

Combined Interim Financial Statements

Comerc Group

June 30, 2021
with Independent Auditor's Report

Comerc Group

Combined Interim Financial Statements

June 30, 2021

Contents

Independent Auditor's Report on Combined Interim Financial Statements	1
Combined Interim Financial Statements	
Combined statements of financial position	4
Combined statements of profit or loss	6
Combined statements of comprehensive income (loss)	7
Combined statements of changes in net assets	8
Combined statements of cash flows.....	9
Notes to combined interim financial statements	11



A free translation from Portuguese into English of Independent Auditor's Report on Combined Interim Financial Statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board - IASB

Independent Auditor's Report on the Combined Interim Financial Statements

To the
Shareholders, Members, Board of Directors and Officers
Comerc Group
São Paulo - SP

Opinion

We have audited the combined interim financial statements of Grupo Comerc ("Group"), which comprise the combined statement of financial position as at June 30, 2021 and the combined statements of profit or loss, of comprehensive income (loss), of changes in net assets and cash flows for the six-month period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the combined interim financial statements referred to above present fairly, in all material respects, the combined financial position of Comerc Group as at June 30, 2021, and the combined financial performance and combined cash flows for the six-month period then ended in accordance with the accounting practices adopted in Brazil and with the international Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the combined interim financial statements" section of our report. We are independent of Comerc Group in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by Brazil's National Association of State Boards of Accountancy (CFC) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the combined interim financial statements

Management is responsible for the preparation and fair presentation of these combined interim financial statements in accordance with the accounting practices adopted in Brazil and with the

International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the combined interim financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the combined interim financial information reporting process.

Auditor's responsibilities for the audit of combined interim financial statements

Our objectives are to obtain reasonable assurance about whether the combined interim financial statements as a whole is free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined interim financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed risks of material misstatements of the combined interim financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained 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 Group's internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluded 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 substantial doubt as to the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined interim financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the combined interim financial information, including the disclosures, and whether the combined interim financial statements represent the corresponding transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the scope and timing of the planned audit procedures and significant audit findings, including deficiencies in internal control that we my have identified during our audit.

São Paulo, August 12, 2021.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP034519/O-6

Adilvo França Junior
Accountant CRC-1BA021419/O-4-T-SP

A free translation from Portuguese into English of Combined Interim Financial Statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS), issued by International Accounting Standards Board - IASB

Comerc Group

Combined statements of financial position
June 30, 2021, and December 31, 2020
(In thousands of Reais)

		Combined	
	Notes	June 30, 2021	December 31, 2020
Assets			
Current assets			
Cash and cash equivalents	3	240,326	73,925
Receivables	4	302,960	321,972
Taxes recoverable	-	6,065	-
Derivative financial instruments	19	2,808,026	530,117
Related parties	5	236	1,975
Other assets	-	14,160	12,826
Total current assets		3,371,773	940,815
Receivables	4	1,153	1,431
Other assets	-	4,124	4,292
Deferred taxes	17.1	17,897	5,932
Future capital contributions	-	3,256	1,721
Derivative financial instruments	19	1,147,206	260,315
Investments	-	10,742	9,710
Property, plant and equipment	6	39,399	37,516
Intangible assets	-	18,465	16,856
Right-of-use assets	7	13,292	16,627
Total noncurrent assets		1,255,534	354,400
Total assets		4,627,307	1,295,215

	Notes	Combined	
		June 30, 2021	December 31, 2020
Liabilities and net assets			
Current liabilities			
Loans and financing	9	250	-
Suppliers	8	283,903	311,217
Labor and tax obligations	-	36,973	22,558
Advances from customers	-	12,805	9,095
Related parties	5	5,872	35
Derivative financial instruments	19	2,850,819	496,890
Dividends payable	10	216	23,577
Accounts payable	-	4,239	9,351
Lease liabilities	7	5,053	5,119
Total current liabilities		3,200,130	877,842
Loans and financing	9	3,762	4,007
Labor and tax obligations	-	109	109
Deferred taxes	17.1	32,100	46,729
Accounts payable	-	-	514
Related parties	5	5,045	-
Derivative financial instruments	19	1,009,901	133,820
Provision for contingencies	11	78	57
Provision for investment losses	-	840	840
Lease liabilities	7	10,658	14,433
Total noncurrent liabilities		1,062,493	200,509
Net assets		364,684	216,864
Total liabilities and net assets		4,627,307	1,295,215

See accompanying notes.

Comerc Group

Combined statements of profit or loss
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

		Combined	
	Notes	June 30, 2021	June 30, 2020
Net operating revenue	13	1,637,819	1,510,020
Mark-to-market of financial instruments	-	(63,571)	56,032
Services and energy sales costs	14	(1,543,151)	(1,427,587)
Gross profit		31,097	138,465
Operating income (expenses)			
Selling, general and administrative expenses	15	(77,278)	(63,575)
Other operating (expenses) income, net	-	(1,081)	523
Equity pickup	-	(2,530)	(288)
Total operating income/(expenses), net		(80,889)	(63,340)
Finance income (costs)			
Finance income	16	3,206	866
Finance costs	16	(3,821)	(1,555)
Net Finance income (costs)		(615)	(689)
Income (loss) before income taxes		(50,407)	74,436
Income and social contribution taxes – Current	17	(8,419)	(7,266)
Income and social contribution taxes – Deferred	17.1	24,954	(19,988)
Net income / (loss) for the period		(33,872)	47,182
Net income attributed to non-controlling interests		(11,279)	(1,935)
Net income attributed to equity holders of the parent		(22,593)	49,117

See accompanying notes.

Comerc Group

Combined statements of comprehensive income (loss)
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Combined	
	June 30, 2021	June 30, 2020
Net income / (loss) for the period	(33,872)	47,182
Other comprehensive income (loss)	-	-
Total comprehensive income (loss) for the period	(33,872)	47,182

See accompanying notes.

Comerc Group

Combined statement of changes in net assets
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Note	Net Assets
Balance at January 1, 2021		<u>216,864</u>
Capital increase	-	2,976
(Loss) for the period	-	(33,872)
Income reserve Recognized	-	178,716
Balances at June 30, 2021		<u>364,684</u>
Balance at January 1, 2020		<u>222,686</u>
Capital increase	-	14
Net income	-	47,182
Income Reserve Recognized	-	13,730
Balances at June 30, 2020		<u>283,612</u>

See accompanying notes.

Comerc Group

Combined statements of cash flows
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Combined	
	June 30, 2021	June 30, 2020
Operating activities		
Net income (loss) for the period	(33,872)	47,182
Adjustments to reconcile net income (loss) to cash flows::		
Depreciation and amortization	6,936	3,050
Interest on lease liabilities	801	-
Equity pickup	2,530	288
Mark-to-market of energy agreements	63,571	(56,032)
Deferred PIS and COFINS over future electricity agreements	1,639	(1,967)
Deferred taxes	(26,594)	22,639
Allowance for expected losses on receivables	11	1,295
Provision for/(reversal of) contingencies	21	(272)
Interest on loans and financing	5	-
Asset written off	1,032	-
Provision for operating expenses	-	347
Disposal of equity interest	-	-
Income tax and social contribution expenses	8,419	7,266
Decrease/(increase) in assets		
Receivables	19,279	124,234
Taxes recoverable	(6,065)	(3,854)
Miscellaneous credits	(1,166)	395
Transactions with related parties	12,946	342
Increase/(decrease) in operating liabilities		
Suppliers	(27,314)	(125,134)
Labor and tax obligations	17,111	424
Advances from customers	3,710	(110)
Accounts payable	(5,626)	11,753
Dividends payable	-	-
Transactions with related parties	-	-
Income tax and social contribution paid	(11,115)	(7,737)
Net cash flows from operating activities	26,259	24,109
Investing activities		
Future capital contributions	-	(360)
Additions to investments	(3,562)	(2,750)
Acquisition of property, plant and equipment	(6,516)	(4,165)
Acquisition of intangible assets	(1,609)	(11,614)
Net cash used in investing activities	(11,687)	(18,889)
Financing activities		
Loans and financing	-	3,877
Lease payments	(2,980)	-
New lease agreements recognized	(1,662)	-

Comerc Group

Combined statements of cash flows --Continued
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Combined	
	June 30, 2021	June 30, 2020
Capital paid-up	2,976	14
Future capital contributions	(1,535)	13,420
Approved or paid dividends	(23,361)	(117)
Capital reserve recognized	178,716	-
Transactions with related parties	(325)	288
Net cash flows from financing activities	151,829	17,482
Increase in cash and cash equivalents	166,401	22,702
Cash and cash equivalents		
At beginning of period	73,925	53,521
At end of period	240,326	76,223

See accompanying notes.

Comerc Group

Notes to Combined Interim Financial Statements

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations

The companies included in the combined interim financial statements, presented below, are operated together with other companies, as a unit forming an economic conglomerate, here identified as “Comerc Group” or “Group”. The activities of the Group’s companies are summarized as follows:

- Comerc Participações S.A. (“Comerc Participações”), formerly known as Comerc Participações Ltda. is primarily engaged in holding equity interest in other civil, commercial companies, domestic or foreign, as a partner or shareholder. The Company is a privately-held entity, incorporated and domiciled in Brazil, whose main office is located at Av. Presidente Juscelino Kubitschek, nº 1909 - 21º andar – Torre Norte, in the State of São Paulo, City of São Paulo.
- The main purpose of Comerc Comercializadora de Energia Elétrica Ltda. (“Comercializadora”) - incorporated in 1987 - is trading electricity (purchase and sale), providing energy consumption management services and representing its clients before the Electricity Trading Chamber (CCEE);
- The corporate purpose of Comerc Energia Ltda. (“Gestão”), incorporated in 2005, is providing electricity consumption management services to consumers who can choose their supplier (free consumer). By developing positioning strategies and energy management structures, Comerc Energia seeks to maximize cost reduction for its customers and fully meet their needs in the short, medium and long term;
- The main purpose of Comerc Gás Comercializadora Ltda. (“Comerc Gás”) is providing gas consumption management services and selling gas (purchase and sale);
- The main purpose of Comerc Power Trading Ltda. (“Power Trading”) is trading electricity (purchase and sale) in the retail and wholesale markets, providing energy consumption management services and representing its clients before the Electricity Trading Chamber (CCEE);
- Micropower Comerc Participações Ltda. has as the main purpose holding an equity interest in other civil, commercial Companies, domestic or foreign, as a partner or shareholder.
- NewCom Comercializadora de Energia Elétrica Ltda. (“NewCom”) is engaged in selling electricity in the wholesale market (purchase and sale).
- Comerc Esco Comércio e Prestação de Serviços em Energia Ltda. (“Esco Comércio”), has as its main purpose selling and leasing equipment to generate better efficiency in the energy consumption for customers and providing services to help the Company reduce this consumption.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations --Continued

- DOC 88 Desenvolvimento e Serviços Ltda. (“DOC 88”, currently DOC 88 Desenvolvimento e Serviços S.A.) has as its main purpose providing consultancy in information technology, developing on-demand software, customizable or non-customizable, providing support and training in information technology and holding interest in other companies.
- MegaWhat Desenvolvimento e Serviços Ltda. (“MegaWhat”), currently MegaWhat Desenvolvimento e Serviços S.A. incorporated on August 6, 2018, has as its main purpose disseminating information through portals and content providers on the internet and providing consultancy on the energy market.
- The main purpose of Comerc Esco Instalações e Serviços Ltda. (“Esco Instalações”), incorporated in 2018, is providing installation and leasing equipment services generating a better efficiency in the electricity consumption for its customers.
- Comerc Energy Trading Comercializadora de Energia Ltda. (“Comerc Energy Trading”), Comerc Financial Trading Comercializadora de Energia Ltda. (“Comerc Financial Trading”), NewCom Energy Trading Comercializadora de Energia Ltda. (“NewCom Energy Trading”), and NewCom Financial Trading Comercializadora de Energia Ltda. (“NewCom Financial Trading”) are pre-operational companies.

1.1. Coronavirus (“COVID-19”)

Year 2020’s highlight was the effects of the Covid-19 pandemic, affecting the world economy and continued impact in 2021.

Since mid-March 2020, the Group has been managing and acting to mitigate the pandemic’s impacts on its operations, results and safety and well-being of its employees.

Despite the negative impact on the global economy, the Group’s operations were not significantly impacted by the pandemic in the first half of 2021. The Group’s management continues to actively monitor the global situation in its financial conditions, liquidity, operations, suppliers, segment and workforce to ensure the protection of its employees, maintenance of its operations and continuity of its business.

Additionally, assuming that the pandemic does not worsen and economic activity resumes at previous levels, the Group does not expect significant effects that could aggressively impact its results or compromise its operational capacity and the implementation of its projects.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies

Comerc Group has consistently adopted the accounting policies described below in all periods presented in these combined interim financial statements.

2.1. Statement of compliance

The combined interim financial statements were prepared and are presented under the accounting practices adopted in Brazil, which include the accounting pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by Brazil's National Association of State Boards of Accountancy(CFC), the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and comply with NBC TG 44 - Combined Statements, exclusively to meet the specific needs of the Group, as they are not required by accounting practices adopted in Brazil.

2.2. Relevance Statement

In preparing the combined interim financial statements, management disclosed only material information that helps users of these statements in decision-making without failing to meet the existing minimum requirements. In addition, the Management states that all relevant information is evidenced and corresponds to the information used in the business management.

All relevant information of the combined interim financial statements, and only that information, is evidenced and corresponds to that used by management in running Comerc Group's activities, as per Accounting Guidance OCPC 07.

Authorization to finish preparing these combined interim financial statements was granted at the executive board's meeting held on August 12, 2021.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.3. Basis of Combination

The combined interim financial statements of the Comerc Group for the period ended June 30, 2021, and 2020, under the responsibility of the Comerc Group's management, are presented exclusively to provide, through a single financial statement, the historical information related to all activities of Comerc Group, regardless of the provisions of its corporate structure and requirements for the presentation of interim financial statements established by regulatory bodies.

The combined interim financial statements are presented to provide additional analysis on Comerc Group's operations, and do not represent the individual interim financial statements of the entities included in the combination, and should not be used to calculate dividends, taxes or any other corporate purposes, nor used as an indication of the financial performance if the entities combined had operated as a single independent entity or as an indication of the operational results of those entities for any past/future period.

The purpose of the presentation of these combined interim financial statements is to provide historical information on Comerc Group, for the sole purpose of including the information in the prospectus for the initial public offering of shares of Comerc Participações S.A., so that potential investors and lenders can have a single financial statement, historical information related to all activities of Comerc Group. Management understands that the presentation of these combined interim financial statements provides relevant, useful and significant information about Comerc Group and its financial position for the periods and years presented.

In the combination process, all companies were under common control for the periods and years in these combined interim financial statements. The process of combining asset and liability and profit or loss accounts corresponds to the horizontal sum of the account balances. Thus, data were combined considering 100% of total assets, liabilities and net assets.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.3. Basis of Combination --Continued

The following criteria were adopted for combining the interim financial information of each company participating in the combination:

- (i) Elimination of asset and liability balances between companies;
- (ii) Transactions, balances and unrealized gains between the companies participating in the merger are eliminated. Unrealized gains (losses) are eliminated unless the transaction evidences the transferred asset's loss (impairment).
- (iii) The accounting policies of the combined companies are changed, when necessary, to ensure consistency in the policies adopted by the Group.

The combined interim financial statements include the following companies, subsidiaries and affiliates, when applicable:

Companies	Influence on the Entity	Control Group		
		% of Interest	% of Interest	% of Interest
		June 30, 2021	June 30, 2020	June 30, 2020
Comerc Participações S.A.	Control	80%	100%	100%
<i>Infinito Energy Investimentos e Participações S.A.</i>	Indirect Affiliate	40%	-	-
Comerc Comercializadora de Energia Elétrica Ltda.	Control	80%	100%	100%
Comerc Energia Ltda.	Control	80%	100%	100%
Comerc Gás Comercializadora de Energia Ltda.	Control	76%	95%	100%
Comerc Power Trade Ltda.	Control	80%	100%	100%
Micropower Comerc Participações Ltda.	Control	80%	100%	100%
<i>Micropower Energia S.A. (a)</i>	Indirect Affiliate	23.27%	29.09%	29.09%
<i>Interest MPC Serviços Energéticos 1B S.A. (a)</i>	Indirect Affiliate	2.4%	3%	3%
<i>Interest MPC Serviços Energéticos 1C S.A. (a)</i>	Indirect Affiliate	0.1%	0.1%	0.1%
<i>Interest MPC Serviços Energéticos 1A S.A. (a)</i>	Indirect Affiliate	13.33%	16.67%	16.67%
Comerc Esco Desenvolvimento Prest. Serviços em Energia Ltda (b)	Control	76%	95%	-
NewCom Comercializadora de Energia Elétrica Ltda.	Control	80%	90.2%	90.2%
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda.	Control	76%	99.97%	100%
Doc 88 Desenvolvimento e Serviços S.A.	Control	63.68%	99.96%	87%
MegaWhat Desenvolvimento e Serviços S.A.	Control	68.64%	98.77%	96.5%
Comerc Energy Trading Comercializadora de Energia Ltda. (c)	Control	80%	100%	100%
Comerc Financial Trading Comercializadora de Energia Ltda. (c)	Control	80%	100%	100%
NewCom Energy Trading Comercializadora de Energia Ltda. (d)	Control	80%	100%	-
NewCom Financial Trading Comercializadora de Energia Ltda. (d)	Control	80%	100%	-

(a) Interests held indirectly through Micropower Comerc Participações Ltda., accounted for using the equity method.

(b) Company incorporated on November 12, 2020.

(c) Companies in a pre-operational stage.

(d) Pre-operational companies incorporated on August 17, 2020.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.3. Basis of Combination --Continued

YAM Tecnologia e Desenvolvimento Humano Ltda. and Bike and Park Gestão de Serviços Ltda., subsidiaries of Doc 88 Desenvolvimento e Serviços Ltda. until January 2021, were not considered in this combined financial statement as they ceased to be part of the Comerc Group in January 2021 and are not related to Comerc Group's main business.

a) Equity and Profit or Loss Information on June 30, 2021:

Description	June 30, 2021						June 30, 2020	
	Current and Noncurrent Assets	Current and Noncurrent Liabilities	Equity	Operating Revenue	Costs	Mark-to-Market of Financial Instruments	Profit or Loss before Income Tax	Profit or Loss before Income Tax
Comerc Comercializadora de Energia Elétrica Ltda.	3,481,816	3,377,874	103,942	1,326,516	(1,281,897)	(42,566)	(26,829)	32,657
NewCom Comercializadora de Energia Elétrica Ltda.	882,218	857,100	25,118	357,549	(355,782)	(21,005)	(21,187)	30,007
Comerc Energia Ltda.	50,729	24,969	25,760	41,638	(4,378)	-	6,982	27,342
Doc 88 Desenvolvimento e serviços Ltda	25,462	5,097	20,365	11,249	(664)	-	(3,114)	(2,646)
MegaWhat Desenvolvimento e Serviços Ltda	16,990	2,153	14,837	419	(215)	-	(3,787)	(1,889)
Comerc Power Trade Ltda.	10,174	5,404	4,770	8,860	(8,728)	-	(544)	(55)
Comerc Gás Comercializadora de Energia Ltda.	1,092	8	1,084	111	-	-	101	2
Comerc Esco Com. e Prest. de Serv. em Energia Ltda.	37,223	27,865	9,358	3,542	(1,547)	-	1,093	(1,900)
Comerc Esco Desenvolvimento, Com. e Prest. Serviços Ltda.	1,373	3,447	(2,074)	218	(72)	-	(3,141)	514
Micropower Comerc Participações Ltda.	7,727	-	7,727	-	-	-	(908)	-
Comerc Participações S.A.	342,750	13,472	329,278	-	-	-	(23,522)	7,872
Comerc Energy Trading Comercializadora de Energia Ltda.	1,002	-	1,002	-	-	-	2	-
Comerc Financial Trading Comercializadora de Energia Ltda.	1,002	-	1,002	-	-	-	2	-
Total before Eliminations and Reclassifications	4,859,558	4,317,389	542,169	1,750,102	(1,653,283)	(63,571)	(74,852)	91,904
(-) Eliminations and Reclassifications	(232,251)	(54,766)	(177,485)	(112,283)	110,132	-	24,445	(17,468)
(=) Total after Eliminations and Reclassifications	4,627,307	4,262,623	364,684	1,637,819	(1,543,151)	(63,571)	(50,407)	74,436

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.3. Basis of Combination --Continued

b) Equity Information at December 31, 2020:

Description	December 31, 2020		
	Current and Noncurrent Assets	Current and Noncurrent Liabilities	Equity
Comerc Comercializadora de Energia Elétrica Ltda.	984,358	863,673	120,685
NewCom Comercializadora de Energia Elétrica Ltda.	253,291	207,522	45,769
Comerc Energia Ltda.	46,119	25,044	21,075
Doc 88 Desenvolvimento e serviços Ltda	13,069	7,538	5,531
MegaWhat Desenvolvimento e Serviços Ltda	7,187	2,411	4,776
Comerc Power Trade Ltda.	6,662	1,528	5,134
Comerc Gás Comercializadora de Energia Ltda.	112	-	112
Comerc Esco Com. e Prest. de Serv. em Energia Ltda.	37,209	31,953	5,256
Comerc Esco Instalações e Serviços Ltda.	-	-	-
Micropower Comerc Participações Ltda.	8,635	-	8,635
Comerc Participações S.A.	184,682	4,502	180,180
Comerc Energy Trading Comercializadora de Energia Ltda.	-	-	-
Comerc Financial Trading Comercializadora de Energia Ltda.	-	-	-
Total before Eliminations and Reclassifications	1,541,324	1,144,171	397,153
(-) Eliminations and Reclassifications	(246,109)	(65,820)	(180,289)
(=) Total after Eliminations and Reclassifications	1,295,215	1,078,351	216,864

2.4. Continuity Statement

Management evaluated the Comerc Group's ability to continue operating as usual and is convinced that the Group has the resources to continue its business in the future. Additionally, management is not aware of any material uncertainty that could generate significant doubt as to its ability to continue operating as a going concern. Thus, these interim financial statements were prepared based on the assumption of business continuity.

2.5. Functional and Presentation Currency

These combined interim financial statements are presented in Real (R\$), the functional currency of all companies in Comerc Group. All financial information is presented in thousands of reais unless otherwise stated.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.6. Use of Estimates and Judgments

The preparation of the combined interim financial statements requires Management to make judgment calls, estimates and assumptions that affect the adoption of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

2.7. Significant Accounting Policies

The accounting policies described in detail below have been consistently adopted for all periods presented in these combined interim financial statements.

2.7.1. Financial Instruments

CPC 48 (IFRS 09) Financial Instruments has three main categories for classifying and measuring financial assets: (i) Amortized cost; (ii) Fair Value recorded through Other Comprehensive Income (Loss); and (iii) Fair Value recorded through Profit or Loss for the Year (residual category).

CPC 48 (IFRS 09) presents an approach to classifying and measuring financial assets that reflect the business model in which the assets are managed and their cash flow characteristics. For financial liabilities, it requires that the change in the fair value of the financial liability designated at fair value against profit or loss, which is attributable to changes in the credit risk of that liability, be presented in other comprehensive income (loss) and not in the statement of profit or loss unless such recognition results in a mismatch in the statement of profit or loss.

Measurement

Financial assets and liabilities must initially be valued at fair value. The criteria to determine the fair value of financial assets and liabilities were (i) the price in an active market or, in the absence of this, and (ii) the use of valuation techniques that allow the estimation of fair value on the transaction date, taking into consideration the value that would be negotiated between independent and knowledgeable parties, interested in carrying it out.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.1. Financial Instruments --Continued

Measurement --Continued

The subsequent measurement of financial assets and liabilities follows the fair value or amortized cost method depending on the category. The amortized cost corresponds to:

- the amount initially recognized for the financial asset or liability;
- minus principal repayments; and
- more/less interest accrued using the effective interest rate method.

The effects of the subsequent measurement of financial assets and liabilities are directly allocated to profit or loss for the period. Long-term assets and liabilities with characteristics of financial instruments are initially recorded at their present value.

Recognition

Regular purchases and sales of financial assets are recognized on the trade date, that is, on the date, the Group commits to purchase or sell the asset. Financial assets at fair value through profit or loss are initially recognized at fair value, and transaction costs are charged to the statement of profit or loss. Loans and receivables are carried at amortized costs.

Gains or losses from changes in the fair value of future energy purchase and sale agreements are recorded in a specific account's income for the year. Gains or losses from changes in the value of other financial assets measured at fair value through profit or loss are recorded in the statement of profit or loss under "Revenues" or "Costs" respectively, in the period in which they occur.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.1. Financial Instruments --Continued

Other Financial Liabilities

Other financial liabilities (including loans) are measured at amortized cost using the effective interest method.

The effective interest method calculates the amortized cost of a financial liability and allocates its interest expense over the respective period. The effective interest rate is the one that exactly discounts the estimated future cash flows (including fees and points paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the estimated life of the liability or, where appropriate, for a shorter period, for initial recognition of the net book value.

Impairment

The Group's approach requires significant judgment about how changes in economic factors affect expected credit losses, which will be determined based on weighted probabilities.

The "Allowance for expected credit losses" is set up in an amount considered sufficient by Management to cover possible risks on the customer portfolio and other receivables existing at the reporting date. The criterion for setting up the provision considers assessing the risk associated with operations, securities not overdue to the same debtor, and securities overdue for more than 60 days.

Cash and Cash Equivalents

Cash and cash equivalents include cash balances and financial investments with an original maturity of three months or less from the contract date, which is subject to an insignificant risk of change in value and is used to manage short-term obligations.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.1. Financial Instruments --Continued

Receivables

These include the supply of electricity billed to free consumers, generators and traders and the revenue related to the energy provided and not billed until the statement of financial position date, accounted for on an accrual basis. They are recorded at fair value and classified as customers, as they represent fixed and determinable rights and are not quoted in an active market; are measured at amortized cost, for which there is no interest impact; as accounts receivable are normally settled within less than 90 days, the book values substantially represent the present value at the statement of financial position date.

Future Energy Agreements (Purchase and Sale)

The Group has a portfolio of future energy contracts, including purchasing and selling energy to meet energy consumption or supply offers. The Group has the flexibility to manage these agreements to obtain gains from variations in market prices, considering its internal policies and risk limits.

Futures agreements can be settled at the net cash value or by another financial instrument (for example, signing a clearing contract with the counterparty).

Such energy purchase and sale operations are transacted in an active market and meet the definition of a financial instrument as they are settled at the net cash value and are readily convertible into cash. Such agreements are accounted for as derivatives and are recognized in the Group's statement of financial position at their fair value on the date the derivative is signed and revalued at fair value on the reporting date.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.1. Financial Instruments --Continued--Continued

Future Energy Agreements (Purchase and Sale)

The fair value of these derivatives is estimated partially based on prices published in active markets if such observable market data exist, and partially through valuation techniques, which consider internal assumptions to assess submarkets and their offers and demands, stress scenarios for high and low prices, new generators that may impact market prices, collateral raised in the last twelve months with the Electricity Trading Chamber (CCEE), among others. When the fair value on initial recognition for these agreements differs from the transaction price, a fair value gain or fair value loss is recognized on the base date. The effect of the fair value of energy purchase and sale contracts is disclosed under the heading "Mark-to-Market of Financial Instruments".

Energy Suppliers

They include the purchase of electricity billed to the Group and the purchase of energy not billed until the end of the statement of financial position, accounted for on an accrual basis. These are obligations recorded as financial liabilities at amortized cost, with no impact on interest.

2.7.2. Leases

On the start date of a lease, the lessee recognizes a liability for lease payments and an asset that represents the right to use the underlying asset during the lease term (i.e., the right-to-use asset). Lessees separately recognize interest expense on the liability during the lease period to produce a periodic interest rate and amortization expense on the right-of-use asset.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.2. Leases --Continued

Lessees must also reassess the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments due to a change in an index or rate used to determine such payments). In general, the Lessee recognizes the revaluation amount of the lease liability as an adjustment to the right-of-use asset. There was no material change in the lessor's accounting under CPC06 (R2) from the current accounting under IAS 17/CPC 06(R1). Lessors continue to classify all leases into two types: operating and finance leases.

The Group as a Lessee

The Group adopts a single recognition and measurement approach to all leases, except for short-term leases and leases whose underlying asset is of low value. The Group recognizes lease liabilities to make lease payments and right-to-use assets representing the underlying assets' right to use.

As for short-term leases and low-value assets, the Group adopts the recognition exemption in the standard for short-term machinery and equipment leases, considering a lease term equal to or less than 12 months from the start date and without a call option and for leases with low-value underlying assets, regarding leases of low-value office equipment. It should be noted that short-term lease payments and low asset lease payments are recognized as an expense on the straight-line method over the lease term.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.2. Leases --Continued

Right-of-Use Assets

The Group recognizes the right-of-use assets on the lease commencement date (i.e., on the date the underlying asset is available for the Lessee). Right of use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any new remeasurement of lease liabilities. The cost of right-of-use assets includes recognized lease liabilities, initial direct costs incurred and lease payments made up to the start date, less any lease incentives received. Assets with the right of use are depreciated on a straight-line base for the shortest period between the lease term and the estimated useful life of the assets.

Lease Liabilities

On the start date of the lease, the Group recognizes the lease liabilities measured at the present value of the lease payments to be made during the lease term. Lease payments include fixed payments (including fixed payments in essence) less any lease incentives receivable, variable lease payments that depend on an index or rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a call option reasonably certain to be exercised by the Group and payments of penalties for termination of the lease, considering that the lease term reflects the Group exercising the option to terminate the lease.

Variable lease payments that do not depend on an index or rate are recognized as expenses (unless incurred to produce inventory) in the period in which the event or condition giving rise to those payments occurs.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.2. Leases --Continued

Lease Liabilities --Continued

When calculating the present value of lease payments, the Group uses its incremental borrowing rate on the contract inception date, as the interest rate implicit in the lease agreements cannot be immediately determined. After the start date, the lease liability is increased to reflect the accrued interest and reduced due to the lease payments. In addition, the book value of the lease liability is remeasured if there is any modification, such as a change in the lease term, change in lease payments (for example, changes in future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the valuation of a call option on the underlying asset.

The Group adopts the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., leases whose lease term is equal to or less than 12 months from the start date and do not contain an option to purchase). It also adopts the low-value asset recognition waiver to low-value office equipment leases. Payments for short-term leases and leases for low-value assets are recognized as an expense on the straight-line method over the lease term.

2.7.3. Property, Plant and Equipment

Recorded at acquisition or construction cost, less depreciation calculated on the straight-line method, based on rates that take into account the estimated useful life of the assets.

The book value of assets is adjusted to their recoverable amount whenever events or circumstances indicate that their book value may not be recoverable.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.3. Property, Plant and Equipment --Continued

Below is a table with the depreciation rates, which substantially reflect the useful life of the assets:

	% Depreciation Rates	
	June 30, 2021	December 31, 2020
Machinery and Equipment	10%	10%
Furniture and Fixtures	10%	10%
IT Equipment	20%	20%
Vehicles	20%	20%
Improvements (*)	7%	7%

(*) Average Rate.

At the end of each year, the Group reviews the book value of its tangible assets to determine any indication that such assets have suffered any impairment loss. If there is such an indication, the asset's recoverable amount is estimated to measure the loss, if any. When estimating the recoverable amount of a parent company asset is rendered impracticable, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent allocation basis can be identified, corporate assets are also allocated to the individual cash-generating units or the smallest group of cash-generating units for which a reasonable and consistent allocation base can be identified.

2.7.4. Intangible Assets:

Intangible Assets acquired separately are measured at cost when recognized. The cost of intangible assets acquired in a merger corresponds to the fair value on the acquisition date. After initial recognition, intangible assets are stated at cost, less accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized, and the expense is reflected in the statement of profit or loss for the year in which it is incurred. The useful life of an intangible asset is assessed as finite or indefinite.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.4. Intangible Assets --Continued

Below is the amortization rate adopted for the Intangible Assets group:

	% Amortization Rates	
	June 30, 2021	December 31, 2020
Software and Use License	20%	20%
Contracts with Customers	20%	20%

Intangible Assets with finite lives are amortized over their useful economic life and evaluated for impairment whenever there is an indication of loss of economic value. The amortization period and method for an intangible asset with a finite life are reviewed at least at the end of each year. Changes in the estimated useful life or expected consumption of future economic benefits from these assets are accounted for through changes in the amortization period or method, as the case may be, and are treated as changes in accounting estimates. Amortization of intangible assets with a finite life is recognized in the statement of profit or loss under the expense category consistent with the use of the intangible asset.

2.7.5. Provisions

A provision is recognized when the Group has a contractual obligation, or not formalized, due to a past event, which can be reliably estimated, and an economic resource will probably be required to settle the obligation. Financial costs incurred are recorded in income.

2.7.6. Statement of profit or loss

Revenue Recognition

Revenue from the sale and purchase of energy is recorded based on the energy supply, agreed in bilateral agreements signed with market agents and duly registered with the Electricity Trading Chamber (CCEE).

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.6. Statement of profit or loss --Continued

Revenue Recognition --Continued

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Group and can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of any variable consideration, such as discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items.

The energy supply revenues come from selling energy to consumers, while electricity supply represents sales to energy resellers.

Energy Sales Costs

Purchases (cost of purchased energy) and sales (revenue from the supply) are recorded on an accrual basis following information disclosed by the CCEE, the entity responsible for calculating energy purchase and sale operations. In the months in which this information is not made available promptly by the CCEE, the amounts are estimated by the Group's Management, using parameters available in the market.

Costs of sales and services are recognized and measured:

- Net of the respective tax credits, when applicable; and
- Based on direct revenue association.

The cost of electricity mainly refers to the cost of electricity purchased for sale linked to the Group's operational activity.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.7. Taxes

a) *Current Income and Social Contribution Taxes*

Current tax assets and liabilities for the last year and prior years are measured at the expected recoverable amount or payable to the tax authorities. Income and social contribution taxes are calculated following the criteria established by current tax legislation. Calculated at regular rates of 15%, plus an additional 10% for income tax and 9% for social contribution tax.

Management periodically assesses the tax position of situations in which tax regulations require interpretation and establishes provisions, when appropriate.

b) *Deferred Income and Social Contribution Taxes*

Deferred tax is generated by temporary differences between tax bases of assets and liabilities and their carrying amounts at the statement of financial position date.

Deferred taxes are recognized for all temporary tax differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a merger and, at the date of the transaction, it does not affect accounting profit or taxable profit or loss.
- Deferred tax assets are recognized for all temporary deductible differences, to the extent that taxable profits are likely to be available for the deductible temporary differences to be recognized, except when the deferred tax asset related to the temporary deductible difference is generated on the initial recognition of the asset or liability in a transaction that is not a business combination and, at the transaction's date, does not affect accounting profit or taxable profit or loss.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.7. Taxes --Continued

b) *Deferred Income and Social Contribution Taxes* --Continued

- On temporary deductible differences recognized only to the extent that the temporary differences will probably be reversed soon and taxable profit is available so that the temporary differences can be used.
- The Group accounts for current tax assets and liabilities net if, and only if, the above entities have the legally enforceable right to make or receive a single net payment and the entities intend to make or receive such net payment or recover the asset and settle the passive simultaneously. The accounting of net deferred tax assets and liabilities, in turn, is carried out if, and only if, the entity has the legally enforceable right to offset current tax assets against current tax liabilities and if the deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority.

As per ICPC 22 – Uncertainty over Income Tax Treatments, the Group evaluated the concept brought by the standard regarding possible differences of understanding with the tax authorities, not identifying items to be highlighted within its practices.

2.7.8. Fair Value Base and Measurement

The interim combined financial statements were prepared based on historical cost, except for certain financial assets and liabilities measured at fair value, as shown in the explanatory notes.

In preparing the combined interim financial statements, in accordance with accounting practices adopted in Brazil and international accounting practices, the Group's management is required to use estimates to record certain transactions that affect assets, liabilities, revenues and expenses.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.8. Fair Value Base and Measurement --Continued

The results of these transactions and information, upon their effective recognition in subsequent years, may differ from these estimates due to inaccuracies inherent in the process of their determination. The Group's management regularly reviews estimates and assumptions at least quarterly.

The main estimate representing a significant risk likely to cause material adjustments to the set of interim financial statements in the coming years refers to the fair value measurement of financial instruments.

2.7.9. Impairment Test of Non-Financial Assets

Management annually reviews the net book value of its main assets to assess events or changes in economic, operating, or technological circumstances that may indicate deterioration or impairment loss. When these pieces of evidence are identified, and the net book value exceeds the recoverable amount, a provision for impairment is established, adjusting the net book value to the recoverable amount.

2.7.10. Adjustment to Present Value - Assets and Liabilities

Long-term cash assets and liabilities are restated and, therefore, adjusted to their present value. The adjustment to the present value of short-term cash assets and liabilities is calculated and only recorded if considered relevant for the combined interim financial statements taken as a whole. For recording and determining materiality, the adjustment to present value is calculated taking into account contractual cash flows and the explicit, and in certain cases implicit, an interest rate of the respective assets and liabilities.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.11. Profit-Sharing

The Group recognizes a liability for paying dividends when this distribution is authorized and is no longer an option of the Group or even when provided for by Law. Under current corporate Law, a distribution is authorized when approved by the shareholders, and the corresponding amount is directly recognized in equity.

2.7.12. Combined Net Assets

The combined net assets were calculated by the sum of the respective accounts with the entities' net assets included in the combination process.

2.7.13. Information by Segment

For purposes of analysis and management of operations, the Group is divided into business verticals, based on products and services, with 3 (three) operating segments subject to the disclosure of information:

- Trading;
- Services; and
- Energy Solutions.

The Group's management separately monitors the operating results of the business verticals to make decisions and evaluate their performance.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.13. Information by Segment --Continued

The information regarding the results of each segment that are reported is presented below:

a) Result Information on June 30, 2021

	June 30, 2021					
	Trading	Services	Solutions	Parent Company	Eliminations	Total
Net operating revenue	1,684,065	41,638	24,398	-	(112,282)	1,637,819
Mark-to-market of financial instruments	(63,571)	-	-	-	-	(63,571)
Costs	(1,637,679)	(4,378)	(11,226)	-	110,132	(1,543,151)
Gross profit	(17,185)	37,260	13,172	-	(2,150)	31,097
Selling, general and administrative expenses	(25,462)	(28,411)	(19,617)	(153)	1,981	(71,662)
Depreciation and amortization	(3,268)	(1,597)	(752)	-	-	(5,617)
Other operating income (expenses)	(1,340)	-	260	-	-	(1,080)
Equity pickup	-	-	(2,513)	(24,633)	24,616	(2,530)
Finance costs	(1,857)	(748)	(1,165)	(51)	-	(3,821)
Finance income	1,100	478	313	1,315	-	3,206
Income (loss) by segment before income and social contribution taxes	(48,012)	6,982	(10,302)	(23,522)	24,447	(50,407)
Income and social contribution taxes - Current	(3,741)	(4,291)	(21)	(366)	-	(8,419)
Income and social contribution taxes - Deferred	20,300	1,995	2,659	-	-	24,954
Net income (loss) for the period	(31,453)	4,686	(7,664)	(23,888)	24,447	(33,872)

b) Equity Information at June 30, 2021

	June 30, 2021					
	Trading	Services	Solutions	Parent Company	Eliminations	Total
Assets by Segment	4,366,038	50,728	100,041	342,750	(232,250)	4,627,307
Liabilities by Segment	4,234,975	24,967	43,973	13,472	(54,764)	4,262,623

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.13. Information by Segment --Continued

c) Result Information on June 30, 2020

	June 30, 2020					
	Trading	Services	Solutions	Parent Company	Eliminations	Total
Net operating revenue	1,591,049	36,027	20,268	-	(137,324)	1,510,020
Mark-to-market of financial instruments	56,032	-	-	-	-	56,032
Costs	(1,543,163)	(3,669)	(5,662)	-	124,907	(1,427,587)
Gross profit	103,918	32,358	14,606	-	(12,417)	138,465
Selling, general and administrative expenses	(38,165)	(5,154)	(20,018)	(1)	2,813	(60,525)
Depreciation and amortization	(2,931)	(90)	(29)	-	-	(3,050)
Other operating income						
eExpenses)	269	248	6	-	-	523
Equity pickup	(76)	-	(212)	7,864	(7,864)	(288)
Finance costs	(1,045)	(86)	(424)	-	-	(1,555)
Finance income	694	66	97	9	-	866
Income (loss) by segment before income and social contribution taxes	62,664	27,342	(5,974)	7,872	(17,468)	74,436
Income and social contribution taxes - Current	(2,786)	(4,377)	(101)	(2)	-	(7,266)
Income and social contribution taxes - Deferred	(19,988)	-	-	-	-	(19,988)
Net income (loss) for the year	39,890	22,965	(6,075)	7,870	(17,468)	47,182

d) Equity Information at December 31, 2020

	December 31, 2020					
	Trading	Services	Solutions	Parent Company	Eliminations	Total
Assets by Segment	1,237,305	46,119	72,874	184,683	(246,110)	1,295,215
Liabilities by Segment	1,071,194	25,043	43,430	4,502	(65,818)	1,078,351

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

2. Basis of Preparation and Presentation of Interim Financial Statements, including Significant Accounting Policies --Continued

2.7. Significant Accounting Policies --Continued

2.7.14. Statements of cash flows

The statement of cash flows was prepared and is presented following Accounting Pronouncement CPC 03 (IAS 7) - Cash Flow Statements, issued by the Accounting Pronouncements Committee (CPC) and reflects the changes in cash that occurred in the presented years.

2.8. New Accounting Standards and Interpretations

The new and amended standards and interpretations issued, but not yet effective until issuing the Company's interim financial information, were evaluated and listed below. If applicable to the Company's business, new or amended pronouncements will be adopted as soon as their adoption becomes effective.

CPC 38, CPC 40 (R1) and CPC 48 - Financial Instruments, Recognition and Measurement, Disclosure and Financial Instruments: Second phase interest rate reform. Valid as of January 1, 2021.

CPC 27 - Property, Plant and Equipment: Provides guidance to record transactions with the sale of items produced before the asset is available for use – resources before intended use. Valid as of January 1, 2022.

Annual Improvements to IFRS - Cycle 2018 - 2020: Amendments to IFRS 01, IFRS 09, IFRS 16 and IAS 41. Valid as of January 1, 2022.

CPC 25 - Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling the Contract. Valid as of January 1, 2022.

CPC 26 (R1) - Presentation of Financial Statements: Requirements for classification of current and noncurrent liabilities. Valid as of January 1, 2023.

CPC 50 - Insurance Contracts: Early Adoption. Valid as of January 1, 2023.

The amendments that came into effect on January 1, 2021, described above, did not directly impact these interim financial statements. Regarding the regulations under discussion at the IASB or with effective date established in future years, the Company is monitoring the discussions and has not identified the possibility of significant impacts.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

3. Cash and Cash Equivalents

	June 30, 2021	December 31, 2020
Bank Account Movement	6,620	4,069
Securities	233,706	69,856
	240,326	73,925

The Group's cash and cash equivalents are made up of the balance of bank deposits in demand and are maintained to meet short-term cash commitments and not for investment or other purposes.

Short-term investments correspond to Bank Deposit Certificates (CDB), backed by the issuer's buyback commitment, with immediate liquidity and insignificant risk of change in value, which are recorded at cost, plus income earned through the reporting dates, which do not exceed their market or realization value at rates between 96% and 105% of CDI.

4. Receivables

Including basically amounts to become due from the sale of electricity.

Description	June 30, 2021	December 31, 2020
Receivables - Billed	-	-
Receivables - Measured and Unbilled (a)	307,083	320,115
Other receivables from services	1,153	7,300
(-) Allowance for Expected Losses on receivables	(4,123)	(4,012)
Total Current	302,960	321,972
Total Noncurrent	1,153	1,431
	304,113	323,403

(a) The balances of "unbilled" customers are comprised of energy sales from short, medium and long-term agreements for the sale of conventional electricity and incentivized in the free contracting environment (ACL), whose energy consumption occurred until the end of each accounting period, and billing occurred in the following month with a receipt until the 9th business day of the month following consumption.

Breakdown by maturity of amounts overdue and to fall due:

Description	June 30, 2021	December 31, 2020
Falling due	303,979	323,085
Overdue up to 30 days	87	215
Overdue from 31 to 90 days	47	103
Overdue for more than 90 days	4,123	4,012
(-) Allowance for expected loss (a)	(4,123)	(4,012)
	304,113	323,403

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

4. Receivables from Customers --Continued

The change in the allowance for expected losses on accounts receivable is as follows:

Description	June 30, 2021	December 31, 2020
Opening Balances	(4,012)	(2,717)
(-) Additions to the provision	(11)	(4,012)
(+) Reversals	-	2,717
Overdue for more than 90 days	(4,123)	(4,012)

The Group adopts the recognition of expected credit losses based on assessing the risk associated with the operations.

5. Related Parties

The main transactions and balances are presented below:

Assets	June 30, 2021	December 31, 2020
Shareholders Comerc Participações S.A. (a)	-	1,600
Bike & Park Gestão (b)	179	179
YAM Tecnologia e Desenvolvimento Humano SPE - Ltda. (b)	49	196
MPC Energia S.A. (b)	8	-
Total Current	236	1,975
Total Noncurrent	-	-

Liabilities	June 30, 2021	December 31, 2020
MPC Energia S.A (b)	-	35
Individual Shareholders (c)	2,200	-
Former Shareholders NewCom Comercializadora de Energia Elétrica Ltda. (d)	8,717	-
Total Current	5,872	35
Total Noncurrent	5,045	-

Expenses	June 30, 2021	December 31, 2020
Apportionment of Operating Expenses (b)	-	345

(a) Advance of dividends to shareholders;

(b) Operating expenses common to all companies allocated in DOC88 and pending reimbursement by related parties;

(c) Loan of Comerc Participações with its shareholders remunerated at 100% of CDI;

(d) Amounts payable for the acquisition of shares in the Company NewCom as described in note 1.1.

The Company considers that all transactions between related parties reflect market conditions.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

6. Property, Plant and Equipment

6.1. Breakdown of Property, Plant and Equipment

Description	Annual Rate %	June 30, 2021	December 31, 2020
		Net	Net
Furniture and Fixtures	10	2,135	2,306
Data Processing Equipment	20	4,086	4,053
Leasehold Improvements	4 to 10	6,367	6,508
Machinery and Equipment	10	21,369	18,160
Property, Plant and Equipment in Progress	-	5,442	6,489
		39,399	37,516

6.2. Changes in Property, Plant and Equipment as at June 30, 2021

Description	December 31, 2020	Additions	Write-Offs	Transfers	June 30, 2021
Furniture and Fixtures	3,622	-	-	-	3,622
Data Processing Equipment	10,050	149	-	820	11,019
Leasehold Improvements	13,538	-	(2,577)	-	10,961
Machinery and Equipment	21,321	1,016	-	5,561	27,898
Property, Plant and Equipment in Progress	6,490	5,351	(19)	(6,381)	5,441
	55,021	6,516	(2,596)	-	58,941
(-) Depreciation	(17,505)	(3,601)	1,564	-	(19,542)
Total property, plant and equipment	37,516	2,915	(1,032)	-	39,399

6.3. Changes in Property, Plant and Equipment on December 31, 2020

Description	2019	Additions	Write-Offs	Transfers	2020
Furniture and Fixtures	3,292	128	-	202	3,622
Data Processing Equipment	9,440	286	-	324	10,050
Leasehold Improvements	12,817	398	-	323	13,538
Machinery and Equipment	13,856	1,239	-	6,226	21,321
Property, Plant and Equipment in Progress	2,710	11,560	(705)	(7,075)	6,490
	42,115	13,611	(705)	-	55,021
(-) Depreciation	(11,505)	(6,081)	81	-	(17,505)
Total property, plant and equipment	30,610	7,530	(624)	-	37,516

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

7. Right of Use Assets and Lease Liabilities

The Group has leases with the nature of leasing properties, equipment and services using normal market clauses for cancellation and/or extension of agreements.

The nominal incremental loan rate (discount) used for calculating the present value of the agreements was based on the price made with financial institutions for the acquisition of assets under conditions similar to lease agreements.

The incremental funding rate, applicable to the leased assets portfolio. Through this methodology, the Group obtained an average rate of 10.0% p.a. for the properties used at June 30, 2021:

The Company's leases are presented below:

I. Right of Use

	Total
Balances at January 1, 2020	17,076
Contractual Updates	3,176
Amortization	(3,625)
Balances at December 31, 2020	16,627
Amortization	(3,335)
Balances at June 30, 2021	13,292

II. Lease Liabilities

a) *Changes in Leases:*

	June 30, 2021	December 31, 2020
Opening Balance for the Period/Year	19,552	17,076
Contractual Updates	(1,662)	(3,176)
Interest	801	1,822
(-) Payment of Principal Plus Interest	(2,980)	(5,355)
Acquisition New Contracts	-	9,185
Total	15,711	19,552
Current	5,053	5,119
Noncurrent	10,658	14,433

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

7. Right of Use Assets and Lease Liabilities --Continued

I. Lease Liabilities --Continued

a) *Change in lease liabilities*: --Continued

Additional Information:

According to the IASB conclusion base 161 and 162, references to IFRS 16/ CPC 06 (R2) and Circular Letter CVM 02/19, management used the incremental rate as a criterion for the calculation of assets and liabilities under the scope of the IFRS16/ CPC 06 (R2) and as such are presented in the Company's statement of financial position. The effects from the calculations following the above letter are not material for disclosure.

Management understands that the rate used represents the cash flow closest to the real and is in line with the characteristics of its agreements.

The cash flows from lease agreements are mostly adjusted by reference to the IPCA annually.

8. Suppliers

Liabilities	June 30, 2021	December 31, 2020
Energy Suppliers - Provision by Competence (a)	278,058	298,742
CCEE Financial Settlement	-	5,923
Other Suppliers	5,845	6,552
	283,903	311,217

- (a) The balance of "Energy Suppliers - Accrual Provision", referring to the purchase of electricity from short, medium and long-term agreements for the commercialization of conventional energy and encouraged in the Free Contracting Environment (ACL), whose energy consumption occurred until the end of the period and the respective Invoice is issued in the month following consumption (January).

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

9. Loans and Financing

The financing was obtained, basically, for the acquisition of property, plant and equipment and included:

Description	Cost of Debt	Final Maturity	June 30, 2021	December 31, 2020
Loans and Financing (i)	2.61% per year + Selic	December 15, 2029	4,012	4,007
Total			4,012	4,007
Current			250	-
Noncurrent			3,762	4,007

- (i) Financing to implement an energy efficiency project including the exchange of equipment to reduce the monthly energy cost. As a guarantee, a surety letter was issued in the same amount as the contract, for a period of 1 (one) year, with periodic renewal expected before its expiration.

10. Dividends Payable

	June 30, 2021	December 31, 2020
Dividends Payable (a)	216	23,577
Total Current	216	23,577

- (a) At June 30, 2021, R\$216 is payable to Comerc Participações and at December 31, 2020, R\$22,000 is payable in Comerc Energia Ltda. and R\$1,577 in Esco Comércio to their former individual shareholders.

10.1. Key Management Personnel Compensation

Key Management personnel overall compensation for the period ended June 30, 2021, and the year ended December 31, 2020 is shown below:

	June 30, 2021	December 31, 2020	June 30, 2020
Fixed Annual Compensation	7,683	8,166	3,443
Total	7,683	8,166	3,443

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

11. Estimate for Contingent Losses

11.1. Provision for Contingencies

The Group is subject to tax, social security, labor, and civil lawsuits in the normal course. The Management, supported by the opinion of its legal counsel, set up a provision considered sufficient to cover the probable losses expected on the outcome of the actions in progress. The amount provisioned totaled R\$77 on June 30, 2021 (R\$57 on December 31, 2020), referring to labor and social security claims and reflects the best current estimate of the Group's management.

The assessment of the probability of loss includes the analysis of available evidence, the hierarchy of laws, current case law, the most recent court decisions on each subject, and the assessment of external legal counsel. The Group reviews its estimates and assumptions on an ongoing basis.

Classification of Contingencies for Possible Losses

Contingencies classified as a possible loss (the chance of one or more future events occurring is less than probable and greater than remote) and, therefore, were not accounted for in the combined interim financial statements are presented as follows:

Nature	June 30, 2021	December 31, 2020
Tax (a)	507	507
Civil (b)	2,772	2,723
Related to COVID-19 (c)	8,888	8,802
Labor	18	-
	12,185	12,032

(a) This refers to the notification of the issuance of an isolated fine on non-approved PERD/COMPS.

(b) Refers to collecting invoices deemed improper and lawsuit questioning amounts paid to the shareholder withdrawn from the Company upon their exit.

(c) Refers to customer actions requesting recognition of an act of God or force majeure.

11.2. Tax Calculation Review

As per current legislation, the Group's operations are subject to review by the tax authorities for five years regarding taxes (corporate income tax - IRPJ, social contribution tax on net profit - CSLL, contribution taxes on gross revenue for Social Integration Program - PIS and Social Security Funding - COFINS, Social Security contribution - INSS and Unemployment Compensation Fund - FGTS).

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

Due to these reviews, transactions and payments may be questioned, and the amounts identified are subject to fines, interest charges and monetary restatement.

12. Net Assets

At June 30, 2021, Comerc Group's controlling block has individual partners, the main ones: (i) Cristopher Alexander Vlavianos, who holds from 39.6% to 47% of the companies combined in this financial statement, and (i) Edvaldo Marcelo Ávila, who holds from 4.3% to 3.8% in the companies combined in this financial statement. The other individual partners in the controlling block individually have less than 4% of the capital.

On April 1, 2021, Perfin Administradora de Recursos Ltda. (Perfin) invested R\$200,000 in the Company through a capital increase fully paid in cash. Through this investment, Perfin Administradora de Recursos Ltda. now holds 19.99% in the companies combined in this financial statement. Perfin is not part of the controlling block for these combined interim financial statements, as it does not participate in the Company in all reporting periods.

13. Net Operating Revenue

The breakdown of net operating revenue is presented below for the periods indicated:

Description	June 30, 2021	June 30, 2020
Energy Sales Revenue	1,613,267	1,497,093
(-) Deduction from Energy Sales - Taxes Levied and Others (i)	(33,807)	(24,334)
Net Revenue from Energy Sales	1,579,460	1,472,759
Revenue from Services	61,962	43,582
(-) Deduction for Services - Taxes Levied and Others (i)	(3,603)	(6,321)
Net Revenues from Services	58,359	37,261
	1,637,819	1,510,020

(i) Taxes levied on Revenue are PIS, COFINS and ICMS ST.

14. Services and Energy Sales Costs

Description	June 30, 2021	June 30, 2020
Energy Purchase	(1,534,709)	(1,421,819)
Other Costs	(8,442)	(5,768)
	(1,543,151)	(1,427,587)

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

15. Selling, General and Administrative Expenses

Description	June 30, 2021	June 30, 2020
Personnel Expenses	(53,058)	(35,401)
Outsourced Services	(13,377)	(12,571)
Depreciation and Amortization	(5,634)	(3,050)
Other Administrative Expenses	(5,209)	(12,553)
	<u>(77,278)</u>	<u>(63,575)</u>

16. Finance Income (Costs)

	June 30, 2021	June 30, 2020
Finance Income		
Income from Short-term Investments	2,475	856
Loan Agreement Updates	406	-
CCEE Updates	192	-
Other Finance Income	133	10
	<u>3,206</u>	<u>866</u>
Finance Costs		
Warranties	(1,055)	(905)
IFRS 16 Interest	(846)	-
CCEE Financial Charges	(451)	-
Other Finance Costs	(485)	(396)
Loan Agreement Updates	(295)	(120)
Cash Restatements	(173)	-
Taxes and Contributions on Finance Income	(166)	-
Bank Expenses	(350)	(134)
	<u>(3,821)</u>	<u>(1,555)</u>
	<u>(615)</u>	<u>(689)</u>

17. Current and Deferred Income Tax (IRPJ) and Social Contribution (CSLL) Expense

17.1. Current Income and Social Contribution Taxes

Income and Social Contribution Taxes are calculated and recorded based on taxable income, including tax incentives recognized as taxes are paid and considering the rates provided for by current tax laws.

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

17. Current and Deferred Income Tax (IRPJ) and Social Contribution (CSLL) Expense --Continued

17.1. Current Income and Social Contribution Taxes --Continued

We demonstrate below the calculations of Income and Social Contribution Taxes expenses for the indicated periods:

	June 30, 2021	June 30, 2020
Income/Loss before Tax Provisions	(50,407)	74,436
(-) Income/Loss before Tax Provisions	(101)	(27,862)
Income/Loss before Tax Provisions - Taxable Income	(50,508)	46,574
Current combined rate of 34%	17,173	(15,835)
Equity Pickup	(313)	26
Other Non-Deductible Additions/Exclusions for Tax Purposes	(474)	(427)
Deferred Income Tax/Social Contribution Not Recognized, Net	(25)	(6,522)
	16,361	(22,810)
Tax Incentives	184	34
	16,545	(22,776)
Effective Income and Social Contribution Taxes - Current	(8,410)	(2,788)
Effective Income and Social Contribution Taxes - Deferred	24,954	(19,988)
Presumed Income and Social Contribution Taxes - Current	(9)	(4,478)
	16,535	(27,254)
Effective Tax Rate	-33%	-25%

17.2. Deferred Taxes

	June 30, 2021	December 31, 2020
Deferred Tax Assets/(Liabilities)		
Income (Loss) from Income Tax/Social Contribution in Future Energy Agreements	(37,616)	(52,323)
Income (Loss) from Income Tax/Social Contribution in Future Energy Agreements	6,907	-
Income (Loss) from Other Temporary Expenses	7,486	4,992
IRPJ and CSLL tax losses	13,211	12,364
Subtotal Deferred Income Tax/Social Contribution	(10,012)	(34,967)
Income (Loss) from deferred PIS and COFINS Future Electricity Agreements	(4,191)	(5,830)
	(14,203)	(40,797)

17. Current and Deferred Income Tax (IRPJ) and Social Contribution (CSLL)

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

Expense --Continued

17.2. Deferred Taxes --Continued

	June 30, 2021	June 30, 2020
Impact on Income (Loss) in the Period		
Changes in Income (Loss) from Income Tax/Social Contribution in Future Energy Agreements	(21,614)	19,051
Variation Tax loss / Calculation Base in the Previous Years	1,637	-
Variation Tax loss / Calculation Base in the Period	(3,207)	-
Changes in the Income (Loss) from Other Temporary Expenses	(1,770)	937
	(24,954)	19,988

18. Insurance Coverage

The Group's policy is to take out insurance coverage for civil liability, insurance for certain vehicles and other needs for amounts considered sufficient to cover losses, if any, and consider the nature of its activity and the degree of risk involved.

The assumptions adopted, given their nature, are not part of the audit scope of the combined interim financial statements. Therefore, they were not reviewed by our independent auditors.

Below is a summary of current policies at June 30, 2021:

Type	Principal	Term	
		Start	End
Liability Insurance	1,000	October 1, 2020	September 17, 2021
Guarantee Insurance	35,428	January 1, 2021	January 31, 2022
Guarantee Insurance	835	February 1, 2021	January 31, 2022
Guarantee Insurance	1,055	August 7, 2020	January 31, 2022
Guarantee Insurance	2,028	December 1, 2020	January 14, 2022
Safety Deposit Insurance	14	January 20, 2021	January 20, 2022
Safety Deposit Insurance	28	January 21, 2021	January 21, 2022
Safety Deposit Insurance	535	February 1, 2021	August 19, 2021

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

19. Financial Instruments

Risk Management

The Group has transactions with financial instruments. These instruments are managed through operating strategies and internal controls aimed at liquidity, profitability and security. The control policy consists of permanent monitoring of contracted conditions versus prevailing market conditions. The Group does not make speculative investments in derivatives or any other risky assets. The results from these transactions are consistent with the policies and strategies defined by its Management. The Group's transactions are subject to the following risk factors:

Financial Instruments through Fair Value and Book Value

The book value of the main financial instruments at amortized cost does not materially differ from their respective fair values and are classified as follows:

	June 30, 2021	December 31, 2020	Fair Value Measurement
Measured at Fair Value through Income (Expenses)			
Fair Value of Energy Agreements (Assets)	3,955,232	790,432	Level 2
Fair Value of Energy Agreements (Liabilities)	(3,860,720)	(630,710)	Level 2
Amortized Costs (Financial Assets)			
Cash and Cash Equivalents	240,326	73,925	Level 1
Receivables	304,113	323,403	Level 2
Related Parties	-	-	Level 2
Amortized Costs (Financial Liabilities)			
Suppliers	283,903	311,217	Level 2
Loans	4,012	4,007	Level 1
Related Parties	-	35	Level 2

a) *Risk Considerations*

Hierarchy

The classification of financial assets and liabilities at amortized cost or fair value through profit or loss is based on the business model and the cash flow characteristics expected by the Group for each instrument.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

19. Financial Instruments --Continued

Risk Management --Continued

Financial Instruments through Fair Value and Book Value --Continued

a) Risk Considerations --Continued

Hierarchy --Continued

The security's fair value corresponds to its maturity value (redemption value) brought to present value by the discount factor (for the security's maturity date) from the market yield curve in reais. The three levels of fair value hierarchy are:

- Level 1: Prices in an active market for identical instruments;
- Level 2: Observable information other than quoted prices in an active market that are observable for the asset or liability, directly (such as prices) or indirectly (derived from prices); and
- Level 3: Instruments whose relevant factors are not observable market data.

i) Credit Risk

The Group restricts exposure to credit risks associated with cash and cash equivalents, making its investments in financial institutions rated as first-rate and compensation in short-term securities.

The Group restricts its exposure to credit risks through customer selectivity and continuous credit analysis for accounts receivable from customers.

There are no relevant loss records to minimize eventual default problems with these accounts receivable by monitoring parent company (individual) position limits.

ii) Interest Rate Risk

This arises from the possibility of the Group incurring gains or losses from fluctuations in interest rates on its financial assets and liabilities. The Group does not have transactions with derivatives to protect against interest rate variation. Contracted interest rates on financial investments (bonds and securities) are mentioned in Note 3. The Group's loans have fixed interest, and there are no indexes linked to the CDI.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

19. Financial Instruments --Continued

Risk Management --Continued

Financial Instruments through Fair Value and Book Value --Continued

a) Risk Considerations --Continued

iii) *Exchange Rate Risk*

The associated risk arises from the possibility that the Group may incur losses due to fluctuations in exchange rates, which increase the amounts raised in the market.

The Group's Management periodically monitors the net exposure of assets and liabilities in foreign currency. However, it does not have derivative transactions to hedge against exchange rate fluctuations.

iv) *Capital Structure Risk (or Financial Risk)*

It results from choosing between the Group's capital (capital contributions and profit retention) and third-party capital to finance its operations. Management permanently monitors indebtedness levels following its internal policy to mitigate liquidity risks and optimize the weighted average capital cost.

b) Valuation of Financial Instruments

The main financial assets and liabilities are described below, as well as the criteria for their valuation:

i) *Cash and Cash Equivalents*

The market value of these assets does not differ from the amounts presented in the interim financial statements. The agreed rates reflect usual market conditions.

ii) *Receivables*

Receivables balances from customers are initially valued at present value, when applicable, and deducted from the allowance for doubtful accounts.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

19. Financial Instruments --Continued

Risk Management --Continued

Financial Instruments through Fair Value and Book Value --Continued

c) Future Energy Trade Agreements

	June 30, 2021	December 31, 2020
Fair Value Future Energy Trade Agreements		
Current Assets	2,808,026	530,117
Noncurrent Assets	1,147,206	260,315
Current Liabilities	(2,850,819)	(496,890)
Noncurrent Liabilities	(1,009,901)	(133,820)
Subtotal	94,512	159,722
(-) Deferred PIS and COFINS	(4,191)	(5,830)
Total	90,321	153,892
Effect on Statement of Profit or Loss for the Period/	(63,571)	(15,252)

The Group has future energy agreements expiring until 2038. The actual result of the financial instruments (futures agreements) may vary since the markings of these agreements were carried out considering the base date of June 30, 2021.

The fair value of the Group's energy purchase and sale agreements was determined using information available in the market and appropriate valuation methodologies. We used the prices defined internally by the Group in the last week of December, which represented the best estimate of the futures market price. The discount rate used is based on the market risk-free rate of return, adjusted by the inflation index of each contract.

Sensitivity Analysis on Financial Instruments

The Group performed sensitivity tests based on the net exposure to variable rates of relevant financial assets and liabilities, derivatives and non-derivatives, outstanding at the end of the reporting period, assuming that the assets and liabilities below were open for the entire period, adjusted based on estimated rates for a likely scenario of risk behavior that, if occurring, could generate adverse results.

Sensitivity Analysis on Energy Purchase and Sale Operations

The main risk factor is exposure to changes in energy market prices. The variation in the discount rate does not materially impact the calculated fair value.

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

19. Financial Instruments --Continued

Risk Management --Continued

Financial Instruments through Fair Value and Book Value --Continued

c) Future Energy Trade Agreements --Continued

Sensitivity analyzes were prepared considering, for scenarios 1 and 2, the increase or decrease of 25% and 50% in futures prices adopted to market prices at June 30, 2021. The results obtained are:

Description	Price Changes	Base June 2021	Projected Scenarios Scenario 1	Scenario 2
Unrealized gains on energy purchase and sale	Increase	90,321	151,796	213,271
Operations in an active Market	Decrease	90,321	28,847	(32,628)

Sensitivity Analysis of Interest Rate and Cash Variations Risk

The Group developed a sensitivity analysis to measure the impact of floating interest rates and cash variations on its financial assets and liabilities exposed to such risks.

The balances existing in the respective accounts on June 30, 2021, were considered for the base scenario. For the probable scenario, the balances with the variation of the indicators were considered (CDI/Selic: 6.5%) predicted in the median of market expectations for 2021 of the Focus Report of Bacen of July 2, 2021.

For scenarios I and II, a deterioration of 25% and 50%, respectively, in the main risk indicator of the financial instrument was considered regarding the level used in the probable scenario; in scenarios III and IV, an increase of 25% and 50% were considered on the same basis.

Base		Position in 2020	Scenario I (50%)	Scenario II (25%)	Probable Scenario	Scenario III 25%	Scenario III 50%
Assets	Risk						
Cash and Cash Equivalents	CDI	240,326	8,203	12,304	16,405	20,506	24,608
(-) Loans and Financing	CDI	(4,012)	(235)	(300)	(365)	(431)	(496)
Net Exposure		236,314	7,967	12,004	16,040	20,076	24,112

Comerc Group

Notes to Combined Interim Financial Statements --Continued
June 30, 2021
(In thousands of reais, unless otherwise stated)

19. Financial Instruments --Continued

Risk Management --Continued

Financial Instruments through Fair Value and Book Value --Continued

c) Future Energy Trade Agreements --Continued

Liquidity Risk

The liquidity risk evidences the Group's ability to settle the obligations assumed. The Group manages liquidity risk by continuously monitoring forecasted and actual cash flows, combining the maturity profiles of financial assets and liabilities, and maintaining close relationships with financial institutions.

On June 30, 2021, and 2020, the Group does not have liabilities with liquidity risk.

The balances of financial liabilities of suppliers and related parties mature in less than one year. Future energy agreements have a maturity profile until 2038.

Capital Management

When managing its capital, the Group's purposes are to safeguard the ability to continue operations to offer returns to shareholders and benefits to other stakeholders and keep an ideal capital structure to reduce costs and maximize resources to adopt new technologies, process improvements, and advanced management methods. The Group's capital structure consists of financial liabilities, cash and cash equivalents and marketable securities.

The Management periodically reviews the capital structure and its ability to settle its liabilities, taking the necessary actions when the relationship between these balances presents significant mismatches.

20. Subsequent Events

As per the Special General Meeting (SGM) held on August 6, 2021, the Company's shareholders, unanimously and without qualifications or oppositions, approved:

Grouping of all Company's shares

Grouping all Company's shares so that every 2.99999998846854 common shares will correspond to 1 common share, with the same capital and the number of shares divided going from 260,157,968 to 86,719,323 common shares, distributed among shareholders in

Comerc Group

Notes to Combined Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

the same proportion before the reverse split of shares, so as not to change the proportional interest of the shareholders in the Company's capital and will not affect the equity or political rights and advantages of the Company's shares.

Creation of the Stock Granting Plan

The purpose of the Plan is to allow granting Shares to Participants, subject to certain conditions, to (i) attract and retain board members, officers, managers or employees of the Company and companies under its Control; (ii) grant Participants the opportunity to become shareholders of the Company, achieve greater alignment of their interests with those of the Company; and (iii) encourage the permanence of board members, officers, managers or employees of the Company or companies under its Control.

The Plan and its Programs will be managed by the Board of Board members, subject to the general and specific conditions of this Plan and the guidelines established by the Company's Shareholders' Meeting.

Within the scope of this Plan, shares representing a maximum of 5% (five percent) of the shares representing the Company's capital may be delivered to the Participants. Until these interim financial statements were issued, no stocks had been granted under the Plan.