

UTE GNA II Geração de Energia S.A.

**Condensed interim financial information
on March 31st, 2024**

Contents

Independent auditors' report on the condensed interim financial information	3
Condensed balance sheets	6
Condensed statements of operations	8
Condensed statements of comprehensive income (loss)	9
Condensed statements of changes in shareholders' equity	10
Condensed statements of Cash flows	11
Notes to the condensed interim financial information	12



KPMG Auditores Independentes Ltda.
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 the review of the condensed interim financial information

(A free translation of the original report in Portuguese prepared in accordance with CPC 21(R1) – Demonstração Intermediária and the IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board IASB).

To the Shareholders and Directors of **UTE GNA II Geração de Energia S.A**
Rio de Janeiro – RJ

Introduction

We have reviewed the condensed financial information of UTE GNA II Geração de Energia S.A (“Company”) as of March 31, 2024, which comprise the condensed balance sheets as of March 31, 2024, and related condensed statements of operations, comprehensive income (loss), changes in shareholders' equity and cash flows for the three-month period then ended, and notes to condensed interim financial information.

The Company's management is responsible for the preparation and presentation of condensed interim financial information in accordance with CPC 21(R1) – Interim Statement and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of the review

We conducted our review in accordance with the Brazilian and International review standards (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, we are not aware of any facts that would lead us to believe that the condensed interim financial information as of March 31, 2024, referred to above are not prepared, in all material respects, in accordance with CPC 21 (R1) - Interim Statement and IAS 34 – Interim Financial Reporting.

Rio de Janeiro, May 14, 2024

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

Original in Portuguese signed by

Juliana Ribeiro de Oliveira
Accountant CRC RJ-095335/O-0

UTE GNA II Geração de Energia S.A.

Condensed balance sheets on March 31st, 2024 and December 31st, 2023

(In thousands of Reais)

	Note	3/31/2024	12/31/2023
Current			
Assets			
Cash and cash equivalents	4	413,686	331,995
Escrow account	5	287,969	318,637
Accounts receivable - related parties	6	4	327
Prepaid expenses	7	29,609	39,257
Recoverable taxes	8	11,590	10,142
Income tax and social contribution	8	5,934	5,216
Derivative financial instruments	19	1	-
Other		4,890	158
Total current assets		753,683	705,732
Non-current			
Prepaid expenses	7	105	470
Recoverable taxes	8	3,583	3,978
Deferred taxes	9	199,839	194,120
Property plant, and equipment	10	6,418,522	6,093,104
Intangible assets		6	8
Right of use assets	11	735,244	743,927
Total non-current assets		7,357,299	7,035,607
Total assets		8,110,982	7,741,339

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

UTE GNA II Geração de Energia S.A.

Condensed balance sheets on March 31st, 2024 and December 31st, 2023

(In thousands of Reais)

	Note	3/31/2024	12/31/2023
Current			
Liabilities			
Suppliers	12	56,247	70,307
Salaries and charges payable		2,149	2,149
Accounts payable – related parties	6	226,492	250,811
Borrowings and financings	13	800	649
Taxes and contributions payable	14	1,316	1,691
Tax and contribution payable	19	-	16
Derivative financial instruments	11	99,648	74,579
Total current liabilities		386,652	400,202
Non-current			
Other accounts payable		1,535	1,535
Salaries and charges payable		322	257
Borrowings and financings	13	4,076,748	3,666,846
Deferred taxes	9	-	15,076
Accounts payable - related parties	6	116,649	116,649
Lease liabilities	11	840,882	817,844
Total liabilities non-current		5,036,136	4,618,207
Shareholders' equity	15		
Share capital		3,186,213	3,186,213
Other comprehensive income		(109,760)	(115,398)
Accumulated losses		(388,259)	(347,885)
Total do Shareholders' equity		2,688,194	2,722,930
Total liabilities and shareholders' equity		8,110,982	7,741,339

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

UTE GNA II Geração de Energia S.A.

Condensed statements of operations

Three-month period ending on March 31st, 2024 and 2023

(In thousands of Reais)

	Note	3/31/2024	3/31/2023
Operating income (expenses)			
General and administrative expenses	16	(8,094)	(7,640)
Impairment and other losses	4	(5)	65
Other expenses	17	(31,626)	(26,431)
Other income	17	10	6
Net income before financial result		(39,715)	(34,000)
Financial result	18		
Financial income		86	20,291
Financial expenses		(21,540)	(92)
Net financial result		(21,454)	20,199
Loss before tax		(61,169)	(13,801)
Current income tax and social contribution	9	-	(680)
Deferred income tax and social contribution	9	20,795	5,667
Net loss of the period		(40,374)	(8,814)

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

UTE GNA II Geração de Energia S.A.

Condensed statements of comprehensive income or loss

Three-month period ending on March 31st, 2024, and 2023

(In thousands of Reais)

	3/31/2024	3/31/2023
Net loss of the period	(40,374)	(8,814)
Gains and losses hedge operations - NDFs	-	(14,856)
Gains and losses Time deposit	5,638	9,244
Total comprehensive loss of the period	(34,736)	(14,426)

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

UTE GNA II Geração de Energia S.A.

Condensed statements of changes in shareholders' equity

Three-month period ending on March 31st, 2024, and 2023

(In thousands of Reais)

	Share Capital	Other comprehensive income (loss)	Accumulated losses	Shareholders' equity
Balance on January 1st, 2023	3,186,213	(152,092)	(250,933)	2,783,188
Loss of the period	-	-	(8,814)	(8,814)
Hedge recognition	-	(5,612)	-	(5,612)
Balance on March 31st, 2023	3,186,213	(157,704)	(259,747)	2,768,762
Balance on January 1st, 2024	3,186,213	(115,398)	(347,885)	2,722,930
Loss of the period	-	-	(40,374)	(40,374)
Hedge recognition	-	5,638	-	5,638
Balance on March 31st, 2024	3,186,213	(109,760)	(388,259)	2,688,194

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

UTE GNA II Geração de Energia S.A.

Condensed statements of Cash flows

Three-month period ending of March 31st, 2024, and 2023

(In thousands of Reais)

	<u>3/31/2024</u>	<u>3/31/2023</u>
Cash flows from operating activities		
Loss before tax	(61,169)	(13,801)
Adjustments of items without cash effect:		
Depreciation and amortization	2	1
Exchange variation	2,285	(1,797)
Interest and exchange variation on lease liabilities	18,930	(17,544)
Amortization – IFRS 16	6,541	6,541
Interest – IFRS 16	21,526	19,905
Insurance – IFRS 16	2,962	-
Gains and losses – NDF	(13)	53
Impairment and other gains and other losses	5	(65)
Adjusted net losses	<u>(8,931)</u>	<u>(6,707)</u>
(Increase) decrease in assets and increase (decrease) of liabilities		
Recoverable taxes	(1,771)	(5,443)
Income tax and social contribution paid	-	(1,563)
Prepaid expenses	933	(23,436)
Advance payments	(4,732)	3
Accounts receivable – related parties	318	91
Suppliers	(14,452)	(74,200)
Accounts payable – related parties	(24,229)	(387,945)
Taxes and contributions payable	(375)	(972)
Salaries and charges payable	65	254
Net cash used in operating activities	<u>(53,174)</u>	<u>(499,918)</u>
Cash flows from investment activities		
Acquisition of PPE	(181,460)	(204,224)
Financial instruments - NDF of PPE	13	(53)
Escrow account	30,668	13,775
Net cash used in investment activities	<u>(150,779)</u>	<u>(190,502)</u>
Cash flow from financing activities		
Resources from new loans	300,000	-
Payment of finance charges	(17,518)	-
Third party transaction cost	(668)	-
Payment of lease liabilities	(1,374)	(1,400)
Net cash provided by (used in) financing activities	<u>280,440</u>	<u>(1,400)</u>
Increase (decrease) in cash and cash equivalents	<u>76,487</u>	<u>(691,819)</u>
At the beginning of the period	331,995	1,101,343
At the end of the period	413,686	390,685
Exchange variance on cash and cash equivalents	(5,204)	18,838
Increase (decrease) in cash and cash equivalents	<u><u>76,487</u></u>	<u><u>(691,820)</u></u>

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

Notes of the condensed interim financial information

(In thousands of Reais, unless stated otherwise)

1 Operations

UTE GNA II Geração de Energia S.A. ("GNA II" or "Company") was incorporated on October 21st, 2015, and on April 8th, 2019, the legal type of the company's was changed from limited liability company to a joint stock company, changing its corporate name from UTE GNA II Geração de Energia Ltda. to UTE GNA II Geração de Energia S.A. The Company had as controllers Prumo Logística S.A ("Prumo") and Gás Natural Açú S.A. ("GNA HoldCo") until October 2020. On November 25th, 2020, GNA II shares that were Prumo's shares were transferred to GNA HoldCo, and subsequently transferred from GNA HoldCo to Gás Natural Infraestrutura S.A. ("GNA Infra") and also new shares were subscribed by Siemens Participações S.A. ("Siemens"). On January 28th, 2021, the Company became jointly controlled by the following shareholders: Gás Natural Açú Infraestrutura S.A. ("GNA Infra"), Siemens Participações ("Siemens") and SPIC Brasil ("SPIC"), a subsidiary of State Power Investment Corporation of China, now has as joint controlling shareholders the following companies: GNA Infra, Siemens and SPIC. On September 19th, 2022, the Company's corporate restructuring process was concluded, which represents the consolidation of the agreements between the shareholders. The shares held by GNA Infra and Siemens Participações were transferred to Junergy Ltda ("Junergy") and BP Gás & Power ("BPGIL").

In December 2017, UTE GNA II won the A-6 auction, a project for a Thermal Power Plant with a capacity of 1,672.6 megawatts that will demand investments of R\$ 6,400 thousand*, with an estimated start of operations on January 1st, 2025.

The works of UTE GNA II were started at the end of September 2021, currently about 94%* of the project has already been completed, following the agreed schedule.

On December 27th, 2022, a disbursement of R\$ 2,400,000 was released from BNDES, and on July 14th, 2023, the second disbursement, in the amount of BRL 600,000, and on October 18th, 2023 the third disbursement in the amount of R\$ 500,000, and on March 26th, 2024, the fourth disbursement in the amount of R\$ 300,000 out of a total of R\$ 3,930,000 of approved credit line, as mentioned in note 13.

(*) Not reviewed information

Going concern

The Project of GNA II aims to build a combined gas cycle thermal power plant with a capacity of 1,672.6 MW*, which in addition to being part of the development of the so-called “Açu Gás Hub”, strategically located in the northeast of the state of Rio de Janeiro, which aims to offer an efficient logistics solution for the marketing and consumption of natural gas and its products.

The Company recorded a loss in the amount of R\$ 40,374 for the period ended on March 31st, 2024 (and a net loss of R\$ 8,814 on March 31st, 2023), and on that date, current assets exceed current liabilities by R\$ 367,031 (current liabilities exceed current assets by R\$ 305,530 on December 31st, 2023).

The Company has commitments related to the construction of the thermal power plant, which it intends to use to honor them: escrow accounts; cash and cash equivalents and the balance of your approved credit line with BNDES.

For potential cash needs in situations of Capex Overrun Costs, Commissioning Costs and Costs resulting from Delays in Starting Commercial Operations (COD), the Company has an Equity Support Agreement signed between its shareholders and guarantor banks that provides for capital contributions up to the limit of R\$1,420,000.

The Company is in a pre-operational phase and Management, based on the items listed above, does not recognize uncertainty about the future ability to generate operating cash flow.

2 Basis of preparation

a. Declaration of conformity (with respect to IFRS and CPC standards)

Condensed interim financial information has been prepared in accordance with CPC 21 (R1) – Interim Financial Statements issued by the Accounting Pronouncements Committee (CPC) and international accounting standards IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (“IASB”).

Condensed interim financial information shall be read in conjunction with the annual financial statements from December 31st de 2023, approved on February 26th, 2024, which were prepared in accordance with accounting practices adopted in Brazil, which include the provisions of the Brazilian Corporation Law and the Accounting Pronouncements Committee (CPC), and with the international financial reporting standards (IFRS) issued by the International Accounting Standards Board (IASB), as specified above.

Authorization for the conclusion of the preparation of this financial information was given by Management on May 13th, 2024.

b. Basis measurement

The condensed interim financial information has been prepared based on historical cost, except for financial instruments that were measured at fair value through profit or loss and financial instruments at fair value through other comprehensive income (loss).

c. Functional currency

The condensed interim financial information is presented in Reais, which is the Company's functional currency. All balances have been rounded to the nearest thousand, unless otherwise indicated.

3 Use of estimates and judgments

The significant judgments made by Management in the application of accounting policies and the main sources of estimation uncertainty are the same applied and evidenced in Note 5 - Use of estimates and judgments in the consolidated financial statements for the year ended December 31st, 2023.

4 Cash and cash equivalents

	3/31/2024	12/31/2023
Current assets		
Cash and banks (a)	215	203
Financial investments		
Financial investments (a)	413,542	331,858
	413,757	332,061
Provision for expected loss (b)	(71)	(66)
Total	413,686	331,995

- (a) The cash balance and cash equivalent on March 31st, 2024 is composed of current accounts accounts at Santander (onshore and offshore), Bradesco, Itaú, e Banco do Brasil, BMG, XP Investimentos and application in CDB in Santander, Bradesco, BTG and ABC 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 2nd, 2024, 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, the counterparties in which the Company has outstanding balances on March 31st, 2024 are classified as AAA, based on the average of their ratings in the rating companies listed above.

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

Risk Level	Rating	Gross Balance	Loss rate (1)	Loss Provision
Level 1	AAA	413,757	0.01%	(71)

(1) Loss Rate considers the Global Corporate Average Default Rate for 1 year released by S&P on 4/2/2024.

The estimated loss drive in the first three months from 2024 was:

Balance on January 1st, 2023	(272)
Reversal	65
Balance on March 31st, 2023	(207)
Balance on January 1st, 2024	(66)
Addition	(5)
Balance on March 31st, 2024	(71)

5 Escrow account

	3/31/2024	12/31/2023
Current assets		
Time Deposits Guarantee (a)	287,969	318,637
Total	287,969	318,637

- (a) Application in Time Deposit (EUR and USD) in Santander Luxembourg in the equivalent amount of BRL 287,969 on March 31st, 2024 (R\$ 318,637 on December 31st, 2023) for Natural Hedge purposes to avoid foreign exchange exposure in the implementation contracts, as follows:

	EUR Application	USD Application	Total
Balance on January 1st, 2023	1,263,276	327,744	1,591,020
Exchange variation (Other comprehensive income)	(10,191)	(8,647)	(18,838)
Interest	2,486	2,577	5,063
Balance on March 31st, 2023	1,255,571	321,674	1,577,245
Balance on January 1st, 2024	198,738	119,899	318,637
Exchange variation (Other comprehensive income)	1,717	3,487	5,204
Interest	214	987	1,201
Rescue for EPC payment	-	(37,073)	(37,073)
Balance on March 31st, 2024	200,669	87,300	287,969

6 Related parties

The Company adopts the Corporate Governance practices recommended and/or required by the legislation and regulations in force. The Company's Shareholders' Agreement establishes guidelines that aim to ensure that transactions between the Company and its related parties are conducted in the best interest of GNA, with independence and transparency, to prevent situations of potential conflict of interest when carrying out operations involving related parts. In addition, the GNA Code of Conduct establishes rules with the objective of preventing situations of conflict of interest involving any employee of the Company, which are applicable to all employees and stakeholders of GNA.

In accordance with the Brazilian Corporation Law, the members of the Company's Board of Directors are prohibited from deliberating on any matter 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 on March 31st, 2024, and December 31st, 2023, related to transactions with related parties, as well as transactions that influenced the result for the period, arise from the Company's transactions with companies under common control, shareholders, management members and other related parties, as follows:

	<u>3/31/2024</u>	<u>12/31/2023</u>
Asset:		
Accounts receivable		
GNA HoldCo - Investee in a company belonging to the same economic group (a)	1	30
GNA Infra - Investee in a company belonging to the same economic group (a)	1	93
UTE GNA I - Under common control (a)	2	204
Total assets	4	327
Liability:		
Accounts payable		
<i>Accounts payable - transactions - current</i>		
GNA HoldCo - Investee in a company belonging to the same economic group (a)	310	341
GNA Infra - Investee in a company belonging to the same economic group (a)	12	13
UTE GNA I - Under common control (a)	2,197	2,483
Siemens Aktiengesellschaft - Part of the Siemens Par economic group, which is jointly controlling (b)	223,973	247,974
	226,492	250,811
<i>Accounts payable - Shareholders' loan - non-current</i>		
SPIC Brasil – Joint Venture (d)	116,649	116,649
	116,649	116,649
Total liabilities	343,141	367,460

Result:

Shared costs	3/31/2024	3/31/2023
GNA HoldCo - Investee in a company belonging to the same economic group (a)	(883)	(925)
GNA Infra - Investee in a company belonging to the same economic group (a)	(34)	(52)
UTE GNA I - Under common control (a)	(6,393)	(5,962)
	(7,310)	(6,939)
 Financial income and expenses		
	3/31/2024	3/31/2023
Siemens Aktiengesellschaft - Part of the Siemens Par economic group, which is jointly controlling (c)	(1,834)	-
	(1,834)	-
Total	(9,144)	(6,939)

- (a) Agreement for sharing expenses with personnel and other expenses between the companies of the GNA Group.
(b) Purchases of thermal equipment.
(c) Exchange variation on related parties;
(d) Loans made in May, September and November 2021 and January, February, and March 2022, as shown below:
The residual balance refers to the portion of interest and IOF that was not paid in by SPIC in the corporate reorganization that took place on October 31st, 2022. There were no changes in March 2024.

	SPIC 100% CDI	Total
Balance on January 1st, 2023	116,649	116,649
Balance on March 31st, 2023	116,649	116,649
Balance on January 1st, 2024	116,649	116,649
Balance on March 31st, 2024	116,649	116,649

The amounts referring to the compensation of the Management members are presented below:

	3/31/2024	3/31/2023
Directors		
Shared expenses with directors' fees (a)	(698)	(641)
Total	(698)	(641)

- (a) These are amounts related to expenses with management in the companies GNA HoldCo, GNA Infra and UTE GNA I and that were transferred to the Company.

7 Prepaid expenses

	<u>3/31/2024</u>	<u>12/31/2023</u>
Current assets		
Transaction cost (a)	-	264
Insurance premium (b)	29,609	38,993
Total	29,609	39,257
Non-current assets		
Insurance premium (b)	105	470
Total	105	470

- (a) Transaction cost to obtain long-term financing from thermal. The amounts are presented in the current assets until the effective raising of financing resources occurs, where they will then, from that moment, be reclassified to the liabilities, as reducing accounts of the passive balance of the borrowings and financings. In March 2024, the transfer was made for the fourth disbursement, as mentioned in note 13.
- (b) Insurance premiums: as required by the ANEEL 005/2017 auction notice, engineering risks, civil liability, and transportation of imported equipment.

8 Recoverable taxes

	<u>3/31/2024</u>	<u>12/31/2023</u>
Current assets		
Withholding income tax (“IRRF”)	11,589	10,141
National social security tax (“INSS”)	1	1
Total	11,590	10,142
Income tax and social contribution to be recovered		
Income tax and social contribution (“IRPJ/CSLL”)	5,934	5,216
Total	5,934	5,216
Non-current assets		
Income tax and social contribution (“IRPJ/CSLL”)	3,583	3,978
Total	3,583	3,978

9 Deferred taxes

9.1 Balance of deferred tax assets and liabilities:

	<u>3/31/2024</u>	<u>12/31/2023</u>
Deferred tax assets	208,680	194,120
Deferred tax liabilities	(8,841)	(15,076)
Total	<u>199,839</u>	<u>179,044</u>

9.2 Deferred tax balance by nature:

	<u>3/31/2024</u>	<u>12/31/2023</u>
Tax loss and negative basis	106,485	106,272
Pre-operational expenses	101,353	87,848
Temporary differences – financial result	842	-
Total Deferred taxes assets	<u>208,680</u>	<u>194,120</u>
Temporary differences exchange variation IFRS 16	(8,841)	(15,277)
Temporary differences – financial result	-	196
Temporary differences – other	-	5
Total deferred tax liabilities	<u>(8,841)</u>	<u>(15,076)</u>
Total	<u>199,839</u>	<u>179,044</u>

9.3 Movement in balances of deferred tax assets and liabilities:

	<u>Deferred taxes assets</u>	<u>Deferred taxes liabilities</u>	<u>Total</u>
Balance on January 1st, 2023	<u>129,233</u>	<u>-</u>	<u>129,233</u>
Pre-operational expenses	11,557	-	11,557
Temporary differences - exchange variation IFRS 16	-	(5,965)	(5,965)
Temporary differences – financial result	75	-	75
Balance on March 31st, 2023	<u>140,865</u>	<u>(5,965)</u>	<u>134,900</u>
Balance on January 1st, 2024	<u>194,120</u>	<u>(15,076)</u>	<u>179,044</u>
Pre-operational expenses	13,505	-	13,505
Temporary differences - exchange variation IFRS 16	-	6,436	6,436
Temporary differences – financial result	842	(196)	646
Temporary differences – other	-	(5)	(5)
Tax loss and negative basis	213	-	213
Balance on March 31st, 2024	<u>208,680</u>	<u>(8,841)</u>	<u>199,839</u>

9.4 Effective tax rate reconciliation

	3/31/2024	3/31/2023
Accounting loss before taxes	(61,169)	(13,801)
Income tax and social contribution rate	34%	34%
Income tax and social contribution (base x rate)	20,797	4,692
Permanent additions:		
Gifts and Sponsorships	-	(5)
Non-deductible expenses	(2)	-
Adjustments to derive the effective tax rate		
Tax loss compensation	-	294
IRPJ additional	-	6
Total income tax and social contribution of the period	20,795	4,987
Current	-	(680)
Deferred	20,795	5,667
Total	20,795	4,987
	(34.00) %	(36.14) %

Technical feasibility studies indicate the full capacity to recover, in subsequent years, the amounts of recognized deferred taxes and correspond to Management's best estimates of the future evolution of the Company and the market in which it will begin operations.

10 Property, plant, and equipment

	Advances for asset formation (a)	Works in progress and equipment under construction (b)	IT Equipment	Total
Balance on January 1st, 2023	138,086	3,260,257	-	3,398,343
Additions (c)	49,558	1,476,166	-	1,525,724
Balance on March 31st, 2023	187,644	4,736,423	-	4,924,067
Cost	187,644	4,736,423	-	4,924,067
Balance on March 31st, 2023	187,644	4,736,423	-	4,924,067
Balance on January 1st, 2024	63,016	6,030,078	10	6,093,104
Additions (c)	37,951	287,468	-	325,419
Transfers	(30,716)	30,716	-	-
Depreciation	-	-	(1)	(1)
Balance on March 31st, 2024	70,251	6,348,262	9	6,418,522
Cost	70,251	6,348,262	11	6,418,524
Accumulated depreciation	-	-	(2)	(2)
Balance on March 31st, 2024	70,251	6,348,262	9	6,418,522
Depreciation rate	-%	-%	20%	

A depreciation rate has not been determined, given that the assets are still in the manufacturing and construction phase.

- (a) Advance for PPE formation. The balance of advances on March 31st, 2024 is composed of advances made to suppliers for future delivery of equipment.
- (b) Works in progress: The balance of works in progress on March 31st, 2024, is composed mainly of imported equipment, national equipment, services referred to construction, values of licenses for the implementation of UTE GNA II, term of commitment assumed (TCCA), capitalization of insurance and consultancies directly related to the works.
- (c) Financial capitalizations were made on March 31st, 2024 and December 31st, 2023 in the following amounts:

Financial capitalizations	3/31/2024	12/31/2023
Interest Loans (Santander and BNDES)	499,628	390,443
Financial charges/fee Borrowings (BNDES)	81,515	63,846
IOF on loans (BNDES)	71,308	65,678
Financial income	(79,737)	(71,887)
Transaction cost (BNDES)	5,756	4,371
Interest expense on lease (Land)	83,493	74,468
Ineffectiveness - Hedge	4,851	4,851
Total Financial Capitalizations	666,814	531,770
Capitalizations, amortizations - IFRS 16	3/31/2024	12/31/2023
Amortization of right of use - Land	21,564	19,422
Total Capitalizations amortizations IFRS 16	21,564	19,422
Total	688,378	551,192

The movement of financial capitalizations and amortizations on March 31st, 2024 and December 31st, 2023 were R\$ 137,185 e R\$ 334,841, respectively.

11 Right of Use / Lease Liability

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

The variation of the first three months ending 2024 and 2023 of the right of use and lease liabilities is shown in the table below:

Right of use	Land	FSRU	Total
Balance on January 1st, 2023	208,911	553,837	762,748
Depreciation	(1,990)	(6,541)	(8,531)
Balance on March 31st, 2023	206,921	547,296	754,217
Balance on January 1st, 2024	216,256	527,671	743,927
Depreciation	(2,142)	(6,541)	(8,683)
Balance on March 31st, 2024	214,114	521,130	735,244

Lease liabilities

Balance on January 1st, 2023	262,881	553,837	816,718
Transfer to suppliers	-	(659)	(659)
Payments	-	(1,400)	(1,400)
Interest incurred	7,650	19,905	27,555
Exchange variation (financial result note)	-	(17,544)	(17,544)
Balance on March 31st, 2023	270,531	554,139	824,670
Balance on January 1st, 2024	310,147	582,276	892,423
Index update	-	-	-
Payments	-	(1,374)	(1,374)
Interest incurred	9,025	21,526	30,551
Exchange variation (financial result note)	-	18,930	18,930
Balance on March 31st, 2024	319,172	621,358	940,530
Current	36,682	62,966	99,648
Non-current	282,490	558,392	840,882

The amortization and interest expense related to the land lease are being capitalized in March 31st, 2024 and December 31st, 2023 in the amount of R\$ 11,166 e R\$ 39,921, respectively.

The amortization and interest expense related to the FSRU's rent are being recorded in note 17 of other expenses.

12 Suppliers

	<u>3/31/2024</u>	<u>12/31/2023</u>
Current liabilities		
National suppliers	16,669	22,424
Foreign suppliers	8,589	8,639
Provisioned expenses	30,989	39,244
Total	<u>56,247</u>	<u>70,307</u>

13 Borrowings and financings

On November 30th, 2020, the Company signed a long-term financing contract with BNDES, the 1st disbursement of which was made on December 27th, 2022 - in which we used parts of these resources to fully settle the debentures on December 28th, 2022, and the 2nd disbursement was made on July 14th, 2023, and the third disbursement was made on October 18th, 2023, and the fourth disbursement was made on March 26th, 2024.

The loan has a "Project Finance" structure, guaranteed mainly through fiduciary assignment, pledge of shares, and pledge of assets (equipment), of the accounts linked to the project, in addition to bank guarantee issued by the institutions: Banco do Brasil, Banco BNPP Paribas Brasil, Banco Bradesco, Banco BTG Pactual, Banco Santander and Itaú Unibanco.

Banks	Currency	Purpose	Annual financial charges	Maturity	Guarantees (a)	Total credit line	Effective interest rate
BNDES	Real	Investments	Subs. A; F: IPCA + 4.59% Subs. B;C;D;E: IPCA + 5.39% Sub. G: IPCA + 7.90%	Dez./44	Reserve Account, Fiduciary, Alienation and Conditional Assignemen.	3,930,000	IPCA +12.5884%

On March 31st, 2024, the liability is recognized as follows:

	<u>12/31/2023</u>		<u>3/31/2024</u>					
	Total	Disbursement in R\$	Incurred interest	Incurred Financial Charges/Fees	Incurred Financial Charges/Fees	Cost of funding addition	Monthly amortization transaction cost	Total
Institutions								
BNDES	3,667,495	300,000	109,185	17,669	(17,518)	(668)	1,385	4,077,548
	3,667,495	300,000	109,185	17,669	(17,518)	(668)	1,385	4,077,548
Current	649	-	-	17,669	(17,518)	-	-	800
Non-current	3,666,846	300,000	109,185	-	-	(668)	1,385	4,076,748
Total	3,667,495	300,000	109,185	17,669	(17,518)	(668)	1,385	4,077,548

On December 31st, 2023, the liability is recognized as follows:

	<u>2022</u>		<u>2023</u>					
	Total	Disbursement in R\$	Incurred interest	Incurred Financial Charges/Fees	Financial Charges/Fee Paid	Cost of funding addition	Monthly amortization transaction cost	Total
Institutions								
BNDES	2,305,209	1,100,000	270,340	63,271	(63,197)	(12,499)	4,371	3,667,495
	2,305,209	1,100,000	270,340	63,271	(63,197)	(12,499)	4,371	3,667,495
Current	575	-	-	63,271	(63,197)	-	-	649
Non-current	2,304,634	1,100,000	270,340	-	-	(12,499)	4,371	3,666,846
Total	2,305,209	1,100,000	270,340	63,271	(63,197)	(12,499)	4,371	3,667,495

Financial and non-financial covenants

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

The agreement entered into between the Company and its creditor establishes a financial covenant where from 2025, during the term of this agreement, the obligation to maintain the Historical Debt Service Coverage Index (ICSD) of a minimum of 1.30 times calculated annually based on the audited financial statements.

14 Taxes and contributions payable

	<u>3/31/2024</u>	<u>12/31/2023</u>
Current liabilities		
Service tax ("ISS")	984	1,142
INSS third parties ("INSS")	14	6
Withholding income tax ("IRRF")	173	265
PIS/COFINS payable	97	190
PIS/COFINS/ CSLL - withholding tax	48	88
Total	<u>1,316</u>	<u>1,691</u>

15 Shareholders' equity

Shareholders	<u>3/31/2024</u>		<u>12/31/2023</u>	
	<u>Number of common shares</u>	<u>% share</u>	<u>Number of common shares</u>	<u>% share</u>
SPIC	13,180	33.00%	13,180	33.00%
Junergy	13,380	33.50%	13,380	33.50%
BPGIL	13,380	33.50%	13,380	33.50%
Total	<u>39,940</u>	<u>100.00%</u>	<u>39,940</u>	<u>100.00%</u>

a) Share capital

On March 31st, 2024 and on December 31st, 2023 the Company's share capital is R\$ 3,186,213, represented by 39,940 common shares, registered and without par value.

	Shareholder			Share capital
	SPIC	BPGIL	JUNERGY	
Balance on January 1 st , 2023	1,254,437	1,028,114	903,662	3,186,213
Balance on December 31 st , 2023	1,254,437	1,028,114	903,662	3,186,213
Balance on March 31 st , 2024	1,254,437	1,028,114	903,662	3,186,213

b) Dividends

The Company's shares participate on equal terms in the distribution of dividends, interest on equity and other benefits to shareholders. The bylaws provide for the distribution of a 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 period ended on March 31st, 2024 and on December 31st, 2023, the Company posted a loss with no dividend distribution.

c) Other comprehensive income

The balances that make up other comprehensive income are related to the portion of the exchange variation of time deposits in foreign currency.

16 General and administrative expenses

	3/31/2024	3/31/2023
Personnel	(6,092)	(5,579)
Communication and Institutional Affairs	(276)	(167)
IT and Telecom	(446)	(449)
Administrative services	(288)	(435)
Consulting and auditing	(242)	(294)
Other	(750)	(716)
Total	(8,094)	(7,640)

17 Other expenses and income

	3/31/2024	3/31/2023
Other expenses		
Incurring interest (i)	(21,526)	(19,905)
Amortization (i)	(6,541)	(6,541)
Insurance (i)	(2,962)	-
Other (i)	(597)	15
Total	(31,626)	(26,431)
Other incomes		
Other incomes	10	6
Total	10	6

i) As mentioned in note 11 right of use / lease liability, the amounts relating to interest incurred and amortization of the FSRU are being recognized in the other expenses line. The reason for not capitalizing the expenses with the FSRU is because Thermal Plant should start its operations in January 2023. Therefore, the split of the contract between UTE GNA I and UTE GNA II occurred in December 2022, as that it was expected that UTE GNA II would already be operating in January 2023. Therefore, it is concluded that these costs with the FSRU should be considered as abnormal waste impacting the result.

18 Financial result

	3/31/2024	3/31/2023
Financial expenses		
Exchange variation expense on lease	(18,930)	-
Loss on NDF' operations	-	(85)
Exchange variation	(2,285)	-
IOF	(222)	-
Interest and fines	(77)	-
Other	(26)	(7)
Total	(21,540)	(92)
Financial income		
Exchange variation	-	1,797
Exchange variation income on lease	-	17,544
Gain on SWAPS' operations	3	32
Other	-	918
Accrued or earned interest	83	-
Total	86	20,291
Net financial result	(21,454)	20,199

19 Financial Instruments

a) General considerations and internal policies

The Company's financial risk management follows the proposals of its international good practices, supported by its internal financial regulations, referring to the Financial Risk Policy, and Credit Risk Policy, approved by the Board of Directors.

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.

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

The Company is exposed to several financial risks, among which the market, credit and liquidity risks stand out.

Risks	Origin of the exhibition	Management	Amount 3/31/2024	Amount 12/31/2023
Market Risk - Exchange Rate	Financial instruments that are not denominated in BRL – accounts payable to related parties and suppliers relating to future cash flow from equipment purchases	Hedge operations with NDF and Time Deposits Guarantee	Total amount of NDF agreement R\$ 1,092 Amount of escrow account R\$ 287,969	Total amount of NDF agreement R\$ 1,079 Amount of escrow account R\$ 318,637
Market risk – Interest rate	Borrowings and financings indexed to different interest rates, including CDI and IPCA, and financial investments.	Management of exposure limit of assets and liabilities by interest rate component and inflationary indices	Amount of borrowings and financing R\$ 4,077,548 Amount of Financial investments R\$ 413,542	Amount of borrowings and financing R\$ 3,667,495 Amount of Financial investments R\$ 331,858
Liquidity risk	Agreement or assumed obligations.	Availability of revolving credit lines	Amount of commitments assumed R\$1,819,446 Amount of lease liabilities R\$ 940,530	Amount of commitments entered into R\$ 1,855,544 Amount of lease liabilities R\$ 892,423
Credit risk	Receivables, guarantees and advances to suppliers.	Portfolio diversification and policies for monitoring solvency and liquidity indicators of counterparties	Amount of financial investments R\$ 413,542 Amount of accounts receivable related parties R\$ 4	Amount of financial investments R\$ 331,858 Amount of accounts receivable related parties R\$ 327

b) Market risk management

(i) Foreign exchange risk

The Company, aiming to insure itself against events arising from significant fluctuations in the exchange rates to which its balances payable to foreign suppliers and related parties are subject due to exchange rate exposure during the construction phase, so that it does not affect its results and cash flow, had on March 31st, 2024 and on December 31st, 2023, foreign exchange hedge operations.

The Company has chosen to protect the expenses of its imported equipment from its foreign exchange exposure arising from commitments made with Capex, with the objective of economic and financial protection against exchange rate fluctuation risk, through the combination of the contracting of derivative instruments of Non-deliverable Forwards (NDF) and carrying out a natural hedge operation applying the most relevant values related to the exchange exposure of the thermal EPC contract between January 2023 and January 2025, in investments in hard currency (EUR and USD).

On March 31st, 2024 the Company had already recognized in accounts payable from related parties the amount of R\$ 223,973 (R\$ 247,974 on December 31st, 2023) referring to the arrival of imported equipment. This amount is not hedged by any derivative instrument, and therefore exposed to the exchange variation of the EUR and USD, which until March 31st, 2024 was R\$ 1,303 recognized in the exchange variation line in note 18 financial result, (December 31st, 2023 was R\$ 531) as mentioned in item (e) of this note.

Em March 31st, 2024 the Company has a lease agreement in foreign currency due to sharing with UTE GNA I, in the amount of USD 124,252 (December 31st, 2023 was USD 120,277), which is not protected via hedge operations.

Foreign exchange hedging strategies are described in the item 'Additional information on derivative instruments.

(ii) Interest Rate Risk

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

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

c) Liquidity risk management

Liquidity risk is characterized by the possibility that the Company will not honor with its commitments at their respective maturities. The financial management adopted by the Company seeks constantly the mitigation of liquidity risk, having as main point the hedge of contracts with suppliers in foreign currency.

The permanent monitoring of cash flow allows the identification of any needs of fundraising, with the necessary advance for the structuring and choice of the best Sources.

If there are cash surpluses, financial investments are made for surplus resources, with the goal of preserving liquidity.

On March 31st, 2024, the Company maintained a total of short-term investments of R\$ 413,542 (December 31st, 2023 R\$ 331,858) and escrow account of R\$ 287,969 (December 31st, 2023 R\$ 318,637).

d) Credit risk management

Credit risk refers to the possibility of the Company incurring losses due to non-compliance with obligations and commitments by counterparties.

The risk is basically coming from cash and cash equivalent and escrow account.

Credit risk with financial institutions

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

The total credit exposure held in financial assets by the Company is shown below. The amounts are shown in their entirety without considering any balance of provision for impairment of assets.

Measured at amortized cost	3/31/2024	12/31/2023
Cash and cash equivalent	413,686	331,995
Escrow account	287,969	318,637

e) Additional information on derivative instruments

The Company has Non-deliverable Forwards (NDF) derivative instruments for the purpose of economic and financial protection against currency fluctuation risk.

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

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

Non-deliverable Forward hedge program – NDF and Swaps

In order to reduce cash flow volatility, the Company contracted operations via *NDF (Non-deliverable forwards)* and maintained balances in Escrow accounts (*Time deposits*).

	3/31/2024	12/31/2023
Assets		
Current – Time deposits (exchange variation)	(203,787)	(208,991)
Current - NDF	1	-
Total assets	(203,786)	(208,991)
Liabilities		
Current - NDF	-	16
Total liabilities	-	16
Other comprehensive results - Time deposits (exchange variation)	(109,760)	(115,398)
Total Equity	(109,760)	(115,398)
Financial expenses – Swap	-	-
Financial income and expenses – NDFs	17	(16)
Total Financial Result	17	(16)
Gain (Loss) settled hedge recognized on PPE - NDF	(285,139)	(285,139)
Gain (Loss) settled hedge recognized in the financial result - NDF	(4)	(43,399)
Gain (Loss) settled hedge recognized on PPE - Time Deposit (exchange variation)	(106,346)	(106,289)
Gain (Loss) settled hedge recognized in the financial result - Time Deposit (exchange variation)	(377)	12,696

	NDF contracted in R\$		Mark-to-market (MTM)		Amount received or paid
	3/31/2024	Maturity (year)	3/31/2024	12/31/2023	3/31/2024
NDF					
USD Term	1,092	2024	1	(16)	(4)
Liquid			1	(16)	(4)

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) Hedge Cash flow hedge: variation in the fair value of derivative financial instruments designated as effective cash flow hedge have their effective component recorded in equity (other comprehensive income or loss) and the ineffective component recorded in income (Revenue/Financial expense). The amounts recorded in equity are only transferred to Property, plant, and equipment in an appropriate account (Settled hedge) when the protected item is effectively realized.

The Company documents at the beginning of the hedge accounting operation, with the objective of risk management, the relationship between the hedge instruments and the items protected by it, as well as the strategy for carrying out hedge operations and documents, both at the beginning and continuously, its assessment that the derivatives used in the hedge operations are effective.

Estimated fair value

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 *non-performance risk*. The risk of non-compliance includes, among others, the Company's own credit risk.

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

Financial assets and liabilities recorded at fair value shall be classified and disclosed in accordance with 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 following table presents the book and fair values of the Company's financial instruments and other assets and liabilities, as well as their level of measurement, on March 31st, 2024 and on December 31st, 2023.

	Level	3/31/2024		12/31/2023	
		Accounting	Fair Value	Accounting	Fair Value
Financial liabilities (Current / Non-current)					
Suppliers		56,247	56,247	70,307	70,307
Accounts payable - related parties		226,492	226,492	367,460	367,460
Borrowings and financings	2	4,077,548	4,077,548	3,667,495	3,667,495
Other accounts payable		1,535	1,535	1,535	1,535
Lease liabilities		940,530	940,530	892,423	892,423
Measured at fair value through comprehensive income		(1)	(1)	(16)	(16)
Non-deliverable forwards (NDF) - Hedge instrument	2	(1)	(1)	(16)	(16)

There were no Level 2 transfers during the year ended March 31st, 2024.

Evaluation methods and techniques

- Cash and banks, escrow account, accounts receivable, accounts receivable related parties, accounts payable and accounts payable related parties – They arise directly from the Company's operations being measured at amortized cost and are recorded at their original value, less provision for losses and adjustment to present value when applicable. The book value is close to the fair value in view of the short settlement period of these transactions.
- Suppliers - The Company understands that the fair value of suppliers, because they have most of their maturities in the short term, is already reflected in their book value.
- Borrowings and financings - For financing classified and measured at amortized cost, the Company understands that, because they are bilateral operations and do not have an active market or other similar source with conditions comparable to those already presented and that may be a parameter for the determination of their fair values, the book values reflect the fair value of the operations.
- Derivative instruments - To calculate the mark-to-market - MTM, we use the projection of the quotation of the currency contracted in the NDF for the maturity date according to the futures curve of BM&F. This value is brought to present value according to the projection of the CDI according to the future DI curve of BM.

20 Insurance coverage

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.

On March 31st, 2024, and on December 31st, 2023, the insurance coverage is as follows:

	3/31/2024	12/31/2023
CBI - FSRU	1,601,737	1,552,077
Performance Guarantee	186,749	186,749
Civil Liability - Construction	225,720	225,720
Engineering Risks	6,823,059	6,611,520
Transport of Imported Equipment	392,506	380,337

21 Commitments

On March 31st, 2024, the Company presented commitments made for future purchases in the amount of R\$ 1,819,446 (R\$ 1,855,544 on December 31st, 2023), which must be due during the construction and operation of the thermoelectric plant.

	3/31/2024	12/31/2023	Description
Assets			
Prepaid expense			
Transaction cost	4,709	4,663	Expenses linked to Financing.
Total Prepaid Expenses	4,709	4,663	
PPE/Intangible			
Advances for the formation of fixed assets	114,367	153,908	Advances to be made to suppliers for future delivery of equipment. Expenses with project development (consulting, financial and legal advice, environmental studies and opinions, insurance, and implementation licenses).
Works in progress and equipment under construction (*)	92,693	96,818	
Spare parts - Maintenance	847,771	847,771	Spare parts for CTS - Siemens
Total PPE/Intangible	1,054,831	1,098,497	
Total asset	1,059,540	1,103,160	
Result			
Costs	594,477	594,477	Performance of Siemens services, flora rescue and monitoring, planting, maintenance and area transfer
General and administrative expenses	165,429	157,907	Travel agency contract, emergency brigade service and legal expenses, benefit expenses.
Total result	759,906	752,384	
Total	1,819,446	1,855,544	

Rio de Janeiro, May 14th, 2024.

UTE GNA II GERAÇÃO DE ENERGIA S.A.