU)   | 45,682                                     | -                 |
| Exchange variation on lease (FSRU)  | 186,921                                    | -                 |
| IOF on mutual                       | 9,210                                      | 9,210             |
| Interest on mutual                  | 6,987                                      | 6,987             |
| <b>Total</b>                        | <b>576,327</b>                             | <b>128,453</b>    |

\*Amount reclassified to the Loan Interests line.

## 11 Intangible assets

|  | <b>Right to trade<br/>energy (*)</b> | <b>Software<br/>licenses</b> | <b>Systems<br/>Deployment</b> | <b>Total</b>  |
|--|--------------------------------------|------------------------------|-------------------------------|---------------|
| <b>Balance on January 1<sup>st</sup>, 2019</b>                   | <b>30,000</b>                        | <b>813</b>                   | <b>-</b>                      | <b>30,813</b> |
| Additions  | -                                    | 136                          | -                             | 136           |
| Amortization   | -                                    | (16)                         | -                             | (16)          |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>30,000</b>                        | <b>933</b>                   | <b>-</b>                      | <b>30,933</b> |
| Cost   | 30,000                               | 949                          | -                             | 30,949        |
| Accumulated amortization   | -                                    | (16)                         | -                             | (16)          |
| <b>Balance on December 31<sup>st</sup>, 2019</b>                 | <b>30,000</b>                        | <b>933</b>                   | <b>-</b>                      | <b>30,933</b> |
| Additions  | -                                    | 378                          | 356                           | 734           |
| Amortization   | -                                    | (170)                        | -                             | (170)         |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>30,000</b>                        | <b>1,141</b>                 | <b>356</b>                    | <b>31,497</b> |
| Cost   | 30,000                               | 1,327                        | 356                           | 31,683        |
| Accumulated amortization   | -                                    | (186)                        | -                             | (186)         |
| <b>Balance on September 30<sup>th</sup>, 2020 (not reviewed)</b> | <b>30,000</b>                        | <b>1,141</b>                 | <b>356</b>                    | <b>31,497</b> |
| <b>Service life</b>  | <b>23 years</b>                      | <b>5 years</b>               |                               |               |

(\*) On December 19<sup>th</sup>, 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 nine months of 2020 of the right-of-use assets and lease liabilities is shown in the table below:

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|  | Balance<br>12/31/2019 | PIS/COFINS to<br>be recovered | Increases        | Write-off       | Amortization    | Payments     | Appropriated<br>interest | Exchange<br>Variation | Balance<br>09/30/2020<br>(not reviewed) |
|--|-----------------------|-------------------------------|------------------|-----------------|-----------------|--------------|--------------------------|-----------------------|---|
| <b>Assets</b>  |                       |                               |                  |                 |                 |              |                          |                       |   |
| Land   | 101,252               | -                             | -                | (10,338)        | (2,842)         | -            | -                        | -                     | 88,072                                  |
| Commercial room  | 3,606                 | -                             | -                | (251)           | (776)           | -            | -                        | -                     | 2,579                                   |
| FSRU   | -                     | -                             | 1,280,724        | -               | (17,976)        | -            | -                        | -                     | 1,262,748                               |
| <b>Total assets</b>                                    | <b>104,858</b>        | <b>-</b>                      | <b>1,280,724</b> | <b>(10,589)</b> | <b>(21,594)</b> | <b>-</b>     | <b>-</b>                 | <b>-</b>              | <b>1,353,399</b>                        |
| <b>Liabilities</b>                                     |                       |                               |                  |                 |                 |              |                          |                       |   |
| Land   | -                     | -                             | 4,441            | -               | -               | -            | -                        | -                     | 4,441                                   |
| (-) Financial charges to be incurred - Land            | -                     | -                             | (8,849)          | -               | -               | -            | 8,011                    | -                     | (838)                                   |
| Commercial room  | 1,291                 | -                             | 954              | -               | -               | (911)        | -                        | -                     | 1,334                                   |
| (-) Financial charges to be incurred - Commercial room | (65)                  | -                             | (237)            | -               | -               | -            | 236                      | -                     | (66)                                    |
| FSRU   | -                     | -                             | 24,595           | -               | -               | -            | -                        | -                     | 24,595                                  |
| (-) Financial charges to be incurred - FSRU            | -                     | -                             | (2,215)          | -               | -               | -            | -                        | -                     | (2,215)                                 |
| <b>CP lease liability</b>                              | <b>1,226</b>          | <b>-</b>                      | <b>18,689</b>    | <b>-</b>        | <b>-</b>        | <b>(911)</b> | <b>8,247</b>             | <b>-</b>              | <b>27,251</b>                           |
| Land   | 325,964               | -                             | -                | (29,527)        | -               | -            | -                        | -                     | 296,437                                 |
| (-) Financial charges to be incurred - Land            | (209,576)             | -                             | -                | 22,051          | -               | -            | -                        | -                     | (187,525)                               |
| Commercial room  | 3,115                 | -                             | -                | (954)           | -               | -            | -                        | -                     | 2,161                                   |
| (-) Financial charges to be incurred - Commercial room | (585)                 | -                             | (251)            | 237             | -               | -            | -                        | -                     | (599)                                   |
| FSRU   | -                     | -                             | 3,945,758        | -               | -               | -            | -                        | 186,921               | 4,132,679                               |
| (-) Financial charges to be incurred - FSRU            | -                     | -                             | (2,687,414)      | -               | -               | -            | 45,682                   | -                     | (2,641,732)                             |
| <b>LP lease liability</b>                              | <b>118,918</b>        | <b>-</b>                      | <b>1,258,093</b> | <b>(8,193)</b>  | <b>-</b>        | <b>-</b>     | <b>45,682</b>            | <b>-</b>              | <b>1,601,421</b>                        |
| <b>Total liabilities</b>                               | <b>120,144</b>        | <b>-</b>                      | <b>1,276,782</b> | <b>(8,193)</b>  | <b>-</b>        | <b>(911)</b> | <b>53,929</b>            | <b>-</b>              | <b>1,628,672</b>                        |
| <b>Result</b>  |                       |                               |                  |                 |                 |              |                          |                       |   |
| Amortization - Commercial room                         | 491                   | (72)                          | -                | -               | 776             | -            | -                        | -                     | 704                                     |
| Interest Expense - Commercial room                     | 187                   | (12)                          | -                | -               | -               | -            | 236                      | -                     | 224                                     |
| <b>Lease result</b>                                    | <b>678</b>            | <b>(84)</b>                   | <b>-</b>         | <b>-</b>        | <b>776</b>      | <b>-</b>     | <b>236</b>               | <b>-</b>              | <b>928</b>                              |

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

|                    | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|--------------------|--|-------------------|
| National suppliers | 25,670                                     | 18,256            |
| Foreign suppliers  | 63,707                                     | 54,258            |
| <b>Total</b>       | <b>89,377</b>                              | <b>72,514</b>     |

### 14 Salaries and charges payable

|                                    | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|------------------------------------|--|-------------------|
| Bonuses payable                    | 6,722                                      | 8,798             |
| Vacations                          | 1,638                                      | 1,206             |
| Charges on vacations               | 1,034                                      | 878               |
| 13 <sup>th</sup> Salary            | 1,083                                      | -                 |
| Charges on 13 <sup>th</sup> Salary | 393  | -                 |
| INSS                               | 1,995                                      | 1,305             |
| FGTS                               | 392  | 171               |
| Insurances                         | 11   | 11                |
| Union contribution                 | -  | 2                 |
| <b>Total</b>                       | <b>13,268</b>                              | <b>12,371</b>     |

### 15 Taxes and contributions payable

|   | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|---|--|-------------------|
| Service tax ("ISS")                                   | 318  | 825               |
| INSS third parties                                    | 101  | 13                |
| Tax on the circulation of goods and services ("ICMS") | 2  | 739               |
| Withholding income tax ("IRRF")                       | 464  | 756               |
| PIS/COFINS payable                                    | 27   | 69                |
| PIS/COFINS/CSLL - tax withholding                     | 345  | 108               |
| PIS/COFINS w/o import.                                | 13   | -                 |
| <b>Total</b>  | <b>1,270</b>                               | <b>2,510</b>      |
| Income tax and social contribution ("IRPJ/CSLL")      | -  | 281               |
| <b>Total</b>  | <b>1,270</b>                               | <b>2,791</b>      |
| Current   | 1,270                                      | 2,791             |
| Non-current   | -  | -                 |
| <b>Total</b>  | <b>1,270</b>                               | <b>2,791</b>      |

## 16 Trade accounts payable

|                       | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>31/12/2019</b> |
|-----------------------|--|-------------------|
| TCCA - terminal (a)   | -  | 207               |
| Bolognesi Energia (b) | 16,632                                     | 21,970            |
| <b>Total</b>          | <b>16,632</b>                              | <b>22,177</b>     |
| Current               | -  | 5,700             |
| Non-current           | 16,632                                     | 16,477            |
| <b>Total</b>          | <b>16,632</b>                              | <b>22,177</b>     |

- (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 \$ 207.

As of September 30<sup>th</sup>, 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 31<sup>st</sup>, 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        | 154        | -               | <b>16,632</b> |
| <b>Total</b> |             | <b>30,000</b>  | <b>1,385</b>                | <b>585</b> | <b>154</b> | <b>(15,492)</b> | <b>16,632</b> |

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 20<sup>th</sup>, 2018 and March 15<sup>th</sup>, 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:

| <b>Banks</b> | <b>Currency</b> | <b>Purpose</b> | <b>Maturity</b> | <b>Guarantees (a)</b>                    | <b>Total credit line</b> |
|--------------|-----------------|----------------|-----------------|--|--------------------------|
| BNDES        | Real            | 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 September 30<sup>th</sup>, 2020, liabilities are recognized as follows:

|                     | 12/31/2019       |                | 09/30/2020<br>(not reviewed) |                 |               |                  |
|---------------------|------------------|----------------|------------------------------|-----------------|---------------|------------------|
|                     | Total            | Fundraising    | Appropriated interest        | Interest paid   | Funding cost  | Total            |
| <b>Institutions</b> |                  |                |                              |                 |               |                  |
| BNDES               | 860,911          | 206,479        | 85,594                       | (7,431)         | 15,920        | 1,161,473        |
| IFC                 | 777,837          | 171,276        | 68,301                       | (58,617)        | 645           | 959,442          |
|                     | <b>1,638,748</b> | <b>377,755</b> | <b>153,895</b>               | <b>(66,048)</b> | <b>16,565</b> | <b>2,120,915</b> |
| Circulating         | 62,416           | -              | 88,601                       | (66,048)        | -             | 84,969           |
| Non-rolling         | 1,576,332        | 377,755        | 65,294                       | -               | 16,565        | 2,035,946        |
| <b>Total</b>        | <b>1,638,748</b> | <b>377,755</b> | <b>153,895</b>               | <b>(66,048)</b> | <b>16,565</b> | <b>2,120,915</b> |

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 September 30<sup>th</sup>, 2020, the Company has a balance of civil contingencies in the amount of R\$650 (R\$ 270 on December 31<sup>st</sup>, 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 | 09/30/2020<br>(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%             |
| <b>Total</b> | <b>1,851,604</b>                   | <b>100%</b>     | <b>1,851,604</b>                   | <b>100%</b>     |

### **a. Share capital**

As of September 30<sup>th</sup>, 2020, and December 31<sup>st</sup>, 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:

| Starting Balance | Shareholder    |                | Capital Social |
|------------------|----------------|----------------|----------------|
|                  | GNA Infra      | Siemens        |                |
| 01/01/2020       | 620,287        | 305,515        | 925,802        |
| <b>Total</b>     | <b>620,287</b> | <b>305,515</b> | <b>925,802</b> |

**b. Capital reserve**

As of September 30<sup>th</sup>, 2020, and December 31<sup>st</sup>, 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:

| Starting Balance | Shareholder    |                | Capital reserve |
|------------------|----------------|----------------|-----------------|
|                  | GNA Infra      | Siemens        |                 |
| 01/01/2020       | 620,288        | 305,514        | 925,802         |
| <b>Total</b>     | <b>620,288</b> | <b>305,514</b> | <b>925,802</b>  |

**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 September 30<sup>th</sup>, 2020, the Company posted a loss with no dividend distribution.

**20 General and administrative expenses**

|   | 09/30/2020<br>(not reviewed) | 09/30/2019<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2020<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2019<br>(not reviewed) |
|---|------------------------------|------------------------------|---|---|
| Personnel                               | (12,816)                     | (19,485)                     | (3,879)   | 1,864   |
| Legal expenses                          | (1,866)                      | (3,950)                      | (737)   | (1,485)   |
| Consulting and auditing                 | (1,962)                      | (1,279)                      | (653)   | (256)   |
| Taxes, fines, and fees                  | (209)                        | (353)                        | (44)  | (245)   |
| IT and telecom.                         | (831)                        | (1,190)                      | (496)   | (507)   |
| Communication and institutional affairs | (3,597)                      | (821)                        | (1,617)   | (386)   |
| Environmental and land expenses         | (362)                        | (1,224)                      | (64)  | (539)   |
| Travels                                 | (343)                        | (2,376)                      | (26)  | (236)   |
| Administrative services                 | (1,386)                      | (2,326)                      | (356)   | 155   |
| Operational services                    | 46                           | 21                           | -   | 52  |
| Insurances                              | (358)                        | (230)                        | (113)   | (82)  |
| Depreciation and amortization           | (1,040)                      | (3,456)                      | (360)   | (313)   |
| General and maintenance expenses        | (605)                        | (642)                        | (145)   | (331)   |
| Other third-party services              | (1,505)                      | (945)                        | (756)   | (345)   |
| Other expenses                          | -                            | (94)                         | -   | 1   |
| <b>Total</b>                            | <b>(26,834)</b>              | <b>(38,350)</b>              | <b>(9,246)</b>  | <b>(2,653)</b>  |

## 21 Financial result

On September 30<sup>th</sup>, 2020, the net financial result was R\$ (948) as follows:

|  | 09/30/2020<br>(not reviewed) | 09/30/2019<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2020<br>(not reviewed) | Three-month<br>period ending<br>on 09/30/2019<br>(not reviewed) |
|--|------------------------------|------------------------------|---|---|
| <b>Financial expenses</b>                  |                              |                              |   |   |
| Bank expenses                              | (19)                         | (13)                         | (6)   | (2)   |
| Commissions and brokerage                  | -                            | (28)                         | 11  | (12)  |
| Loss on Hedge transactions (NDF)           | (21)                         | (1,505)                      | (7)   | -   |
| IOF  | (50)                         | (1,065)                      | (41)  | (1,005)   |
| Interest and fines                         | (803)                        | (237)                        | (438)   | (208)   |
| Expenses with updating of lease            | (224)                        | (7,442)                      | (66)  | (7,442)   |
| Financial variation - IPCA                 | (175)                        | (570)                        | (255)   | (70)  |
| Exchange variation                         | 258                          | (5,930)                      | 258   | (1,431)   |
|  | <b>(1,034)</b>               | <b>(16,790)</b>              | <b>(544)</b>  | <b>(10,170)</b>   |
| <b>Financial incomes</b>                   |                              |                              |   |   |
| Interest on financial investments          | (282)                        | 8,169                        | (932)   | 5,076   |
| Gain on Hedge transactions (NDF)           | 388                          | 6,445                        | 219   | -   |
| Financial variation - IPCA                 | -                            | 285                          | -   | 3   |
| Monetary variation - government securities | (155)                        | 1,124                        | 133   | 423   |
| Active or earned interest                  | 112                          | 53                           | 108   | 50  |
| Discounts obtained                         | 23                           | -                            | -   | -   |
|  | <b>86</b>                    | <b>16,076</b>                | <b>(472)</b>  | <b>5,552</b>  |
| <b>Net financial result</b>                | <b>(948)</b>                 | <b>(714)</b>                 | <b>(1,016)</b>  | <b>(4,618)</b>  |

## 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 September 30<sup>th</sup>, 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 September 30<sup>th</sup>, 2020, the Company had a total of short-term investments of R\$ 307,750

**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.

|  | <b>09/30/2020</b>     | <b>12/31/2019</b> |
|--|-----------------------|-------------------|
|  | <b>(not reviewed)</b> |                   |
| <b>Measured at fair value through the result</b> |                       |                   |
| Cash and cash equivalent                         | 316,647               | 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.

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:

|            | <b>Contracted NDFs in R\$</b> |                   | <b>Mark-to-market (MTM)</b> |                   | <b>Accumulated effect</b> |
|------------|-------------------------------|-------------------|-----------------------------|-------------------|---------------------------|
|            | <b>NDF</b>                    | <b>09/30/2020</b> | <b>Maturity (year)</b>      | <b>09/30/2020</b> | <b>12/31/2019</b>         |
|            |                               |                   |                             |                   | <b>09/30/2020</b>         |
| USD Term   | 71,778                        | 2020              | 8,564                       | 2,473             | 25,634                    |
| USD Term   | 87,250                        | 2021              | 34,893                      | 667               | -                         |
| EUR Term   | 98,802                        | 2020              | 16,507                      | (3,730)           | 14,381                    |
| EUR Term   | 41,109                        | 2021              | 13,319                      | (2,653)           | -                         |
| <b>Net</b> |                               |                   | <b>73,283</b>               | <b>(3,243)</b>    | <b>40,015</b>             |

- (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   |          |                  |           |               |                   |                      |                       |
| Item protected: part of disbursement in USD | Dollar   | Dollar fall      | 5.6407    | 35,668        | 42,167            | (8,132)              | (58,431)              |
| Protected item: part disbursement in EUR    | Euro     | Fall of the euro | 6.6132    | 25,519        | 28,853            | (13,338)             | (55,529)              |
| <b>Net exposure</b>                         |          |                  |           | <b>61,187</b> | <b>71,020</b>     | <b>(21,470)</b>      | <b>(113,960)</b>      |

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 September 30<sup>th</sup>, 2020 and December 31<sup>st</sup>, 2019:

|  | Level | 09/30/2020<br>(not reviewed) |            | 12/31/2019 |            |
|--|-------|------------------------------|------------|------------|------------|
|  |       | Accounting                   | Fair Value | Accounting | Fair Value |
| <b>Financial assets (Current / Non-Current)</b>                |       |                              |            |            |            |
| <b>Measured at amortized cost</b>                              |       |                              |            |            |            |
| Cash and cash equivalent                                       | 1     | 316,647                      | 316,647    | 367,339    | 367,339    |
| <b>Financial liabilities (Current/Non-current)</b>             |       |                              |            |            |            |
| <b>Measured at amortized cost</b>                              |       |                              |            |            |            |
| Suppliers  | 2     | 2,210,292                    | 2,210,292  | 1,711,262  | 1,711,262  |
| Borrowings   | 2     | 89,377                       | 89,377     | 72,514     | 72,514     |
|  | 2     | 2,120,915                    | 2,120,915  | 1,638,748  | 1,638,748  |
| <b>Measured at fair value through the comprehensive result</b> |       |                              |            |            |            |
| <i>Non-deliverable forwards (NDF) – Hedge Instrument</i>       | 2     | 73,283                       | 73,283     | (3,243)    | (3,243)    |

There were no transfers between Level 1 and Level 2 during the period ended on September 30<sup>th</sup>, 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 September 30<sup>th</sup>, 2020, and December 31<sup>st</sup>, 2019, insurance coverage is as follows:

|   | <b>09/30/2020</b><br><b>(not reviewed)</b> | <b>12/31/2019</b> |
|---|--|-------------------|
| Material Damage (Engineering Risks)       | 5,046,290                                  | 3,605,950         |
| Civil Liability and Environmental Damages | 82,578                                     | 82,578            |
| Expected Loss of Profits                  | 4,223,647                                  | 3,018,110         |
| Transportation of Imported Equipment      | 2,126,544                                  | 1,519,574         |
| Civil Liability (Office and Employees)    | -  | 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)           | 597,914                                    | -                 |
| Civil Liability (Environmental)           | 10,000                                     | -                 |

**24 Commitments made**

On September 30<sup>th</sup>, 2020, the Company presented commitments for future purchases in the amount of R\$3,764,897 (R\$1,776,774 on December 31<sup>st</sup>, 2019), which must be fulfilled during the construction of the thermoelectric plant.