

UTE GNA II Geração de Energia S.A.

Interim financial statements
on September 30th, 2021

Contents

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

UTE GNA II Geração de Energia S.A.

Balance sheets on September 30th, 2021 and December 31st, 2020

(In thousands of Reais)

	Note	9/30/2021 (not reviewed)	12/31/2020
Current			
Assets			
Cash and cash equivalents	4	5,914	3,640
Accounts receivable - related parties	5	280,000	21
Prepaid expenses	6	14,388	12,170
Recoverable taxes	7	76	14
Recoverable income tax and social contribution	7	10	5
Derivative financial instruments	17	438	-
Total current assets		300,826	15,850
Non-current			
Prepaid expenses	6	1,951	3,901
Recoverable taxes	7	18	-
Deferred taxes	8	24,291	16,984
Property, plant, and equipment	9	334,557	24,390
Intangible assets	10	18	21
Right of use assets	11	156,888	-
Total non-current assets		517,723	45,296
Total assets		818,549	61,146

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

UTE GNA II Geração de Energia S.A.

Balance sheets on September 30th, 2021 and December 31st, 2020

(In thousands of Reais)

	Note	9/30/2021 (not reviewed)	12/31/2020
Current			
Liabilities			
Suppliers	12	2,367	834
Accounts payable - related parties	5	365,171	47,650
Taxes and contributions payable	13	813	611
Income tax and social contribution payable	13	-	2
Total current liabilities		368,351	49,097
Non-current			
Accounts payable – related parties	5	1,553	1,553
Lease liabilities	11	172,474	-
Total non-current liabilities		174,027	1,553
Shareholders' equity	14		
Share capital		280,003	3
Advance for future capital increase		46,249	43,469
Accumulated losses		(50,081)	(32,976)
Total shareholders' equity		276,171	10,496
Total liabilities and shareholders' equity		818,549	61,146

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

UTE GNA II Geração de Energia S.A.

Statements of operations

Nine-month period ending September 30th, 2021, and 2020

(In thousands of Reais)

	Note	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
Operating income (expenses)					
General and administrative expenses	15	(20,886)	(19,094)	(8,188)	(6,466)
Impairment and other losses	4	2	-	1	2
Net income before financial result (expenses)		(20,884)	(19,094)	(8,187)	(6,464)
Net financial result	16				
Financial income		810	64	679	11
Financial expenses		(4,337)	(126)	(2,386)	(122)
Loss before taxes		(24,411)	(19,156)	(9,894)	(6,575)
Deferred income tax and social contribution	8	7,306	-	2,989	-
Loss of the period		(17,105)	(19,156)	(6,905)	(6,575)

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

UTE GNA II Geração de Energia S.A.

Statements of comprehensive income (loss)

Nine-month period ending September 30th, 2021, and 2020

(In thousands of Reais)

	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
Loss of the period	(17,105)	(19,156)	(6,905)	(6,575)
Other comprehensive results	-	-	-	-
Total comprehensive loss of the period	(17,105)	(19,156)	(6,905)	(6,575)

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

UTE GNA II Geração de Energia S.A.

Statements of changes in shareholders' equity

Nine-month period ending September 30th, 2021, and 2020

(In thousands of Reais)

	Share capital	Capital reserve	Accumulated loss	Total shareholders' equity
	Subscribed	Advance for future capital increase		
Balance on January 1st, 2020	2	13,677	(21,174)	(7,495)
Loss of the period	-	-	(19,156)	(19,156)
Balance on September 30th, 2020 (not reviewed)	2	13,677	(40,330)	(26,651)
Loss of the period	-	-	7,354	7,354
Capital increase - Siemens Participações	1	-	-	1
Conversion of loan in advance for future capital increase - Infra	-	20,766	-	20,766
Advance for future capital increase - Infra	-	9,026	-	9,026
Balance on December 31st, 2020	3	43,469	(32,976)	10,496
Loss of the period	-	-	(17,105)	(17,105)
Capital increase – SPIC Brasil	280,000	-	-	280,000
Advance for future capital increase - Infra	-	2,780	-	2,780
Balance on September 30th, 2021 (not reviewed)	280,003	46,249	(50,081)	276,171

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

UTE GNA II Geração de Energia S.A.

Statements of cash flows

Nine-month period ending September 30th, 2021, and 2020

(In thousands of Reais)

	9/30/2021 <u>(not reviewed)</u>	9/30/2020 <u>(not reviewed)</u>
Cash flow from operating activities		
Loss before taxes	(24,411)	(19,156)
Adjustments of items without cash effect:		
Depreciation and amortization	3	-
Exchange variation	(3)	(29)
Interest on loan	2,362	-
Exchange variation on loan	604	-
Gains and losses operation - swap	(438)	-
Impairment and other losses	(2)	-
Adjusted net losses	<u>(21,885)</u>	<u>(19,185)</u>
(Increase) decrease in assets and increase (decrease) of liabilities:		
Recoverable taxes	(85)	(15)
Prepaid expenses	(268)	(5,246)
Other advances	-	66
Accounts receivable - related parties	21	6
Suppliers	1,536	1,982
Accounts payable - related parties	(39,343)	16,952
Taxes and contributions payable	202	1,182
Net cash from (used in) operational activities	<u>(59,822)</u>	<u>(4,258)</u>
Cash flows from investment activities		
Acquisition of PPE	(294,582)	(14,542)
Net cash (used in) investment activities	<u>(294,582)</u>	<u>(14,542)</u>
Cash flows from financing activities		
Advance for future capital increase - Infra	2,780	-
Mutual received - GNA Infra	139,365	19,178
Mutual received - SPIC	128,956	-
Mutual received - Siemens BV	85,577	-
Net cash provided by financing activities	<u>356,678</u>	<u>19,178</u>
Increase (decrease) in cash and cash equivalents	<u>2,274</u>	<u>378</u>
At the beginning of the period	3,640	145
At the end of the period	5,914	523
Increase (decrease) in cash and cash equivalents	<u>2,274</u>	<u>378</u>

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

Notes of the interim financial information

(In thousands of Reais, unless stated otherwise)

1 Operations

UTE GNA 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 privately, changing its corporate capital name from UTE GNA II Geração de Energia Ltda. to UTE GNA II Geração de Energia S.A. 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 carried out to GNA HoldCo, then GNA HoldCo was transfer to Gás Natural Infraestrutura S.A. ("GNA Infra") and soon after new shares were subscribed to Siemens Participações S.A. ("Siemens"). On January 28th, 2021, it became jointly controlling 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.

In December 2017, UTE GNA II won the A-6 auction, a project for a thermal plant with a capacity of 1,672.6 megawatts that will demand investments of R\$5.6 billion*, with an estimated start of operations in 2024.

On October 20th, 2020, ANEEL's board unanimously approved:

- (i) Change the implementation schedule of GNA II, to concatenate with the implementation schedule of Campos 2 - 500 kV* substation, considering the 9 (nine) months for the plant commissioning.
- (ii) Concatenate the respective Energy Trading Contracts in the Regulated Environment ("CCEAR"), in order to shift the energy supplying in 9 (nine) months after the effective commercial operation date of the Campos 2 – 500 kV* substation, being after January 1st, 2023, and thus, postponing the starts and end dates of the CCEARs, preserving the balance and the contractual term.
- (iii) Link the obligation to pay the Charges and Use of Transmission Systems ("EUST") associated with UTE GNA II to the availability of the Campos 2 substation facilities.
- (iv) Limit the concatenation periods outlined in items (i) and (ii) to a maximum of 9 (nine) months after the contractual term for the commercial operation of the Campos 2 - 500 kV* substation, defined as March 22nd, 2024.

In November 2020, UTE GNA II entered into a long-term financing contract in the amount of R\$ 3,930 billion with the National Bank for Economic and Social Development (BNDES) for the implementation of the project. The contract is divided into 3 tranches: the first referring to expenses with national services and equipment with interest of IPCA + 4.64%, the second and third referring to imported equipment without national similar with interest of IPCA + 5.45% and IPCA + 8.00%.

On May 5th, 2021, GNA Infraestrutura executed an Intercompany loan with UTE GNA II, in the gross amount of R\$ 112,034, with remuneration indexed to the CDI, to guarantee payments arising from the Environmental Compensation, related to the Installation License, and other project costs.

On September 17th, 2021, GNA Infraestrutura and SPIC executed an Intercompany loan with UTE GNA II, in the total amount of R\$ 156,287, with remuneration indexed to the CDI, for the purpose of payments related to the issuance of the Limited Notice to Proceed of the EPC contract of Thermal.

On September 22nd, 2021, Siemens Energy Finance BV executed a loan to UTE GNA II, in the amount of EUR 13,700, with remuneration indexed to EURIBOR, for the purpose of payments related to the issuance of the Limited Notice to Proceed of the EPC contract of the Thermal.

(*) Unaudited information

a. COVID-19

On March 11th, 2020, the World Health Organization declared that the coronavirus outbreak is characterized as a pandemic. The consequences of the pandemic increased the degree of uncertainty for economic agents and there are direct and indirect impacts, among them the main one being a delay in relation to the original schedule, with the start of works expected for the second half of 2021. The project schedule and commercial conditions with the main suppliers are being revised to mitigate potential future financial impacts on the project that have not materialized at the time.

At the federal level, Decrees No. 10,282/20, 10,292/20 and 10,329/20 dealt with the activities of electricity generation (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 (GNA HoldCo, GNA Infra, UTE GNA I e UTE GNA II) have implemented special operating regimes to minimize the chances of total stops of their activities, as well as 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, evaluate different scenarios and draw up 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.
- company's ability to keep operations in full operation; and
- reduction in the productivity of employees and stakeholders related to health and safety issues.

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

The management of UTE GNA II has been negotiating with funding agents, in a scenario of continuing the project without changes in business continuity.

b. SPIC Brasil

On August 7th, 2020, SPIC Brasil (SPIC), a subsidiary of China's State Power Investment Corporation, signed a binding agreement to acquire 33% of the thermoelectric projects UTE GNA I and UTE GNA II. The two natural gas plants will have an installed capacity of 3 gigawatts (unaudited). The closing of the contract was subject to the fulfillment of certain conditions precedent common to this type of transaction which were fully complied with on January 28th, 2021, the date on which SPIC assumed a 33% in the thermoelectric plants UTE GNA I and UTE GNA II, being in UTE GNA II through subscription of new shares.

2 Basis of preparation

a. Compliance statement (with respect to IFRS and CPC standards)

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

The interim financial information should be read in conjunction with the financial statements as of December 31st, 2020, approved on March 27th, 2021.

The authorization for the conclusion of the preparation of this financial information was given by Management on October 29th, 2021.

b. Basis measurement

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

c. Functional currency

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

3 Use of judgments and estimates

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

Information on uncertainties related to judgments and estimates as of September 30th, 2021, 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 notes:

- **Note 8** - recognition of deferred income and social contribution taxes and availability of future taxable income against which temporary differences and tax losses can be used.

4 Cash and cash equivalent

	9/30/2021 (not reviewed)	12/31/2020
Cash and banks	26	15
Financial investments		
Financial investments (a)	5,889	3,628
	5,889	3,628
	5,915	3,643
Provision for expected loss (b)	(1)	(3)
Total	5,914	3,640

(a) The cash balance and cash equivalents as of September 30th, 2021, is composed of current accounts at Santander, Bradesco, Itaú and BTG, CDB application at Santander, 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 4th, 2021, referring to 15 years of data collected by it on the default risk of companies at each rating level.

Cash and cash equivalents are held with bank and financial counterparties, which have been grouped into 5 levels, separated between AAA and BB according to their rating on Fitch Ratings, Moody's, and Standard & Poor's. As shown in the table below, the counterparties in which the Company has outstanding balances on September 30th, 2021, are classified as AAA, based on the average of their ratings at the rating companies listed above.

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

Risk Level	Rating	Gross Balance	Loss rate (1)	Loss Provision
Level 1	AAA	5,915	0.01%	(1)

(1) Loss Rate considers the Global Corporate Average Default Rate for 1 year released by S&P on 04/04/21.

The movement of the estimated loss in the first nine months was:

Balance on January 1st, 2020	<u>-</u>
Addition	<u>(2)</u>
Balance on December 31st, 2020	<u>(2)</u>
Addition	<u>1</u>
Balance on September 30th, 2021 (not reviewed)	<u><u>(1)</u></u>

5 Related parties

The Company adopts the Corporate Governance practices recommended and/or required by the legislation and regulations in force, in accordance with what is currently being practiced in the market. The Company's Shareholders' Agreement establishes guidelines aimed at ensuring that transactions between the Company and its related parties are carried out 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 conflicts of interest involving any employee of the Company, which are applicable to all GNA employees and stakeholders.

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 September 30th, 2021, and December 31st, 2020, related to transactions with related parties, as well as the transactions that influenced the result for the period, are due to the Company's transactions with its management members and other related parties, as follows:

UTE GNA II Geração de Energia S.A.
Interim financial information
on September 30th, 2021

	<u>9/30/2021</u> <u>(not reviewed)</u>	<u>12/31/2020</u>
Asset:		
Accounts receivable		
GNA Infra - Controller together (a)	-	13
GNA HoldCo - Indirect shareholder (a)	-	2
UTE GNA I - Joint venture (a)	-	6
SPIC Brasil - Controller together (d)	280,000	-
Total Assets	<u>280,000</u>	<u>21</u>
Liability:		
Accounts payable		
GNA HoldCo - Indirect shareholder (a)	821	6,946
GNA Infra - Controller together (a) and (e)	141,603	2,565
UTE GNA I - Joint venture (a)	7,328	38,139
Prumo Logística S.A - Parent company of the indirect shareholder (b) and (c)	1,548	1,548
Porto do Açú Operações S.A - Shareholder Investment (b)	5	5
Siemens Energy Finance B.V. – Part of the economic group of Siemens Energy Inc. which is an indirect shareholder of UTE GNA II (e)	86,203	-
Brazil - Controller together (e)	129,216	-
Total	<u>366,724</u>	<u>49,203</u>
Accounts receivable		
Current	280,000	21
Non-current	-	-
Total	<u>280,000</u>	<u>21</u>
Accounts payable		
Current	365,171	47,650
Non-current	1,553	1,553
Total	<u>366,724</u>	<u>49,203</u>

Result:

Shared costs	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
GNA HoldCo - Indirect shareholder (a)	(2,717)	(1,730)	(821)	(473)
GNA Infra - Controller together (a)	(333)	(476)	(159)	(151)
UTE GNA I - Joint venture (a)	(17,132)	(15,553)	(7,222)	(5,690)
Total	<u>(20,182)</u>	<u>(17,759)</u>	<u>(8,202)</u>	<u>(6,314)</u>

Financial Expenses	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
SPIC Brasil - Controller together (e)	(261)	-	(261)	-
GNA Infra - Controller together (e)	(2,079)	-	(1,442)	-
Siemens Energy Finance B.V.- Part of the economic group of Siemens Energy Inc. which is an indirect shareholder of UTE GNA II (e)	(21)	-	(21)	-
Total	<u>(2,361)</u>	<u>-</u>	<u>(1,724)</u>	<u>-</u>

- (a) Contract for sharing personnel expenses and other expenses between the GNA group companies.
- (b) Recognition of the personnel expenses and other general expenses between UTE GNA II x Porto do Açú x Prumo.
- (c) Transfer of license belonging to Eneva S.A. through acquisition by Prumo.
- (d) Recognition of the right to receive capital injection from SPIC on January 28th, 2021.
- (e) Intercompany Loans with shareholders in May and September 2021.

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

	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
Directors				
Shared expenses - Directors (a)	(1,730)	(1,328)	(580)	(490)
Total	(1,730)	(1,328)	(580)	(490)

These amounts are related to the Management members spending in GNA HoldCo, GNA Infra and UTE GNA I that were allocated to the Company.

6 Prepaid expenses

	9/30/2021 (not reviewed)	12/31/2020
Insurance premium (a)	4,552	6,502
Transaction cost (b)	11,787	9,569
Total	16,339	16,071
Current	14,388	12,170
Non-current	1,951	3,901
Total	16,339	16,071

- (a) Insurance premiums as required by the ANEEL 005/2017 auction notice.
- (b) Transaction costs to obtain financing for the Project. The amounts are presented in current assets until the effective raising of financing resources, after that, will be reclassified to liabilities, reducing the passive balance of loans.

7 Recoverable taxes

	<u>9/30/2021</u> <u>(not reviewed)</u>	<u>12/31/2020</u>
Withholding income tax ("IRRF")	76	14
	<u>76</u>	<u>14</u>
Income tax and social contribution ("IRPJ/CSLL")	7	5
Income tax and social contribution to be offset previous years	21	-
Total	<u>104</u>	<u>19</u>
Current	86	19
Non-current	18	-
Total	<u>104</u>	<u>19</u>

8 Deferred taxes

	<u>9/30/2021</u> <u>(not reviewed)</u>	<u>12/31/2020</u>
Deferred taxes assets	24,291	16,984
Total	<u>24,291</u>	<u>16,984</u>
	Deferred taxes assets	
Balance on January 1st, 2020	-	
Pre-operating expenses	16,984	
Balance on December 31st, 2020	<u>16,984</u>	
Pre-operating expenses	7,307	
Balance on September 30th, 2021 (not reviewed)	<u>24,291</u>	
	<u>9/30/2021</u> <u>(not reviewed)</u>	<u>9/30/2020</u> <u>(not reviewed)</u>
Loss before taxes	<u>(24,411)</u>	<u>(19,156)</u>
Income tax and social contribution rate	34%	34%
Income tax and social contribution (base x rate)	<u>8,300</u>	<u>6,513</u>
Permanent additions:		
Tax credits on tax losses	(994)	(6,513)
Total income tax and social contribution for the period	<u>7,306</u>	<u>-</u>
Current	-	-
Deferred	7,306	-
Total	<u>7,306</u>	<u>-</u>
	(29.93) %	-%

Technical feasibility studies indicate the full capacity to recover, in subsequent years, the amounts of deferred taxes recognized 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 2024.

9 Property, plant, and equipment

	Advances for asset formation (*)	Works in progress and equipment under construction (**)	Total
Balance on December 31st, 2019	-	8,704	8,704
Additions	-	15,686	15,686
Balance on December 31st, 2020	-	24,390	24,390
Cost	-	24,390	24,390
Balance on December 31st, 2020	-	24,390	24,390
Additions (***) and (***)	250,575	59,592	310,167
Balance on September 30th, 2021 (not reviewed)	250,575	83,982	334,557
Cost	250,575	83,982	334,557
Balance on September 30th, 2021 (not reviewed)	250,575	83,982	334,557

(*) Advance for asset formation: The balance of advances as of September 30th, 2021, is composed of advances made to suppliers for the future delivery of equipment.

(**) Works in progress: The balance of works in progress as of September 30th, 2021, comprises the values of the UTE GNA II operating licenses, term of commitment (TCCA), insurance capitalization and consultancy directly related to the works.

(***) Of the additions that occurred in the period, the total amount of R\$ 15,586 had no effect of cash flows.

(****) Financial capitalizations were made on September 30th, 2021, in the following amounts:

	9/30/2021 (not reviewed)	12/31/2020
Financial capitalizations		
Interest expense on lease (Land)	12,258	-
Total	12,258	-
	9/30/2021 (not reviewed)	12/31/2020
Capitalization amortizations IFRS 16		
Amortization right of use - Land	3,328	-
Total	3,328	-

10 Intangible assets

	Software licenses	Total
Balance on December 31st, 2019	-	-
Additions	22	22
Amortization	(1)	(1)
Balance on December 31st, 2020	21	21
Cost	22	22
Accumulated amortization	(1)	(1)
Balance on December 31st, 2020	21	21
Amortization	(3)	(3)
Balance on September 30th, 2021 (not reviewed)	18	18
Cost	22	22
Accumulated amortization	(4)	(4)
Balance on September 30th, 2021 (not reviewed)	18	18

11 Right of use / Lease liabilities

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

The movement of the first nine months ending 2021 of the right-to-use asset and rental liabilities is shown in the table below:

	Land	Total
Right of use		
Balance on January 1st, 2021	-	-
Additions	160,216	160,216
Depreciation	(3,328)	(3,328)
Balance on September 30th, 2021 (not reviewed)	156,888	156,888
Lease liabilities		
Balance on January 1st, 2021	-	-
Additions	160,216	160,216
Interest incurred	12,258	12,258
Balance on September 30th, 2021 (not reviewed)	172,474	172,474
Current	-	-
Non-current	(172,474)	(172,474)

After analyzing the adherence to IFRS 16, the Company identified the Land Lease agreement executed with Porto do Açú Operações S.A (related party) as being adherent to this standard.

In March 2021, UTE GNA II was informed of the option to assign the right to use the area of the land lease agreement with Porto do Açú Operations SA, which is why the obligations of UTE GNA II began under that same agreement and, therefore, its registration in accordance with IFRS 16.

For the accounting record we used the discount rate of 13.47% for the period of 23 years and with the monthly installment R\$ 2,616 with annual adjustment by IPCA.

12 Suppliers

	9/30/2021 (not reviewed)	12/31/2020
National suppliers	2,367	834
Total	2,367	834

13 Taxes and contributions payable

	9/30/2021 (not reviewed)	12/31/2020
Service tax ("ISS")	787	239
Social Security on third services	1	-
Withholding income tax ("IRRF")	6	91
PIS/COFINS payable	6	-
PIS/COFINS/ CSLL - tax withholding	13	281
Total	813	611
Income tax and social contribution ("IRPJ/CSLL")	-	2
Total	813	613
Current	813	613
Total	813	613

14 Shareholders' equity

Shareholders	9/30/2021 (not reviewed)		12/31/2020	
	Number of common shares	% Participation	Number of common shares	% Participation
GNA Infra	2,001	44.89%	2,001	66.99%
Siemens	986	22.11%	986	33.01%
SPIC (i)	1,471	33.00%	-	-
Total	4,458	100.00%	2,987	100.00%

- (i) On January 28th, 2021, SPIC became UTE GNA II shareholder. GNA II issued 1,471 shares, with a share price of R\$ 190,346.70, where the total amount subscribed by SPIC was R\$ 280,000,000.00. This amount was recognized as accounts receivable from related parties (note 5).

a. Share capital

As of September 30th, 2021, the Company's share capital is R\$280,003, represented by 4,458 common shares, nominative and without par value (R\$3, represented by 2,987 common shares, nominative and without nominal value as of December 31st, 2020). The capital increase contributions, made in the period are shown as follows:

	Shareholder					Share Capital
	Prumo Logística	GNA HoldCo	GNA Infra	Siemens	SPIC	
Balance on January 1st, 2020	1	1	-	-	-	2
11/25/2020	(1)	(1)	2	1	-	1
Balance on December 31st, 2020	-	-	2	1	-	3
1/28/2021	-	-	-	-	280,000	280,000
Balance on September 30th, 2021 (not reviewed)	-	-	2	1	280,000	280,003

b. Advance for future capital increase

On September 30th, 2021, the shareholder GNA Infra invested in GNA II, through a private instrument of advance for future capital increase, the amount of R\$ 46,249. Such an instrument is irrevocable and irreversible, and convertible into several shares, respecting its nominal value. Advance for future capital increase contributions made in the period are shown as follows:

	Prumo Logística	GNA HoldCo	GNA INFRA	AFAC
Balance on January 1st, 2020	-	-	-	-
1/01/2020	6,907	6,770	-	13,677
11/19/2020	-	-	9,026	9,026
11/25/2020 (i)	(6,907)	(6,770)	13,677	-
11/25/2020 (ii)	-	-	1,588	1,588
11/25/2020 (iii)	-	-	19,178	19,178
Balance on December 31st, 2020	-	-	43,469	43,469
4/13/2021	-	-	2,780	2,780
Balance on September 30th, 2021 (not reviewed)	-	-	46,249	46,249

- (i) Assignment of the Advance for future capital increase ownership right between Prumo, HoldCo and Infra.
- (ii) Conversion of the Intercompany loan into Advance for future capital increase GNA HoldCo and assignment of AFAC's ownership right to Infra.
- (iii) Conversion of the Intercompany loan into Advance for future capital increase GNA Infra R\$ 19,178.

c. Dividends

The Company's shares participate on equal terms in the distribution of dividends, interest on equity and other benefits to shareholders. The bylaws provide for the distribution of a minimum mandatory dividend of 25% of net income of the period, adjusted in accordance with article 202 of Law no. 6.404/76. In the period ended September 30th, 2021, the Company posted a loss with no dividend distribution.

15 General and administrative expenses

	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
Personnel	(16,946)	(15,375)	(6,867)	(5,637)
Legal expenses	(581)	(265)	(35)	(128)
Consulting and auditing	(259)	(1,255)	(78)	(217)
Taxes, fines, and fees	(57)	(45)	(4)	(2)
IT and telecom	(1,379)	(1,109)	(597)	(262)
Communication and institutional affairs	(274)	(214)	(74)	68
Environmental and land expenses	-	52	-	-
Travel	(99)	(387)	(46)	(7)
Administrative services	(642)	(105)	(266)	(173)
Operational services	(1)	(26)	(1)	-
Insurance	(118)	(201)	(41)	(27)
Depreciation and amortization	(3)	-	(1)	-
General and maintenance expenses	(83)	194	(21)	(7)
Other third-party services	(444)	(358)	(157)	(74)
Total	(20,886)	(19,094)	(8,188)	(6,466)

16 Net Financial result

	9/30/2021 (not reviewed)	9/30/2020 (not reviewed)	Three months period ended in 9/30/2021 (not reviewed)	Three months period ended in 9/30/2020 (not reviewed)
Financial expenses				
Bank expenses	(3)	(2)	(2)	(1)
IOF	(1,310)	(138)	(57)	(138)
Interest and fines	(62)	(15)	1	(12)
Interest expenses on loans	(2,361)	-	(1,724)	-
Exchange variation	(601)	29	(604)	29
	(4,337)	(126)	(2,386)	(122)
Financial incomes				
Interest on financial investments	371	64	240	11
Gain on Hedge Operations (SWAP)	438	-	438	-
Active or earned interest	1	-	1	-
	810	64	679	11
Net financial result	(3,527)	(62)	(1,707)	(111)

17 Financial Instruments

This note presents information on the Company's exposure to each of the following risks mentioned, the objectives of the Company, the risk and capital management exercised for the Company.

17.1 Risk management

Overview - the Company is exposed to the following risks arising from the use of financial instruments:

- a. Credit risk.
- b. Market risk.
- c. Interest rate risk.

Risk management structure - the Company's risk management aims to identify and analyze the risks to which it is exposed, to define appropriate risk limits and controls and to monitor risks and adherence to limits. The Company, through the management of its activities, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

Management monitors compliance with the development of its risk control activities and reviews the adequacy of the risk management structure in relation to the risks faced by the Company.

Risk management is also based on the level and context of the Company's shareholder control groups.

a. *Credit Risk*

Credit risk refers to the possibility of Company incurring losses from a counterparty in a financial instrument, due to their failure to comply with their contractual obligations. The risk is basically coming from cash and cash equivalents.

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

	9/30/2021 (not reviewed)	12/31/2020
Measured at fair value through the result		
Cash and cash equivalent	5,914	3,640
Derivative financial instruments	438	-

b. Market Risk

The Company's use of financial instruments is intended to protect its assets and liabilities, minimizing exposure to market risks, especially about fluctuations in price indices and currencies. The Company has derivative instrument *SWAP* with the objective of economic and financial protection against exchange rate fluctuation risk.

c. 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.

17.2 Fair value estimate

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.

Financial assets and liabilities recorded at fair value shall be classified and disclosed at the following levels:

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

The table below shows the book and fair values of the Company's financial instruments and other assets and liabilities, as well as their measurement level, on September 30th, 2021, and December 31st, 2020.

	Level	9/30/2021 (not reviewed)		12/31/2020	
		Accounting	Fair Value	Accounting	Fair Value
Financial assets (Current / Non-current)					
Cash and cash equivalent	1	5,914	5,914	3,640	3,640
Accounts receivable with related parties	2	280,000	280,000	21	21
Financial liabilities (Current/Non-current)					
Suppliers	2	2,367	2,367	834	834
Accounts payable with related parties	2	365,171	365,171	47,650	47,650

There were no transfers between Level 1 and Level 2 during the period ended on September 30th, 2021.

Assessment methods and techniques

The Company understands that fair value of suppliers and accounts payable to related parties, as it has most of its short-term maturities, is already reflected in its book value.

18 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 September 30th, 2021, and December 31st, 2020, insurance coverage is as follows:

	9/30/2021 (not reviewed)	12/31/2020
Performance Guarantee	207,499	207,499
Civil Liability - Early Works	5,000	-
Engineering - Early Works	12,300	-

19 Commitments made

As of September 30th, 2021, the Company has commitments made in future purchases at the Parent Company impacting its interim financial information, as follows:

	9/30/2021 (not reviewed)	12/31/2020	Description
Assets			
Fixed/Intangible			
Works in progress (*)	31,650	35,823	Project development expenses (consulting, financial and legal advice, environmental studies and opinions).
Total Assets	<u>31,650</u>	<u>35,823</u>	
Result			
General and Administrative Expenses	12,569	6,997	Travel agency contract, brigade service emergency, legal expenses
Total Result	<u>12,569</u>	<u>6,997</u>	
Grand total	<u><u>44,219</u></u>	<u><u>42,820</u></u>	

(*) There are already signed contracts, as mentioned in note 1, which are in force, but are in renegotiation of some commercial clauses and have precedent conditions for obligations to occur between the parties and therefore are not presented in this note.

Rio de Janeiro, October 29th, 2021.

UTE GNA II GERAÇÃO DE ENERGIA S.A.