UTE GNA I Geração de Energia S.A.

Financial statements for the year ended on December 31st, 2020, 2019 and 2018

Contents

KPMG Auditores Independentes
Rua do Passeio, 38 - Setor 2 - 17º andar - Centro
20021-290 - Rio de Janeiro/RJ - Brasil
Caixa Postal 2888 - CEP 20001-970 - Rio de Janeiro/RJ - Brasil
Telefone +55 (21) 2207-9400
kpmg.com.br

Independent Auditors' report on Financial Statements

(A free translation of the original report in Portuguese, prepared in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards - IFRS)

To the Board of Directors and Management of
UTE GNA I Geração de Energia S.A.
Rio de Janeiro – RJ

Opinion

We have audited the financial statements of UTE GNA I Geração de Energia S.A. ("the Company") , which comprise the balance sheet as of December 31, 2020, and the statements of operations, comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company, as of December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Accounting Practices Adopted in Brazil and with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International and Brazilian Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the relevant ethical requirements included in the Accountant Professional Code of Ethics ("Código de Ética Profissional do Contador") and in the professional standards issued by the Brazilian Federal Accounting Council ("Conselho Federal de Contabilidade"), and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

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

<table>
<tr><th colspan="2">Determination of costs that are directly associated with the construction of the thermoelectric plant and the regasification terminal</th></tr>
<tr><td colspan="2">See notes 7b and 16 to the financial statements</td></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The UTE GNA I Geração de Energia S.A. Project aims to build (i) a thermoelectric plant and (ii) a liquefied natural gas regasification terminal. The Company is in the pre-operational phase and the construction works for these fixed assets are still in progress, with all expenses directly associated with the construction being classified in property, plant and equipment.

Considering that the construction works for these assets represent approximately 70% of the Company's total assets as of December 31, 2020 and that the relevance of the amounts involved in the transactions represents a high risk of material misstatement in the financial statements, we consider this item as a major audit issue.</td><td>Our audit procedures in this area included, among others:

– Conducting a test, based on sampling, of the entries recorded as additions to property, plant and equipment in the current year, comparing the selected items with the relevant documentary evidence and inspecting the eligibility of the nature of the expense as a cost directly attributable to the construction..

– Obtaining the cost base incurred with the construction of fixed assets in the current year and, based on the description of the items, we evaluate their eligibility as costs directly attributable to the construction.

– Assessment whether the disclosures in the financial statements consider the information relevant.

In the course of our audit, we identified adjustments that affected the measurement and disclosure of said fixed assets, which were recorded and disclosed by the Company.

Based on the evidence obtained through the procedures summarized above, we consider that it is acceptable the determination of the costs that are directly associated with property, plant and equipment as part of the construction of the thermoelectric plant and the regasification terminal, as well as the related disclosures, in the context of the financial statements taken jointly, for the year ended December 31, 2020.</td></tr>
</table>

Initial recognition of the lease for the floating storage and re-gasification unit	
See notes 7j and 18 to the financial statements	
Key audit matter	**How the matter was addressed in our audit**
The Company recorded, in the current year, the relevant right of use and lease liability arising from the lease agreement associated with the Floating Storage and Regasification Unit (FSRU), in accordance with CPC 06 (R2) - Leases (IFRS 16). The initial recognition of the lease liability and, consequently, the right-of-use asset, requires relevant judgment in determining the assumptions that support the Company's incremental loan rate, used to measure the present value of the lease liability. Due to the degree of uncertainty and complexity associated with the assumptions used in determining the incremental rate on the Company's loan, as well as the fact that any variations in the assumptions used may significantly impact the financial statements, we consider this matter to be significant for our audit.	Our audit procedures in this area included, among others: – Lease terms assessment based on reading the contract. – Evaluation, with the assistance of our corporate finance specialists, of the incremental loan rate used to measure the present value of the lease liability by means of an independent calculation using assumptions commonly practiced in the market, as well as the inspection of the relevant contractual data for the calculation. – Assessment whether the disclosures in the financial statements consider the information relevant. In the course of our audit, we identified adjustments that affected the measurement and disclosure of the right to use and lease liabilities, which were recorded and disclosed by the Company. Based on the evidence obtained through the procedures summarized above, we consider acceptable the initial recognition of the right-of-use asset and the lease liability arising from the FSRU lease agreement, as well as the respective disclosures, in the context of the financial statements taken in for the year ended December 31, 2020.

Other matters – Statements of value added

The financial statement of value added (DVA) for the year ended December 31, 2020, prepared under the responsibility of the Company’s management, presented herein as supplementary information for IFRS purposes and which presentation is not required for private entities, have been subject to audit procedures jointly performed with the audit of the Company's financial statements. In order to form our opinion, we assessed whether those statements are reconciled with the financial statements and accounting records, as applicable, and whether their format and contents are in accordance with criteria determined in the Technical Pronouncement 09 (CPC 09) - Statement of Value Added issued by the Committee for Accounting Pronouncements (CPC). In our opinion, the statements of value added have been fairly prepared, in all material respects, in accordance with the criteria determined by the aforementioned Technical Pronouncement and are consistent with the overall individual and consolidated financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for preparing and presenting the financial statements in accordance with accounting practices adopted in Brazil and with the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB) and for the internal controls that it determined as necessary to enable the preparation of financial statements free of material misstatement, whether due to fraud or error.

In the preparation of the financial statements, management is responsible for assessing the Company's ability to continue operating, disclosing, when applicable, the matters related to its operational continuity and the use of this accounting base in the preparation of the financial statements, unless the management intends to liquidate the Company or cease its operations, or has no realistic alternative to avoid the closure of operations.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that the examination performed in accordance with Brazilian and international standards on auditing will always detect possible existing material misstatements. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the examination performed in accordance with Brazilian and international standards on auditing, we exercised professional judgment and maintained professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is greater than the one deriving from error, as fraud may involve the act of circumventing internal control, collusion, forgery, omission or deliberate false representations.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

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

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

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the corresponding transactions and events in a compatible manner with the objective of a true and fair presentation.

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

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

Rio de Janeiro, 27 de março de 2021

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ

(Original report in Portuguese signed by)
Juliana Ribeiro de Oliveira
CRC RJ-095335/O-0

UTE GNA I Geração de Energia S.A.

Balance sheets as of December 31st, 2020 , 2019 and 2018

(In thousands of Reais)

	Note	2020	2019	2018
Current Assets				
Cash and cash equivalents	9	186,221	367,339	53,427
Escrow account	10	-	-	200
Accounts receivable - related parties	11	54,506	24,589	118
LNG inventories	12	103,132	-	-
Other advancements		321	307	51
Prepaid expenses	13	15,596	26,364	43,715
Recoverable taxes	14	2,354	2,839	864
Recoverable income tax and social contribution	14	2,940	-	489
Derivative financial instruments	28	36,249	2,684	-
Other receivables		-	-	2
Total current assets		**401,319**	**424,122**	**98,866**
Non-current				
Prepaid expenses	13	47	1,523	11,617
Recoverable income tax and social contribution	14	1,331	322	-
Deferred taxes	15	50,978	19,512	7,019
Derivative financial instruments	28	-	667	-
Escrow account	10	11,837	11,446	-
Property, plant, and equipment	16	4,074,465	3,170,284	796,159
Intangible assets	17	31,500	30,933	30,813
Right of use assets	18	1,211,355	104,858	-
Total non-current assets		**5,381,513**	**3,339,545**	**845,608**
Total asset		**5,782,832**	**3,763,667**	**944,474**

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Balance sheets as of December 31st, 2020 , 2019 and 2018

(In thousands of Reais)

	Note	2020	2019	2018
Current Liabilities				
Suppliers	19	82,891	72,514	8,589
Salaries and charges payable	20	14,344	12,371	4,091
Accounts payable - related parties	11	244,263	88,090	20,762
Borrowings	23	112,421	62,416	-
Taxes and contributions payable	21	2,056	2,510	2,432
Income tax and social contribution payable	21	-	281	-
Derivative financial instruments	28	2,199	3,941	-
Trade accounts payable	22	17,142	5,700	9,579
Lease liabilities	18	64,381	1,226	-
Other accounts payable		80	80	-
Total current liabilities		**539,777**	**249,129**	**45,453**
Non-current				
Accounts payable - related parties	11	1,045	-	-
Borrowings	23	2,118,100	1,576,332	-
Derivative financial instruments	28	-	2,653	-
Trade accounts payable	22	-	16,477	21,385
Lease liabilities	18	1,355,306	118,918	-
Provision for contingencies	24	-	270	-
Total non-current liabilities		**3,474,451**	**1,714,650**	**21,385**
Shareholders' equity	25			
Share capital		925,802	925,802	445,698
Capital reserves		925,802	925,802	445,612
Adjustment of equity valuation		34,049	(3,243)	-
Accumulated losses		(117,049)	(48,473)	(13,674)
Total shareholders' equity		**1,768,604**	**1,799,888**	**877,636**
Total liabilities and shareholders' equity		**5,782,832**	**3,763,667**	**944,474**

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Statements of income or loss

Years ended on December 31st, 2020, 2019 and 2018

(In thousands of Reais)

	Note	2020	2019	2018
Operating income (expenses)				
General and administrative expenses	26	(32,603)	(43,327)	(22,050)
Impairment and other losses	9	17	(33)	(5)
Net income before financial result (expenses)		**(32,586)**	**(43,360)**	**(22,055)**
Net financial result	27			
Financial income		9,400	15,521	3,113
Financial expenses		(77,893)	(18,416)	(1,750)
Loss before taxes		**(101,079)**	**(46,255)**	**(20,692)**
Current income tax and social contribution	15	1,037	(1,037)	-
Deferred income tax and social contribution	15	31,466	12,493	7,019
Loss of the year		**(68,576)**	**(34,799)**	**(13,673)**
Loss per share				
Loss per common share - basic and diluted in R$		(0.03704)	(0.01879)	(0.01534)

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Statements of comprehensive income or loss

Years ended on December 31st, 2020, 2019 and 2018

(In thousands of Reais)

	2020	2019	2018
Loss of the year	**(68,576)**	**(34,799)**	**(13,673)**
Items that can subsequently be reclassified to the result			
Gains and losses from hedge operations	37,292	(3,243)	-
Total comprehensive loss of the year	**(31,284)**	**(38,042)**	**(13,673)**

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Statements of changes in shareholders' equity

Years ended on December 31st, 2020, 2019 and 2018

(In thousands of Reais)

	Share capital	Capital Reserve: Advance for future capital increase	Capital Reserve: Goodwill in the issuance of shares	Adjustment of equity valuation	Accumulated losses	Shareholders' equity
Balance on January 1st, 2018	**1**	**12,320**	**-**	**-**	**(1)**	**12,320**
Loss of the year	-	-	-	-	(13,673)	**(13,673)**
Capital increase - Infra	298,617	(12,320)	-	-	-	**286,297**
Capital increase - Siemens	147,080	-	-	-	-	**147,080**
Capital reserve increase - Infra	-	-	298,560	-	-	**298,560**
Capital reserve increase - Siemens	-	-	147,052	-	-	**147,052**
Balance on December 31st, 2018	**445,698**	**-**	**445,612**	**-**	**(13,674)**	**877,636**
Loss of the year	-	-	-	-	(34,799)	**(34,799)**
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**
Loss hedge operations	-	-	-	(3,243)	-	**(3,243)**
Balance on December 31st, 2019	**925,802**	**-**	**925,802**	**(3,243)**	**(48,473)**	**1,799,888**
Loss of the year	-	-	-	-	(68,576)	**(68,576)**
Gain hedge operations	-	-	-	37,292	-	**37,292**
Balance on December 31st, 2020	**925,802**	**-**	**925,802**	**34,049**	**(117,049)**	**1,768,604**

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Statements of Cash flow

Years ended on December 31st, 2020, 2019 and 2018
(In thousands of Reais)

	2020	2019	2018
Cash flows from operating activities			
Loss before taxes	(101,079)	(46,255)	(20,692)
Adjustments of items without cash effect:			
Depreciation and amortization	1,320	634	1
Foreign Exchange variation	1,450	5,153	1,389
Gains and losses operation - hedge	(723)	30	-
Interest on rental liabilities	66,700	183	-
Provision (reversal of provision) for contingencies	(270)	270	-
Reduction (reversal) to the recoverable value of assets ("impairment") and other losses	(17)	33	5
Adjusted net losses	**(32,619)**	**(39,952)**	**(19,297)**
(Increase) decrease in assets and increase (decrease) of liabilities:			
Recoverable taxes	(2,414)	(1,808)	(998)
Income tax and social contribution paid	(1,050)	-	(355)
Prepaid expenses	1,472	(425,086)	(53,248)
LNG inventories	(103,132)	-	-
Other advancements	(14)	(256)	(51)
Other receivables	-	2	(2)
Escrow account	567	(9,873)	(200)
Accounts receivable - related parties	(29,900)	(24,504)	(123)
Suppliers	8,685	57,993	2,669
Accounts payable - related parties	157,218	58,118	20,139
Taxes and contributions payable	302	(678)	2,432
Other accounts payable	-	80	-
Trade accounts payable	(5,751)	(9,381)	(421)
Salaries and charges payable	1,973	8,280	4,091
Net cash from (used in) operational activities	**(4,663)**	**(387,065)**	**(45,364)**
Cash flow in investment activities			
Acquisition of PPE	(482,384)	(2,246,927)	(779,645)
Acquisition of intangible assets	(805)	(136)	(813)
Net cash used in investment activities	**(483,189)**	**(2,247,063)**	**(780,458)**
Cash flow from financing activities			
Capital increase by shareholder - Infra	-	321,670	286,297
Capital increase by shareholder - Siemens	-	158,434	147,080
Capital reserve - Infra	-	321,727	298,560
Capital reserve - Siemens	-	158,463	147,052
New loans	373,881	2,000,591	-
Passive lease payment	(1,099)	(581)	-
Payment of loan interests	(66,048)	(5,277)	-
Loan - Infra - release	-	561,390	-
Loan - Infra - payment	-	(561,390)	-
Loan - Siemens - release	-	320,425	-
Loan - Siemens - payment	-	(320,425)	-
Interest loan payment - Infra	-	(4,448)	-
Interest loan payment - Siemens	-	(2,539)	-
Net cash provided by financing activities	**306,734**	**2,948,040**	**878,989**
Increase (decrease) in cash and cash equivalent	**(181,118)**	**313,912**	**53,167**
At the beginning of the year	367,339	53,427	260
At the end of the year	186,221	367,339	53,427
Increase (decrease) in cash and cash equivalent	**(181,118)**	**313,912**	**53,167**

The notes are an integral part of the financial statements.

UTE GNA I Geração de Energia S.A.

Statements of added value

Years ended on December 31st, 2020, 2019 and 2018
(In thousands of Reais)

	2020	2019	2018
Input purchased from third parties (includes ICMS and IPI)			
Materials, energy, third-party services and other	(14,784)	(14,440)	(6,504)
Loss/recovery of active values	17	(33)	(5)
Other	(1,132)	(1,227)	-
	(15,899)	(15,700)	(6,509)
Gross added value	(15.899)	(15,700)	(6,509)
Depreciation, amortization, and exhaustion	(469)	(139)	(1)
Net added value generated by the Company	(16,368)	(15,839)	(6,510)
Added value received in transfer			
Equity income	-	-	-
Financial income	8,699	7,931	3,109
Deferred income tax	31,466	12,493	7,019
	40,165	20,424	10,128
Total added value to distribute	23.797	4,585	3,618
Distribution of added value			
Employees			
Direct remuneration	5,556	17,026	4,986
Benefits	6,756	4,696	6,795
FGTS	375	542	649
	12,687	22,264	12,430
Taxes			
Federal	1,639	4,836	2,634
State	-	-	-
Municipal	82	183	390
	1,721	5,019	3,024
Remuneration of third-party capital			
Interest	77,201	10,826	1,746
Rents	764	1,275	92
Other	-	-	-
	77,965	12,101	1,838
Remuneration of equity			
Interest on equity	-	-	-
Dividends	-	-	-
Loss of the year	(68,576)	(34,799)	(13,674)
Participation of non-current shareholders in retained earnings	-	-	-
Result of discontinued operations	-	-	-
	(68,576)	(34,799)	(13,674)
	23,797	4,585	3,618

The notes are an integral part of the financial statements.

Notes to financial statements

(In thousands of Reais, unless stated otherwise)

1 Operations

UTE GNA I Geração de Energia S.A. ("GNA 1" or "Company") was incorporated on September 17th, 2015 and on October 20th, 2017 the company was changed from a limited company to a privately held corporation. Its core activities are studying, planning, protecting, constructing, operating, maintaining and exploring of electricity generation systems awarded to it by concession or authorization of any nature; trading electricity; activities associated with the electricity service, including the management of energy transmission and generation systems; construction, maintenance, operation and exploration of liquefied natural gas (LNG) terminals and natural gas pipelines; transportation of gases and liquids through pipelines and transfer lines acquiring interests in other companies, and representing Brazilian and foreign companies. Its direct parent company is Gás Natural Açu 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 GNA I entails the construction of a combined-cycle gas-fired thermoelectric power station with an output of approximately 1,300 megawatts (unaudited) 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 GNA I project and future power plants and other potential projects in the industrial complex of Porto do Açu, in addition to comprising the development of the "Açu 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 GNA I.

In August 2019, disbursements were released in the amount of R$ 1,224,804, from the Banco Nacional de Desenvolvimento Econômico e Social (BNDES), and R$ 804,058 from the International Finance Corporation (IFC), as requested by the Company, as described in note nº 17. In April 2020, the second disbursement was made in the amount of R$ 206,479, from BNDES, and R$ 171,276, from IFC. The Company has a credit line of R$ 1,762,800 with the BNDES and USD 288.00 with the IFC.

As of December 31st, 2020, GNA I's works reached 98.4% of the completed project, with some delay in the schedule initially agreed due to the reduction of activities due to the COVID outbreak19. The full resumption of work with the contracted companies was done in coordination with the local authorities.

a. COVID-19

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

At the federal level, Decrees No. 10.282/20, 10,292/20 and 10.329/20 dealt with electricity generation activities (including the respective engineering works), oil and gas and cargo logistics as essential activities that need to 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 with payment commitments.
- credit risk: default or requests for contractual renegotiation.
- the company's ability to keep operations in good working order; And
- reduction of 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.

The GNA I had its construction activities reduced (without stoppage) 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 energization of the transmission line and the final work at 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. In December 2020, ANEEL recognized the exclusion of responsibility of 150 days in the delay in the implementation schedule of GNA I due to the impacts caused by COVID-19.

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 and the contingent capital contribution of shareholders, and therefore, at the time of this report we did not identify any insufficiency in the financing of the construction of the project.

No impacts were identified in relation to the supply chain. Financing disbursements were received normally and today GNA I have a sufficient financial position to finance the construction works by the end of May 2021, when it is planned to make the last disbursement of the debt.

b. SPIC Brazil

On August 7th, 2020, SPIC Brasil (SPIC), a subsidiary of China's State Power Investment Corporation, signed a binding contract to acquire 33% of the GNA I and UTE GNA II Geração de Energia S.A. (GNA II) thermoelectric projects. The two plants, natural gas, will have an installed capacity of 3 gigawatts (unaudited and belong to Açu Natural Gas (GNA), a joint venture between Prumo Logística (controlled by EIG), BP Global Investments (BP) and Siemens (Subsidiary of the minority shareholder). The closing of the contract was subject to compliance with certain previous conditions common to this type of transaction which were fully fulfilled in January 2021.

Licenses and authorizations

The Company has preliminary environmental licenses for up to 1.3 GW in combined cycle thermoelectric plants.

Description	Document	Date of Issue	Duration
Registration that alters the condition no. 28 of LI: - Old text: Perform pre-operation of the new facilities during the period of 90 (ninety) days after the completion of its implementation, previously presenting to INEA, the respective schedule and the date of its start. - New Text: Perform pre-operation of the new facilities during the period of 180 (one hundred and eighty), previously presenting to INEA, the respective schedule and the date of its start.	AVB004368 (averba a LI No. IN050586)	02/20/2020	11/04/2020
Operating License for Açu-Campos Transmission Line of 345 kV, approximately 52 km long and UTE substation Novo Tempo GNA II (UTE GNA I)	LO No. IN006540	05/26/2020	05/26/2030
Operating License for Liquefied Natural Gas Regasification Terminal (TGNL) for the receipt, storage, and regasification of LNG, in addition to natural gas shipment, with regasification capacity of 21,000,000 Nm³/day, located at the North Jetty of Terminal 2 of The Port of Açu, comprising the following units: Floating Storage and Regasification Unit (FSRU); mooring and mooring structures of FSRU, LNGC and tugs; high-pressure natural gas discharge system	LO No. IN051350	05/28/2020	05/26/2030

Vegetation Suppression Authorization for 1.28 there is sandbank vegetation for the ash tree of the TGNL ducts.	ASV No. 2033.9.2020.15567	11/09/2020	11/09/2021
(i) Validity conditions no. 15 and no. 21 shall be excluded. (ii) The condition of validity no. 41 is included: 41-Comply with INEA Resolution No. 64/2012, which provides for the presentation of greenhouse gas emission inventory for environmental licensing purposes in the State of Rio de Janeiro. (iii) The validity conditions no. 8, 14, 17, 32.6 and 32.7 are amended: 8- The company shall require, via contract, the binding of outsourced companies to PROCON FUMAÇA PRETA (CONEMA Resolution No. 58/13) and send annually copy to INEA. If you own or acquire your own diesel vehicle fleet, you must meet NOP-INEA-14. 14- Meet NOP INEA - 01: Program for monitoring emissions from fixed sources to the atmosphere - PROMON AR, approved by CONEMA Resolution N° 84/2018, monitoring, every six months, the chimneys of electric power generators, for the parameters: Total Particulate Material (MPT), Nitrogen Oxides (NOx) and Sulfur Oxides (SOx). 17- Measure sound pressure levels using updated methodology consistent with the standard established by ABNT NBR 10151:2019 Corrected Version: 2020. 32.6- Conduct biannual campaigns for the Programs of Monitoring of Terrestrial Fauna, Monitoring of Marine Biota, Monitoring of Cetaceans and Monitoring of Turtles. 32.7- Maintain during the entire operation the environmental photo mitigation program and avoid the formation of a luminous horizon, as determined by the IBAMA/MMA Decree no. 11/95.	AVB004490 (Averba a LO Nº IN051350)	11/12/2020	05/26/2030
License authorizes the operation of the UTE GNA I Thermal Power Plant, natural gas, with an installed capacity of 1,338.3MW in combined cycle and its auxiliary infrastructure (utilities, water treatment and desalination unit, administrative buildings, workshop, containers, storage room and laboratory), in addition to capturing, transporting, rescue and monitoring of wildlife, at FAZENDA SACO DANTAS, S/N, AREA 1 E AREA 2 - UTE GNA I - PRAIA DO AÇU, municipality SÃO JOÃO DA BARRA.	LO No. IN051787	12/08/2020	12/08/2028
License for installation of UTE GNA I Geração de Energia S.A., natural gas, with an installed capacity of 1,298,968MW, in a combined cycle, and a transmission line of 1.6KM, including layout changes, auxiliary infrastructure (utilities, water treatment, administrative buildings, workshop containers, storage room and laboratory) and temporary infrastructure for implementation (construction sites), suppression of sandbank vegetation in an area of 1.4907 hectares and capture transport, rescue and monitoring of wildlife	LI NO. IN04056AVB004002	08/14/2018	09/03/2023

Prior license and installation approving the design location, and implementation of temporary construction site and approximately 65,000m² area, contemplating the suppression of 277 native arboreal individuals isolated in an area of 5.89ha of pasture and 0.06ha of live fences of exotic species Euphorbia tirucalli (gaiolinha) and clusters of exotic species Syzygium cumini (jamelão).	LPI nº IN047115	11/12/2018	11/12/2023
Environmental Authorization for the management of fauna aiming at the capture, collection, and transport of wild fauna to be carried out during the cabling phase of the Transmission Line (LT) 345 kV.	AA No. IN003296	04/24/2019	04/24/2021

c. Going concern

The financial statements were prepared based on operational continuity, which assumes that the Company will obtain sufficient financial resources to generate future cash flow.

The Company recorded losses of R$ 68.567 for the period ended December 31st, 2020 (R$ 34,799 as of December 31st, 2019), and on that date, current liabilities exceeded current assets by R$ 138,983 (positive net current capital of R$ 174,993 as of December 31st, 2019).
The Company is in the pre-operational phase and consequently has not generated cash flow for its activities. The investments and expenses incurred by the Company are being honored through financial support from its shareholders and financing. Management does not recognize uncertainty about the future capacity of operating cash flow generation considering:

- Future operating cash flow based on the business plan reviewed by specialized consulting periodically.
- Credit line available from BNDES and IFC in the amounts of R $ 331,517 and USD 54,162, respectively (Note 1 - Operating context).
- The acquisition of 33% of the Company by SPIC signed in August 2020 and completed in January 2021 (Note 31 – Subsequent Events).
- Mutual was received in January and February 2021 in the amount of R$ 161,595. (Note 31 - Subsequent events).

2. Basis of preparation and presentation of the financial statements

Compliance statement (with respect to IFRS and CPC standards)

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and also accordance with accounting practices adopted in Brazil (BR GAAP).

The issuance of these financial statements was authorized by The Company's Management on March 27th, 2021.

Details on the Company's accounting policies are presented in note 6.

3. Basis of preparation

The financial statement has been prepared on the historical cost basis, except for financial instruments measured at fair value through the profit and loss.

4. Functional currency

These financial statements are presented in Reais, which is the Company´s functional currency. All balances have been rounded to the nearest thousand, unless stated otherwise.

5. Use of judgment and estimates

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

Information on uncertainties related to judgments and estimates as of December 31st,2020 that have a significant risk of resulting in a material adjustment in the accounting balances of assets and liabilities in the next fiscal year is included in the following explanatory notes:

- Note 15 - recognition of deferred income and social contribution taxes and availability of future taxable profit against which temporary differences and tax losses can be used.
- Notes 16 and 17 - definition of the useful life of fixed and intangible assets, as well as the assessment of the recoverability of assets.
- Note 24 - recognition and measurement of provisions for contingencies.

6. Main change in accounting policies

A few new standards entered into force on January 1st, 2020 but did not materially affect the Company's financial statements. Among them: changes to CPC 15/IFRS 3, changes to CPC 26/IAS 1 and CPC 23/IAS 8 and changes to CPC 48/IFRS 9, CPC 08/IAS 39 and CPC 40/IFRS 7.

7. Main accounting policies

In the preparation of these financial statements for the year ended December 31st, 2020, the accounting policies adopted are uniform to those used when preparing the Financial Statements of December 31st, 2019 and 2018, except for the new accounting policies related to the adoption of CPC 06 (R2)/IFRS 16 in 2019.

a. Financial instruments

(i) Financial assets

Financial assets include cash and cash equivalent, receivable between related parties and derivatives.

The Company acknowledges the receivables initially on the date they originated. All other financial assets are initially recognized when the Company becomes a part of the contractual provisions of the instrument.

A financial asset that does not have a significant financing component is initially measured at fair value plus transaction costs that are attributable to its acquisition or issue - for an item that is not fair value through income (VJR). A receivable from related parties without a significant financing component is initially measured at the price of the transaction.

The Company ceases to recognize a financial asset when the contractual rights to the asset's cash flows expire, or when the Company transfers the rights to receive contractual cash flows on a financial asset in a transaction in which substantially all risks and benefits of the ownership of the financial asset are transferred, or in which the Company does not substantially transfer or retain all the risks and benefits of the holding and does not have control of the financial asset.

Classification and Subsequent Measurement

In initial recognition, a financial asset is classified as measured: at amortized cost; VJORA (Fair Value through other comprehensive results) or VJR (Fair value through the result, based on:

- in the business model for the management of financial assets.
- contractual cash flow characteristics of the financial asset.

The Company measures the financial asset at amortized cost when: (i) the financial asset is maintained within the business model whose purpose is to maintain financial assets in order to receive contractual cash flow; and (ii) the contractual terms of the financial asset give rise to specified dates, cash flows that constitute exclusively principal payments and interest on the value of the principal.

The financial asset must be measured at fair value through income, unless measured at amortized cost or fair value through other comprehensive results. However, in the initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or VJORA as VJR, if this eliminates or significantly reduces an accounting mismatch that might otherwise arise.

Financial assets aren’t reclassified after their initial recognition, unless the Company changes its business model for financial asset management, in which case all affected financial assets are reclassified on the first day of the first fiscal year following the change in the business model.

Financial assets - Subsequent measurement and gains and losses

Financial assets to VJR	These assets are measured subsequently at fair value. Net income, including interest or dividend income, is recognized in the income.
Financial assets to be Amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by Impairment losses. Interest income gains and foreign exchange losses and Impairment are recognized in the result. Any gain or loss in derecognition is recognized in the result.

(ii) Financial Liabilities

Financial liabilities are classified as measured at amortized cost or VJR. A financial liability is classified to the VJR if it is classified as held for trading if it is a derivative or if it is designated as such at the time of initial recognition. Financial liabilities to VJR are measured at fair value and net gains and losses, including any interest expense, are recognized in income. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expenses and foreign exchange gains and losses are recognized in the income.

The Company ceases to know a financial liability when its contractual obligations are lowered or cancelled or expire.

In the non-recognition of a financial liability, the difference between the defunct book value and the payable payment (including any non-monetary assets transferred or assumed liabilities) is recognized in the income statement.

(iii) Derivative financial instruments

The Company uses derivatives for the purpose of protecting its exposures to foreign currency risk and interest rate, using hedge accounting. The valuation or devaluation of the fair value of the instrument intended for protection are recorded in return for the income or financial expense account, in the income statement for the year and/or in specific accounts in shareholders' equity.

At the beginning of designated hedge relationships, the Company documents the objective and risk management strategy for the realization of the hedge. The Company also documents the economic relationship between the covered item and the hedging instrument, including whether changes in the cash flows of the covered item and the hedging instrument must compensate each other.

Cash flow hedges

When a derivative is designated as a cash flow hedge instrument, the effective portion of the changes in the fair value of the derivative is recognized and accumulated in other comprehensive results - ORA and are limited to the cumulative change in the fair value of the hedge-protected item, determined based on present value, since the hedge designation. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the result.

If the hedge no longer meets the hedge accounting criteria or if the hedge instrument is sold, terminated, exercised, or expires, the hedge accounting will be discontinued prospectively.

b. Property plant, and equipment

Recognition and measurement

Asset items are measured at the historical cost of acquisition or construction, which includes the costs of capitalized loans, deducted from accumulated depreciation and any accumulated losses by impairment.

When significant parts of an asset item have different useful lives, they are recorded as separate items (main components) of assets.

Any gains and losses on the disposal of an asset item are recognized in the income.

Depreciation

Depreciation is calculated to amortize the cost of fixed asset items, net of their estimated residual values, using the linear method based on the estimated useful life of the items. defined in terms of the expected usefulness of the asset for the entity.

The estimated useful lives of fixed assets in use are as follows:

Furniture and fixtures	10 years old
Computer equipment	5 years old
Machinery and equipment	10 years old

c. Intangible

Intangible assets are demonstrated by acquisition costs, deducted from accumulated amortization and impairment loss, where applicable.

The right to trade energy has amortization rate representing its useful-economic life, limited to the maturity of the *Power Purchase Agreement* (PPA) contract.

The estimated useful lives of the intangible asset are as follows:

Software Use License	5 years old
Right of exploitation	23 years old

d. Inventory

Inventories are measured at the lowest value between cost and net realized value. The cost of inventories is based on the average cost.

e. Income tax and social contribution

Income tax and the current and deferred social contribution are calculated based on the rates of 15%, plus the additional 10% on the taxable income surplus of R$ 240 for income tax and 9% on the taxable profit for social contribution on net income and consider the compensation of tax losses and negative basis of social contribution, limited to 30% of the actual profit for the year.

The expense of income tax and social contribution comprises current and deferred income and social contribution taxes. Current tax and deferred tax are recognized in profit or loss unless they relate to the combination of business or items directly recognized in equity or other comprehensive results.

Income tax and current social contribution expenses

The current tax expense is the estimated tax payable or receiving on the taxable profit or loss for the year and any adjustment to the taxes payable in relation to the previous years. The amount of current taxes payable or payable is recognized in the balance sheet as asset or tax liability by the best estimate of the expected value of taxes to be paid or received that reflects uncertainties related to its calculation, if any. It is measured based on the tax rates decreed on the balance sheet date.

Current tax assets and liabilities are cleared only if certain criteria are met.

Expenses of income tax and deferred social contribution

Deferred tax assets and liabilities are recognized in relation to temporary differences between the book values of assets and liabilities for the purposes of financial statements and those used for taxation purposes.

A deferred tax asset is recognized in relation to unused tax losses and deductible temporary differences, to the extent that future taxable profits are likely to be available, against which they will be used. The probability of recovery of these balances is revised at the end of each fiscal year and, when future tax bases are not more likely to be available and allow full or partial recovery of these taxes, the balance of the asset is reduced to the amount expected to recover.

f. Provisions

Provisions are recognized as a function of a past event when there is a legal or constructive obligation that can be reliably estimated and if an economic resource is likely to be required to settle this obligation. Where applicable, provisions are calculated by discounting future cash disbursement flows expected at a rate that considers current market valuations and risks specific to liabilities.

g. Financial income and expenses

Interest income and expense are recognized in income by the effective interest method.

h. Fair value measurement

Fair value is the price that would be received in the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on 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.

A series of accounting policies and disclosures of the Company requires the measurement of fair values for both financial and non-financial assets and liabilities.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is considered as active if transactions for assets or liabilities occur with sufficient frequency and volume to provide pricing information on a continuous basis.

If there is no quoted price in an active market, the Company uses evaluation techniques that maximize the use of relevant observable data and minimize the use of unobservable data. The chosen valuation technique incorporates all the factors that market participants would consider in the pricing of a transaction.

If an asset or liability measured at fair value has a purchase price and a sales price, the Company measures assets based on purchase prices and liabilities based on sales prices.

The best evidence of the fair value of a financial instrument in initial recognition is usually the price of the transaction - that is, the fair value of the consideration given or received. If the Company determines that fair value in the initial recognition differs from the transaction price and fair value is not evidenced either by a price quoted on an active market for an identical asset or liability or based on an assessment technique for which any unobservable data is judged as negligible in relation to measurement, then the financial instrument is initially measured at adjusted fair value to differ the difference between fair value in the initial recognition and the price of the transaction.

Subsequently, this difference is recognized in the result on an appropriate basis throughout the life of the instrument, or until the time when the valuation is fully supported by observable market data or the transaction is closed, whichever is earlier.

i. Foreign currency

Transactions in foreign currency
Transactions in foreign currency are converted to the respective functional currencies of the Company at the exchange rates on the dates of the transactions.

Monetary assets and liabilities denominated and calculated in foreign currencies on the balance sheet date are converted to the functional currency at the exchange rate on that date. Non-monetary assets and liabilities that are measured at fair value in foreign currency are converted to the functional currency at the exchange rate on the date the fair value was determined. Non-monetary items that are measured based on historical cost in foreign currency are converted at the exchange rate on the transaction date. Differences in foreign currencies resulting from the conversion are generally recognized in the result.

j. Lease

At the beginning of a contract, the Company assesses whether a contract is or contains a lease.

A contract is, or contains a lease, if the contract transfers the right to control the use of an identified asset for a period in exchange for payment.

To assess whether a contract transfers the right to control the use of an identified asset, the Company uses the definition of lease in CPC 06(R2) /IFRS 16.

This policy was applied to contracts concluded from 1st January 2019.

(i) As a Lessee

The Company recognizes a right-of-use asset and a lease liability at the date of commencement of the lease. the right-of-use asset is measured initially at cost, which comprises the initial measurement value of the lease liability, adjusted for any lease payments made until the start date; plus any initial direct costs incurred by the lessee and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset; restoring the location in which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, less any incentives for rent received..

The right-of-use asset is subsequently depreciated by the linear method from the start date to the end of the lease term, unless the lease transfers ownership of the asset underlying the lessee to the end of the lease term, or if the cost of the right-of-use asset reflects that the lessee will exercise the option to purchase. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of the fixed asset. In addition, the right-of-use asset is periodically reduced by losses due to reduction to recoverable value, if any, and adjusted for certain remeasurements of rental liabilities.

The terms of the lease agreements in force in 2020 are:

FSRU	23 years old
Land	23 years old
Commercial Room	5 years old

The lease liability is initially measured at the present value of lease payments that are not made on the start date, discounted by the implied interest rate on the lease or, if this rate cannot be determined immediately, by the Company's incremental loan rate.

The Company determines its incremental rate on loans by obtaining interest rates from various external sources of financing and making some adjustments to reflect the terms of the contract and the type of asset leased.

The lease payments included in the measurement of lease liabilities include the following:

- fixed payments, including fixed payments in essence.
- variable lease payments that depend on index or rate, initially measured using the index or rate on the start date.
- amounts that are expected to be paid by the lessee, in accordance with the guarantees of residual value; and
- the exercise price of the purchase option if the lessee is reasonably certain to exercise this option, and payments of fines for termination of the lease, if the lease term reflects the lessee exercising the option of terminating the lease.

The lease liability is measured at amortized cost, using the effective interest method. It is remeasured when there is a change in future lease payments resulting from a change in index or rate, if there is a change in the amounts that are expected to be paid in accordance with the residual value guarantee, if the Company changes its valuation will exercise a purchase, extension, or termination option or if there is a fixed revised lease payment in essence.

When the lease liability is remeasured in this manner, an adjustment is made corresponding to the book value of the right-of-use asset or recorded in the profit or if the book value of the right-of-use asset has been reduced to zero.

The Company presents rental right-to-use assets in "right of use" and lease liabilities in "lease liabilities" on the balance sheet.

Low-value asset leases

The Company chose not to recognize right-of-use assets and lease liabilities for asset leases with values below USD 5,000 and short-term leases, including IT equipment. The Company recognizes the lease payments associated with these leases as a linear expense for the term of the lease.

k. Information by segment

The Company operates the following segment: Gas Power Generation. The segment was defined based on the product and service provided and reflects the structure used by management to evaluate the Company's performance in the normal course of its operations. The bodies responsible for making operational decisions, resource allocation and performance evaluation, include the Executive Boards and the Board of Directors.

8. New standards and interpretations not yet effective

A few new standards will be effective for exercises beginning after January 1, 2020.
The Company has not adopted these standards in the preparation of these financial statements.

The following amended standards and interpretations are being evaluated by the Company for possible significant impacts on the financial statements:

- Onerous contracts - costs to fulfill a contract (changes to CPC 25/IAS 37).
- Reference interest rate reform - Phase 2 (changes to CPC 48/IFRS 9, CPC 38/IAS 39, CPC 40/IFRS 7, CPC 11/IFRS 4 and CPC 06/IFRS 16).
- Rent concessions related to COVID-19 (amendment to CPC 06/IFRS 16).
- Fixed assets: Revenues before intended use (changes to CPC 27/IAS 16).
- Reference to Conceptual Structure (Changes to CPC 15/IFRS 3).
- Classification of Current or Non-Current Liabilities (Changes to CPC 26/ IAS 1 and CPC 23 / IAS 8).).
- IFRS 17 Insurance Contracts.

9 Cash and cash equivalents

	2020	2019	2018
Box and banks	56,153	21	82
Financial investments			
Financial investments (a)	130,089	367,356	53,350
	130,089	**367,356**	**53,350**
	186,242	**367,377**	**53,432**
Provision for expected loss (b)	(21)	(38)	(5)
Total	**186,221**	**367,339**	**53,427**

(a) The cash balance and cash equivalent as of December 31, 2020 is composed of current account at Santander, Bradesco (Escrow), Banco do Brasil and Citibank, CDB application at Citibank and the BNP Fund, which are readily convertible into a known amount of cash and are subject to an insignificant risk of change in value.

(b) The estimated financial losses were calculated based on the loss rates of a Corporate Default study published by S&P on April 7th, 2020, referring to 15 years of data collected by the company 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 at Fitch Ratings, Moody's, and Standard & Poor's. As shown in the table below, counterparties in which the Company has outstanding balances as of December 31st, 2020 are classified as AAA, based on the average of their ratings in 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 maturities of risk exposures.

In thousands of Reais

Risk Level	Rating	Gross Balance	Loss rate (1)	Loss Provision
Level 1	AAA	186,242	0,01%	21

(1) Loss Rate considers the Global Corporate Average Default Rate for 1 year released by S&P on 04/07/20.

The estimated loss drive in the year was:

	Drive
Balance on January 1st, 2018	**-**
Addition	(5)
Balance on December 31st, 2018	**(5)**
Addition	(33)
Balance on December 31st, 2019	**(38)**
Addition	17
Balance on December 31st, 2020	**(21)**

10 Escrow account

	2020	2019	2018
ANTAQ Deposit (a)	-	-	200
Deposit NTN-B (b)	11,837	11,446	-
Total	**11,837**	**11,446**	**200**
Current	-	-	200
Non-current	11,837	11,446	-
Total	**11,837**	**11,446**	**200**

(a) On July 25th, 2019, we received a bank deposit in the amount of R$200, referring to the guarantee of the instrument called no. 3/2018 of the public announcement, referring to the construction and operation of a port facility in the region of the municipality of São João da Barra by ANTAQ.

(b) In May 2019, GNA I gave a fiduciary guarantee, in favor of BNDES, Federal Government Bonds 2,619 securities in 2020 and 2019 (NTN-B 2035), maturing in 2035, which will remain available until the end of the obligations in the financing contract.

The movement in 2020, 2019 and 2018 of the titles were:

		Federal government bonds	
	ANTAQ	(NTN-B 2035)	Total
Balance on January 1st, 2018	**-**	**-**	**-**
Main	200		200
Balance on January 1st, 2019	**200**	**-**	**200**
Main	(200)	10,073	9,873
Interest provision (note 27)	-	1,373	1,373
Balance on December 31st, 2019	**-**	**11,446**	**11,446**
Interest receipt (cash flow)	-	(567)	(567)
Interest provision (note 27)	-	958	958
Balance on December 31st, 2020	**-**	**11,837**	**11,837**

11 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, 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 as of December 31st, 2020, December 31st, 2019, and December 31st, 2018, regarding transactions with related parties, as well as transactions that influenced the results of the year, are arising from the Company's transactions with companies under common control, members of management and other related parties, as follows:

	2020	2019	2018
Active:			
Accounts receivable			
GNA Infra - Direct shareholder (a)	7,967	5,962	118
GNA HoldCo - Indirect shareholder (a)	8,400	4,400	-
UTE GNA II - Onslaught (a)	38,139	14,227	-
Total asset	**54,506**	**24,589**	**118**
Passive:			
Accounts payable			
GNA HoldCo - Indirect shareholder (a)	9,143	6,598	17,171
GNA Infra - Direct shareholder (a) and (g)	2,338	1,638	3,252
UTE GNA II - Onslaught (a)	6	-	-
Prumo Logística S.A - Parent company of the indirect shareholder (b)	414	289	174
Porto do Açu Operações S.A - Shareholder Investment (b) and (f)	1,551	586	165
Siemens - Subsidiary of the minority shareholder (c)	128,670	78,646	-
BP Global – Subsidiary of the minority shareholder of the majority shareholder (d)	103,132	333	-
Reserva Ambiental Fazenda Caruara - Shareholder Investment (e)	54	-	-
Total	**245,308**	**88,090**	**20,762**
Accounts receivable			
Current	54,506	24,589	118
Total	**54,506**	**24,589**	**118**
Accounts payable			
Current	244,263	88,090	20,762
Non- Current	1,045	-	-
Total	**245,308**	**88,090**	**20,762**
Result:			
Shared costs	**2020**	**2019**	**2018**
GNA HoldCo - Indirect shareholder (a)	1,543	(5,762)	(5,430)
GNA Infra - Direct shareholder (a)	1,469	4,269	(2,290)
UTE GNA II - Onslaught (a)	23,906	14,227	-
Prumo Logística S.A - Parent company of the indirect shareholder (b)	(125)	1,714	(1,570)
Porto do Açu Operações S.A - Shareholder Investment (b)	(955)	(584)	(475)
Ferroport - Shareholder Investment (f)	40	-	-
Açu Petróleo - Shareholder Investment (f)	(20)	-	-
Total	**25,858**	**13,864**	**(9,765)**

a) Contract for sharing personnel expenses and other expenses between GNA group companies.

b) Recognition of the personnel expenses sharing contract and other general expenses between UTE GNA I x Porto do Açu x Prumo.

c) Purchase of thermal equipment.

d) Provision of services on the management of the terminal.
e) Provision of services in Reserva Caruara under the control of seedlings.

f) Apportionment of spending on humanitarian actions COVID-19 between the companies Porto do Açu x UTE GNA I x Ferroport x Açu Petróleo.

g) In 2019, GNA Infra and Siemens took out a loan from BNP Paribas to be joined in GNA I as a mutual. This loan/mutual was fully paid off in 2019 when GNA I received its first disbursement of financing with BNDES/IFC. See below the drive:

Description	**Infrastructure**	**Siemens**	**2019**
Disbursements	553,603	315,981	869,584
IOF	6,577	3,754	10,331
FEE	1,210	690	1,900
Full release	**561,390**	**320,425**	**881,815**
Capitalized interest	4,448	2,539	6,987
Discharge	**(565,838)**	**(322,964)**	**(888,802)**
Balance in 2019	-	-	-

The amounts related to the remuneration of the members of the Board of Directors are presented below:

	2020	**2019**	**2018**
Directors			
Salaries	(2,815)	(2,776)	(459)
Bonus	(2,936)	(5,392)	(19)
Benefits and charges	(851)	(839)	(139)
Shared expenses - Directors (a)	883	(184)	(1,438)
Total	**(5,719)**	**(9,191)**	**(2,055)**

(a) These are amounts related to board spending in GNA HoldCo, GNA Infra and UTE GNA 2 companies that were passed on to the Company.

12 Inventory

	2020	**2019**
LNG inventory	103,132	-
Total	**103,132**	**-**

In December 2020, the Company received its first liquefied natural gas (LNG) load for FSRU supply and first commissioning tests.

13 Prepaid expenses

	2020	2019	2018
Insurance premium (a)	2,313	18,595	21,459
Transaction cost (b)	13,330	9,292	33,873
Total	**15,643**	**27,887**	**55,332**
Current	15,596	26,364	43,715
Non-current	47	1,523	11,617
Total	**15,643**	**27,887**	**55,332**

(a) Insurance premiums: engineering risks, civil liability, transport, FSRU and bail.

(b) The composition of the transaction cost is based on all incremental expenses that originated from the loan collection operation, such as fees and commissions, expenses with financial intermediaries, financial advisors, with project preparation, auditors, lawyers, specialized offices, printing, travel, etc.

If the funds to which the transaction costs incurred are not captured, these must be appropriated and maintained in a specific account of the asset as prepayment, an account that will be reclassified to the reducing account of the amount captured from the loan, in the liability as soon as the borrowing process is completed. In September 2019 and April 2020, transfers were made for the first and second disbursements, as mentioned in note 23.

14 Recoverable taxes

	2020	2019	2018
Withholding income tax ("IRRF")	1,733	2,369	612
PIS / COFINS on imports	-	418	252
PIS / COFINS to be recoverable	532	-	-
ICMS to be recovered	83	52	-
ISS to be recovered	6	-	-
	2,354	**2,839**	**864**
Income tax and social contribution ("IRPJ/CSLL")	4,271	322	489
Total	**6,625**	**3,161**	**1,353**
Current	5,294	2,839	1,353
Non-current	1,331	322	-
Total	**6,625**	**3,161**	**1,353**

15 Deferred taxes

	2020	2019	2018
Deferred taxes assets	50,978	19,512	7,019
Total	**50,978**	**19,512**	**7,019**

	Deferred taxes assets
Balance on January 1st, 2018	**-**
Pre-operating expenses	7,019
Balance on December 31st, 2018	**7,019**
Pre-operating expenses	12,493
Balance on December 31st, 2019	**19,512**
Pre-operating expenses	31,466
Balance on December 31st, 2020	**50,978**

	2020	2019	2018
Loss before taxes	**(101,079)**	**(46,255)**	**(20,692)**
Income tax and social contribution rate	34%	34%	34%
Income tax and social contribution (base x rate)	**34,367**	**15,727**	**7,035**
Permanent additions:			
Bonus/Retention Bonus	(1,080)	(1,929)	(15)
INSS s/Bonus/Bonuses	(379)	(331)	(1)
Exchange variation expense	-	(2,035)	-
Donations + Taxes tax donation incidents	(1,400)	-	-
Adjustment IRPJ / CSLL previous year	1,037	-	-
Other	(42)	24	-
Total income tax and social contribution for the period	**32,503**	**11,456**	**7,019**
Current	1,037	(1,037)	-
Deferred	31,466	12,493	7,019
Total	**32,503**	**11,456**	**7,019**
	(32,16) %	**(24,77) %**	**(33,92) %**

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.

16 Property, plant, and equipment

	Advances for asset formation (*)	Works in progress and equipment under construction (**)	Furniture and Utensils	Machinery and Equipment	Computer equipment	Total
Balance on January 1st, 2018	**8,138**	**3,922**	**-**	**-**	**-**	**12,060**
Increases (***) and (****)	327,177	456,751	112	-	60	**784,100**
Transfers	(56,822)	56,822	-	-	-	**-**
Depreciation	-	-	(1)	-	-	**(1)**
Balance on December 31st, 2018	**278,493**	**517,495**	**111**	**-**	**60**	**796,159**
Cost	278,493	517,495	112	-	60	**796,160**
Accumulated depreciation	-	-	(1)	-	-	**(1)**
Balance on December 31st, 2018	**278,493**	**517,495**	**111**	**-**	**60**	**796,159**
Increases (***) and (****)	-	2,373,586	47	9	609	**2,374,251**
Transfers	(263,406)	263,406	-	-	-	**-**
Depreciation	-	-	(16)	-	(110)	**(126)**
Balance on December 31st, 2019	**15,087**	**3,154,487**	**142**	**9**	**559**	**3,170,284**
Cost	15,087	3,154,487	159	9	669	**3,170,411**
Accumulated depreciation	-	-	(17)	-	(110)	**(127)**
Balance on December 31st, 2019	**15,087**	**3,154,487**	**142**	**9**	**559**	**3,170,284**
Increases (***) and (****)	74,367	829,351	243	60	391	**904,412**
Depreciation	-	-	(31)	(5)	(195)	**(231)**
Balance on December 31st, 2020	**89,454**	**3,983,838**	**354**	**64**	**755**	**4,074,465**
Cost	89,454	3,983,838	402	69	1,060	**4,074,823**
Accumulated depreciation	-	-	(48)	(5)	(305)	**(358)**
Balance on December 31st, 2020	**89,454**	**3,983,838**	**354**	**64**	**755**	**4,074,465**
Depreciation rate	**-%**	**-%**	**10%**	**10%**	**20%**	

(*) Advance for asset formation: The balance of advances as of December 31st, 2020, 2019 and 2018 is composed of advances made to suppliers for equipment delivery.

(**) Ongoing works and equipment under construction: The balance of works in progress on December 31st, 2020, 2019 and 2018 is composed of costs of the thermoelectric construction.

(***) Of the additions that occurred in the period, the total amount of R$ 488,005 (R$ 78,979 as of December 31st, 2019) had no effect on cash flows.

(****) Financial capitalizations were made on December 31st, 2020 and 2019 in the following amounts:

Financial capitalizations	**2020**	**2019**	**2018**
Interest Loans (BNDES and IFC)	322,050	67,693	-
IOF on loans (BNDES)	32,146	28,272	-
Financial revenues	(17,782)	(9,885)	-
Transaction cost (BNDES and IFC)	48,026	11,041	-
Interest expense on lease (Land)	21,853	10,916	-
Interest expenses on lease (FSRU)	83,528	-	-
IOF on mutual	9,829	9,210	-
Interest on mutual	6,987	6,987	-
Total	**506,637**	**124,234**	**-**

Capitalization amortizations IFRS 16	**2020**	**2019**	**2018**
Amortization right of use - Land	8,007	4,219	-
Amortization right of use - FSRU	29,787	-	-
Total	**37,794**	**4,219**	**-**

17 Intangible assets

	Right to trade energy (*)	Software licenses	Systems Deployment	Total
Balance on January 1st, 2018	**30,000**	**-**	**-**	**30,000**
Additions	-	813	-	813
Balance on December 31st, 2018	**30,000**	**813**	**-**	**30,813**
Cost	30,000	813	-	30,813
Accumulated amortization	-	-	-	-
Balance on December 31st, 2018	**30,000**	**813**	**-**	**30,813**
Additions	-	136	-	136
Amortization	-	(16)	-	(16)
Balance on December 31st, 2019	**30,000**	**933**	**-**	**30,933**
Cost	30,000	949	-	30,949
Accumulated amortization	-	(16)	-	(16)
Balance on December 31st, 2019	**30,000**	**933**	**-**	**30,933**
Additions	-	399	406	805
Amortization	-	(238)	-	(238)
Balance on December 31st, 2020	**30,000**	**1,094**	**406**	**31,500**
Cost	30,000	1,348	406	31,754
Accumulated amortization	-	(254)	-	(254)
Balance on December 31st, 2020	**30,000**	**1,094**	**406**	**31,500**
Service Life	**23 years**	**5 years**		

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

18 Right of use/Lease liability

The transaction for the year 2020 and 2019 of the asset right of use and the lease liability is shown in the table below:

	Land	Commercial room	FSRU	Total
Right of use				
Balance on January 1st, 2019	135,038	-	-	135,038
Additions	-	4,147	-	4,147
Remeasurement by renegotiation	(29,567)	-	-	(29,567)
Depreciation	(4,219)	(541)	-	(4,760)
Balance on December 31st, 2019	**101,252**	**3,606**	**-**	**104,858**
Additions	-	-	1,279,146	1,279,146
Remeasurement by renegotiation	(21,010)	(983)	(116,147)	(138,140)
Depreciation	(3,788)	(934)	(29,787)	(34,509)
Balance on December 31st, 2020	**76,454**	**1,689**	**1,133,212**	**1,211,355**
Lease liabilities				
Balance on January 1st, 2019	135,038	-	-	135,038
Additions	-	4,147	-	4,147
Remeasurement by renegotiation	(29,567)	-	-	(29,567)
Payments	-	(581)	-	(581)
Interest incurred	10,916	191	-	11,107
Balance on December 31st, 2019	**116,387**	**3,757**	**-**	**120,144**
Additions	-	-	1,279,146	1,279,146
Remeasurement by renegotiation	(22,555)	(994)	(116,147)	(139,696)
Payments	-	(1,099)	-	(1,099)
Interest incurred	10,937	288	83,528	94,753
Exchange variation	-	-	66,439	66,439
Balance on December 31st, 2020	**104,769**	**1,952**	**1,312,966**	**1,419,687**
Current	7,152	900	56,331	64,383
Non-current	97,617	1,054	1,256,635	1,355,306

After analyzing the adherence of IFRS 16 standard, the Company identified the following contracts: lease of the land signed with Porto do Açu Operações S.A (related party), rental of the commercial room and FSRU as being adherent to this standard.

The amortization and expense of interest related to the rent of the land and rent of the FSRU, are being capitalized, in the amount of R$ 143,175.

The Company, by measuring lease liabilities classified as operational, discounted lease payments using incremental fees specific to each contract as follows:

Contracts	**2020**	**2019**
Commercial room	11,42%	9,98%
Land	11,74%	10,35%
FSRU	10,80%	-

The payment flow of the contracts is shown below:

	Commercial room	**Land**	**FSRU**
2020	1,131	-	-
2021	949	7,772	64,942
2022	949	13,323	155,151
from 2023	316	279,783	3,962,925
Total	**3,345**	**300,878**	**4,183,018**

19 Suppliers

	2020	**2019**	**2018**
National suppliers	23,489	18,256	7,287
Foreign suppliers	59,402	54,258	1,302
Total	**82,891**	**72,514**	**8,589**

20 Salaries and charges payable

	2020	**2019**	**2018**
Bonuses payable	9,254	8,798	2,572
Vacations	1,937	1,206	513
Charges on vacations	1,142	878	300
INSS	1,774	1,305	591
FGTS	224	171	111
Insurances	11	11	3
Union contribution	2	2	1
Total	**14,344**	**12,371**	**4,091**

21 Taxes and contributions payable

	2020	2019	2018
Service tax ("ISS")	342	825	194
INSS third parties	275	13	7
Tax on the circulation of goods and services ("ICMS")	2	739	115
Withholding income tax ("IRRF")	810	756	806
PIS/COFINS payable	15	69	18
PIS/COFINS/CSLL - tax withholding	599	108	1,292
PIS/COFINS w/o import.	13	-	-
Total	**2,056**	**2,510**	**2,432**
Income tax and social contribution ("IRPJ/CSLL")	-	281	-
Total	**2,056**	**2,791**	**2,432**
Current	2,056	2,791	2,432
Non-current	-	-	-
Total	**2,056**	**2,791**	**2,432**

22 Trade accounts payable

	2020	2019	2018
TCCA - thermal (a)	-	-	9,579
TCCA - terminal (b)	-	207	-
Bolognesi Energia (c)	17,142	21,970	21,385
Total	**17,142**	**22,177**	**30,964**
Current	17,142	5,700	9,579
Non-current	-	16,477	21,385
Total	**17,142**	**22,177**	**30,964**

(a) Commitment term for environmental - thermal compensation.

This term aims to establish environmental compensation, provided for in Article 36 of Federal Law No. 9,985/00, which instituted an amount of R$ 28,736, paid in 12 equal installments in the amount of R$ 2,395.

As of December 31st, 2020, the Company has no outstanding payments.

(b) Commitment term for environmental-terminal compensation.
This term aims to establish environmental compensation, provided for in Article 36 of Federal Law No. 9,985/00, which instituted an amount of R$ 2,495, to be paid monthly in 12 equal installments in the amount of R$ 207.

As of December 31st, 2020, the Company has no outstanding payments.

(c) As determined in the contract, the amounts must be paid in 3 fixed installments, already provisioned in the original amount of R$ 30,000, which are corrected annually by the IPCA until the date of actual payment and variable installments that will be recognized at the beginning of the operation, as described below:

Maturity	Installment	Original value	IPCA			Payment	2020 Balance
			2018	2019	2020		
May/18	1	10,000	-	-	-	(10,000)	-
January/20	2	5,000	275	217	-	(5,492)	-
90 days after start of operation of UTE 1	3	15,000	1,110	368	664	-	**17,142**
Total		**30,000**	**1,385**	**585**	**664**	**(15,492)**	**17,142**

The variable installments will be paid annually, from 2022, 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:

- (+/-) change in working capital.
- =EBITDA
-
- (-) 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.

23 Borrowings

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

The loans have a "Project Finance" structure, guaranteed mainly through fiduciary disposal of assets (equipment), the Company's shares, the accounts linked to the project and conditional assignment of the Company's contractual rights, as well as the flow of receivables from its energy trading contracts (Contract for the Commercialization of Electric Energy in the Regulated Environment, "CCEAR").

The table below shows how the financing is structured:

Banks	Currency	Purpose	Annual financial charges	Maturity	Guarantees (a)	Total credit line	Effective interest rate
BNDES	Real	Investments	IPCA + 5,63%	Jan./33	Reserve Account, Fiduciary Disposal and	1,762,800	IPCA +10,97%
IFC (b)	USD	Investments	IPCA + 8,40%	Jan./34	Conditional Assignment.	288,000	IPCA + 9,07%

(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$ 206,479 from BNDES and R$ 171,276 from IFC was performed, as requested by the Company.

As of December 31st, 2020, liabilities are recognized as follows:

	2019	2020					
	Total	Fundraising in R$	Appropriated interest	Interest paid	Borrowing Cost Appropriation	Monthly amortization funding cost	Total
Institutions							
BNDES	1,254,268	206,479	140,324	(7,431)	-	-	1,593,640
Borrowing Cost (BNDES)	(393,357)	-	-	-	(7,685)	31,283	(369,759)
IFC	837,011	171,276	114,033	(58,617)	-	-	1,063,703
Capture Cost (IFC)	(59,174)	-	-	-	(3,591)	5,702	(57,063)
	1,638,748	**377,755**	**254,357**	**(66,048)**	**(11,276)**	**36,985**	**2,230,521**
Current	62,416	-	116,053	(66,048)	-	-	112,421
Non-current	1,576,332	377,755	138,304	-	(11,276)	36,985	2,118,100
Total	**1,638,748**	**377,755**	**254,357**	**(66,048)**	**(11,276)**	**36,985**	**2,230,521**

As of December 31st, 2019, liabilities are recognized as follows:

Institutions	Fundraising in R$	Appropriated Interest	Interest paid	Borrowing Cost Appropriation	Monthly amortization funding cost	Total Loan
BNDES	1,224,804	34,741	(5,277)	-	-	1,254,268
Borrowing Cost (BNDES)	-	-	-	(402,614)	9,257	(393,357)
IFC	804,059	32,952	-	-	-	837,011
Capture Cost (IFC)	-	-	-	(60,958)	1,784	(59,174)
	2,028,863	**67,693**	**(5,277)**	**(463,572)**	**11,041**	**1,638,748**
Current	-	67,693	(5,277)	-	-	62,416
Non-current	2,028,863	-	-	(463,572)	11,041	1,576,332
Total	**2,028,863**	**67,693**	**(5,277)**	**(463,572)**	**11,041**	**1,638,748**

The maturities and amortizations of the funding cost and of the long-term installments are as follows:

Year	Debt	Interest	Transaction cost
2021	61,751	163,388	(37,600)
2022	100,735	229,936	(36,442)
2023	122,186	223,188	(36,407)
2024	152,092	218,839	(36,312)
from 2025	2,163,129	1,480,716	(279,510)

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

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

The contracts concluded between the Company and creditors also establish, 12 months after the commencing of operations, the obligation to maintain the Historical Debt Service Coverage Index above 1,10 times annually based on the last 12 months immediately preceding the applicable measurement dates.

24 Provision for contingencies

As of December 31st, 2020, the balance of civil contingencies is R$ 0(December 31st, 2019 R$ 270 and December 31st, 2018 R$ 0).

The movement of the balance of contingencies in 2020 was:

	Movement - Contingencies
Balance on January 1st, 2019	-
Addition	270
Balance on December 31st, 2019	**270**
Addition	650
Low payment	(920)
Balance on December 31st, 2020	-

- ***Cause with possible risk of loss***

There is a lawsuit in January 2020 that is pending in court regarding dredging services in the areas of Porto do Açu, located in the municipality of São João da Barra, among such areas the GNA Liquefied Natural Gas Terminal (“LNG Terminal”) 1. This lawsuit, with a value of R$ 13,828 in 2020, was assessed as having a possible risk of loss by the legal advisors, consequently, no provision was recognized in the financial statements.

25 Shareholders' equity

	2020		2019		2018	
Shareholders	**Number of common shares (thousand)**	**Participation %**	**Number of common shares (thousand)**	**Participation %**	**Number of common shares (thousand)**	**Participation %**
GNA Infra	1,240,575	67%	1,240,575	67%	597,178	67%

Siemens	611,029	33%	611,029	33%	294,132	33%
Total	**1,851,604**	**100%**	**1,851,604**	**100%**	**891,310**	**100%**

a. Share capital

As of December 31st,2020 and December 31st, 2019, the Company's share capital is R$925,802 (R$ 445,698 as of December 31st, 2018), represented by 1,851,604 common shares (891,310 common shares as of December 31st, 2018), nominative and without nominal value. The Share Capital increase contributions made in the period are shown as follows:

	Shareholder		
	GNA Infra	**Siemens**	**Share Capital**
Balance on January 1st, 2018	**1**	**-**	**1**
03/16/2018	82,920	-	82,920
05/04/2018	169,050	124,105	293,155
08/20/2018	11,447	5,638	17,085
12/20/2018	35,200	17,337	52,537
Balance on December 31st, 2018	**298,618**	**147,080**	**445,698**
01/08/2019	66,435	32,722	99,157
03/11/2019	33,094	16,300	49,394
04/01/2019	71,062	35,001	106,063
05/16/2019	151,078	74,412	225,490
Balance on December 31st, 2019	**620,287**	**305,515**	**925,802**
Balance on December 31st, 2020	**620,287**	**305,515**	**925,802**

b. Capital reserve

As of December 31st,2020 and December 31st, 2019, the Company's capital reserve is R$925,802 (R$ 445,612 as of December 31st, 2018), where GNA Infra has R$620,287 and Siemens R$305,515. The contributions of capital reserve increase made in the period are shown as below:

	Shareholder		
	GNA Infra	**Siemens**	**Capital reserve**
Balance on January 1st, 2018	**-**	**-**	**-**
03/16/2018	-	-	-
05/04/2018	-	-	-
08/20/2018	103,021	50,742	153,763
12/20/2018	195,539	96,310	291,849
Balance on December 31st, 2019	**298,560**	**147,052**	**445,612**
01/08/2019	66,493	32,750	99,243
03/11/2019	33,094	16,300	49,394
04/01/2019	71,062	35,001	106,063
05/16/2019	151,078	74,412	225,490

Balance on December 31st, 2019	**620,287**	**305,515**	**925,802**
01/01/2020	-	-	-
Balance on December 31st, 2020	**620,287**	**305,515**	**925,802**

c. Legal reserve

Constituted based on 5% of net income for the year, observing the limits provided by the Corporations Law.

d. Dividends

The Company's shares participate on an equal footing in the distribution of dividends, interest on equity and other benefits to shareholders. The bylaws determine the distribution of a mandatory minimum dividend of 25% of net income for the year, adjusted in the form of Article 202 of Law No. 6,404/76. In the year ended December 31st, 2020,2019 and 2018, the Company posted a loss without distribution of dividends.

26 General and administrative expenses

	2020	**2019**	**2018**
Personnel	(15,163)	(25,883)	(15,047)
Legal expenses	(2,244)	(3,930)	(3,069)
Consulting and auditing	(2,349)	(2,457)	(1,079)
Taxes, fines, and fees	(282)	(403)	(402)
IT and telecom.	(1,142)	(2,698)	(282)
Communication and institutional affairs	(4,697)	(1,148)	(87)
Environmental and land expenses	(442)	(177)	-
Travels	(404)	(3,068)	(33)
Administrative services	(1,484)	(487)	(1,941)
Operational services	-	(63)	(2)
Insurances	(447)	(303)	-
Depreciation and amortization	(1,320)	(906)	(1)
General and maintenance expenses	(784)	(435)	(34)
Other third-party services	(1,845)	(1,401)	(55)
Other expenses	-	32	(18)
Total	**(32,603)**	**(43,327)**	**(22,050)**

27 Financial result

	2020	2019	2018
Financial expenses			
Bank expenses	(24)	(29)	(3)
Commissions and brokerage	(13)	(31)	(23)
Loss on Hedge transactions (NDF)	(24)	(58)	-
IOF	(23)	(1,169)	(49)
Interest and fines	(804)	(251)	(286)
Expenses with updating of lease	(261)	(183)	-
Financial variation - IPCA	(716)	(879)	(1,385)
Interest expenses on loans (a)	(7,898)	(9,884)	-
Exchange variation expense on lease	(66,438)	-	-
Exchange variation	(1,692)	(5,932)	(4)
	(77,893)	**(18,416)**	**(1,750)**
Financial revenues			
Interest on financial investments	7,535	13,775	3,113
Gain on Hedge Operations (SWAP)	747	28	-
Financial change - IPCA	-	285	-
Monetary variation - government securities	958	1,373	-
Active or earned interest	134	60	-
Discounts obtained	26	-	-
	9,400	**15,521**	**3,113**
Net financial result	**(68,493)**	**(2,895)**	**1,363**

(a) According to CPC 20(R1), the Company is capitalizing on all financial expenses arising from the financing, which exceed its financial revenue also tied to financing.

28 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

(ii) Foreign exchange risk

The Company, to ensure that significant fluctuations in the quotations of currencies to which its balances payable to foreign suppliers with exchange exposure is subject does not affect its results and cash flow, had, on December 31st, 2020, foreign exchange hedge operations.

In accordance with the company's hedge policy, for contracts in foreign currency in the operating phase, the company will begin contracting foreign exchange coverage before the start of the operation, which is scheduled for May 2021. The contracting of the hedge will cover part of the foreign exchange exposure. scheduled for the subsequent 3 years of the operation

As mentioned in note 18, the Company has a lease contract in foreign currency, referring to the operating period, in the amount of USD 804,937, which is not yet protected by hedge operations. The company is structuring a foreign exchange hedge operation for this exposure as provided for in the strategy.

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 annual interest rates and debt IPCA, such as price indices, which impact financial expenses related to the 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 December 31st, 2020, the Company maintained a total of short-term investments of R$ 130,089 (December 31st, 2019 R$ 367,356 and December 31st, 2018 R$ 53,350).

The table below shows the total value of the Company's monetizable obligations flows, by maturity, corresponding to the remaining contractual period and uses the market forwards curves for indexes and currencies to forecast the indebtedness in effect on December 31st, 2020.

Non-derivative financial liabilities	Book value	Total contractual cash flow	Up to 6 months	2021	2022	2023	2024	2025 onwards
Suppliers	87,646	87,646	87,646	-	-	-	-	-
Loans	2,230,521	4,754,448	194,049	194,049	286,981	307,979	333,956	3,631,483
Derivative financial liabilities								
Non-deliverable Forwards (NDF)	34,049		-	34,049	-	-	-	-

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.

Long-term ratings on a national scale	Moody's	S&P	Fitch
Banco BTG Pactual		BB--	
Banco Fibra		B-	

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.

	2020	2019	2018
Measured at fair value through the result			
Cash and cash equivalent	186,221	367,339	53,427
Linked bank deposit	11,837	11,446	200
Derivative financial instruments	34,049	(3,243)	-

e. Additional information on derivative instruments

The Company has derivative instruments of *Non-deliverable Forwards* (NDF) for economic and financial protection against foreign exchange fluctuation risk.

All derivative transactions of the hedging programs are detailed below, which includes, by derivative contract, information on instrument type, reference value (nominal), maturity, fair value including credit risk and amounts paid/received or provisioned in the year.

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

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.

	2020	**2019**
Assets		
Current	36,249	2.684
Non-current	-	667
Total Assets	**36,249**	**3.351**
Liabilities		
Current	2,199	3.941
Non-current	-	2.653
Total Liabilities	**2,199**	**6.594**
Other comprehensive results	**34,049**	**(3.243)**
Total shareholders' equity	**34,049**	**(3.243)**
Hedge gain (loss) recognized in property, plant, and equipment	**56.227**	**37,550**

	Contracted NDFs in R$		**Mark-to-market (MTM)**		**Amount payable/received or payable/paid**
NDF	**2020**	**Maturity (year)**	**2020**	**2019**	**2020**
USD Term	71,778	2020	-	2,473	30,378
USD Term	87,250	2021	23,365	667	-
EUR Term	98,802	2020	-	(3,730)	25,849
EUR Term	41,109	2021	10,684	(2,653)	-
Net			**34,049**	**(3,243)**	**56,227**

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

Accounting treatment of derivative instruments

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

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

The Company registers at the beginning of the hedge accounting operation, for the purpose of risk management, the relationship between the hedge instruments and the items it protects, the strategy for carrying out hedge operations and, 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.

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.

Operation	**Currency**	**Risk**	**Price**	**Exposure**	**Probable scenario**	**Scenario Impact (II)**	**Scenario Impact (III)**
NDF							
Protected item: disbursement portion in USD	Dollar	Drop in the dollar	5,1967	23,365	22,742	(16,637)	(56,007)
Protected item: part disbursement in EUR	Euro	Drop in the euro	6,3779	10,684	9,941	(41,992)	(93,926)
Net exposure				**34,049**	**32,683**	**(58,629)**	**(149,933)**

The table below shows the loss (gain) due to the change in interest rates that may be recognized in the Company's results in the following year, in case one of the presented scenarios below occurs:

Operation	**Indexer**	**Risk**	**Rate in the period**	**Exhibition (BRL) (Base 2020)**	**Gross yield in probable scenario (BRL)**	**Scenario Impact (II) (BRL)**	**Scenario Impact (III) (BRL)**

Fixed income investments	CDI	Interest rate fall	1.90% p.a.	130,130	2,290	(578,345)	(1,144,828)

28.1 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 December 31st, 2020, December 31st, 2019, and December 31st, 2018:

	Level	2020		2019		2018	
		Accounting	Fair Value	Accounting	Fair Value	Accounting	Fair Value
Financial assets (Current / Non-current)							
Measured at fair value through the result		**186,221**	**186,221**	**367,339**	**367,339**	**53,427**	**53,427**
Cash and cash equivalent	1	186,221	186,221	367,339	367,339	53,427	53,427
Financial liabilities (Current/Non-current)							
Measured at amortized cost		**2,318,167**	**2,318,167**	**1,711,262**	**1,711,262**	**8,589**	**8,589**
Suppliers	2	87,646	87,646	72,514	72,514	8,589	8,589
Loans	2	2,230,521	2,230,521	1,638,748	1,638,748	-	-
Measured at fair value through the comprehensive result		**34,049**	**34,049**	**(3,243)**	**(3,243)**	-	-
Non-deliverable forwards (NDF) - Hedge Instrument	2	34,049	34,049	(3,243)	(3,243)	-	-

There were no transfers between Level 1 and Level 2 during the period ended on December 31st, 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.

29 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.

As of December 31st, 2020, 2019 and 2018, insurance coverage is as follows:

	2020	2019	2018
Material Damage (Engineering Risks)	4,649,078	3,605,950	3,466,479
Civil Liability and Environmental Damage	82,578	82,578	82,578
Expected Lost Profits	3,891,189	3,018,110	4,641,960
Transportation of Imported Equipment	1,959,156	1,519,574	1,459,447
Civil Liability (Office and Employees)	10,000	10,000	-
Performance Guarantee	152,609	152,609	-
Guarantee Bail - Lease	1,711	1,711	-
D&O	-	100,000	-
Fire (office property)	6,000	6,000	-
Civil Liability (Port Operator)	519,670	-	-
Civil Liability (Environmental)	10,000	-	-
LNG Transport	935,406	-	-

30 Commitments made

On December 31st, 2020, the Company presented commitments for future purchases in the amount of R $ 4,001,546 (R$1,776,774 on December 31st, 2019 and R$ 2,264,995 on December 31st, 2018), which must be fulfilled during the works of the Thermoelectric Plant.

	2020	2019	2018	Description
Assets				
Fixed/Intangible				
Advances for asset formation (*)	5,314	5,211	8,788	Air maintenance and quality, surveillance service
Works in progress and equipment under construction (**)	1,260,912	1,328,614	2,236,264	Expenses related to the completion of the thermal work, expenses during the commissioning period
Intangible	686	-	-	System licenses
Total	**1,266,912**	**1,333,825**	**2,245,052**	
Result				
Costs	2,690,956	-	-	Thermal operation contracts, FSRU operations
General and Administrative Expenses	43,677	442,949	19,944	Travel and stay expenses, IT consulting, financial advice
Total	**2,734,633**	**442,949**	**19,944**	
Total	**4,001,545**	**1,776,774**	**2,264,996**	

31 Subsequent events

a) SPIC

On January 28th, 2021, the operation was concluded in which SPIC now holds 33% of the GNA I and GNA II thermoelectric projects.

On the date the contract was signed, GNA Infra held control of GNA I, with 67% of the Company's shares. With the execution of the transaction, its participation will be diluted by 33% by the entry of SPIC (sale of shares corresponding to 22 percentage points of its participation), which will lead GNA Infra to a 45% participation percentage in GNA I, with the consequent loss of control, since there is no agreement for preponderance in decisions.

The final composition of the capital after corporate changes will be as follows:

	Participation
GNA Infra	44,89%
SPIC Brasil	33,00%
Siemens	22,11%
Total	**100,00%**

b) Mutual

On January 28th, 2021, GNA I received through mutual the amount of R$ 53,326 from SPIC.
On February 4th, 2021, GNA I received through mutual the amounts of R$ 68,927 from GNA Infra and R$ 39,342 from Siemens.
These loans have the following conditions: interest rate of 1.90% and maturity of 180 days, according to the contract.