

Alupar

4Q21 Results

Agenda



4Q21 **Period Highlights**



4Q21 **Financial Information**

Paid Dividends

DIVIDENDS: Payment of the 3rd Parcel

On April 27, 2021, the Annual and Extraordinary General Meeting approved the distribution of dividends in the amount of R\$ 246,151,155.32, corresponding to R\$ 0.28 per common and preferred share issued by the Company, equivalent to R\$ 0.84 per Unit, of which:

- ❑ The amount of R\$220,689,263.74 that was allocated as Unrealized Profit Reserve in 2019. Due to the dividends received from its subsidiaries, this balance was reclassified to “Payable Dividends”, adding to dividends declared for the year ended December 31, 2020, as per article 202 item III of Law 6,404/76 and;
- ❑ The amount of R\$25,461,891.58 referring to the net income for the year ended December 31, 2020.

The shareholders entitled to receive dividends were those registered as such on April 27, 2021 and, as of April 28, 2021, the Company's shares were traded ex – dividends.

Dividends will be paid as shown below:

05.31.2021	R\$87,911,126.90 corresponding to R\$0.10 per common and preferred share issued by the Company, equivalent to R\$0.30 per Unit
08.30.2021	R\$87,911,126.90 corresponding to R\$0.10 per common and preferred share issued by the Company, equivalent to R\$0.30 per Unit
11.30.2021	R\$70,328,901.52 corresponding to R\$0.08 per common and preferred share issued by the Company, equivalent to R\$0.24 per Unit

Fitch Affirms Rating

Fitch Ratings, has affirmed the long-term national scale rating of the Company and its Debentures issues in “AAA (bra)” and international scale rating in “BB” for Foreign Currency Issuer Default Rating (IDR) and in “BBB-” for Local Currency (IDR), and affirmed a Stable Outlook to national scale and Negative Outlook to international scale, following Brazil's Sovereign Rating (Country Ceiling).

- Alupar's ratings reflect its low business risk associated with the combination of its operations in the electric energy transmission and generation segments, through a sizeable and diversified asset base that dilutes potential operational and regulatory risks.
 - In transmission segment, concessions' revenue (Annual Permitted Revenues, RAP) is generated through the availability of its assets, without demand risk and annually adjusted for inflation.
 - In the generation segment, long-term contracts for the sale of a large part of the assets' assured energy and the partial protection for hydrological risk also create an expectation of strong performance.



FitchRatings

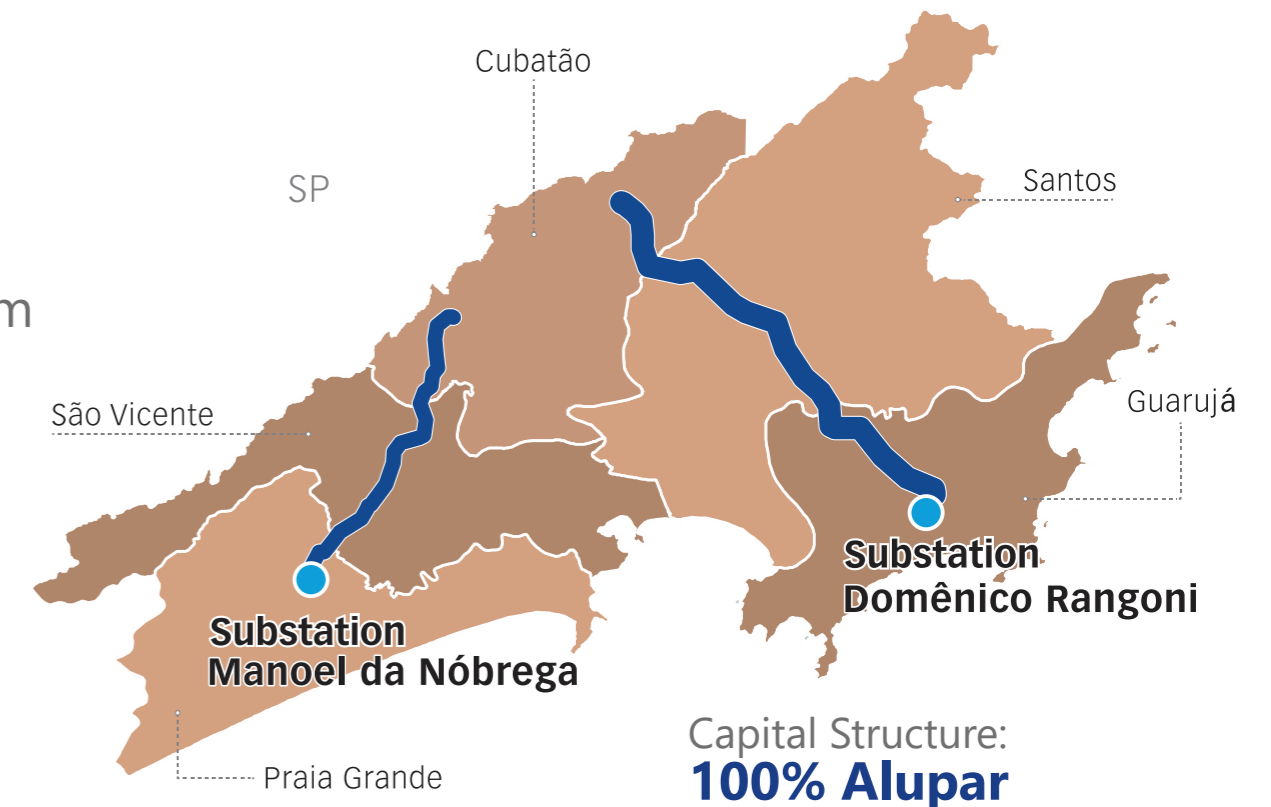
✓ Corporate (national scale) **AAA**

✓ International Scale **BB**



Signing of the **Amendment** to the Concession Agreement

- **Signing date:** Jan/21
- **Deadline:** Jan/24
- **Concession End:** Sep/44
- **Annual Permitted Revenue (RAP):** R\$ 57.5 mm
- **Substation:** Domênico Rangoni (345/138 kV)
Manoel da Nóbrega (230/88 kV)
- **Transmission Line:** 40 km (230 kV).



Issuance of the **Environmental Installation License for the Manoel da Nóbrega Substation (230/88 kV)**

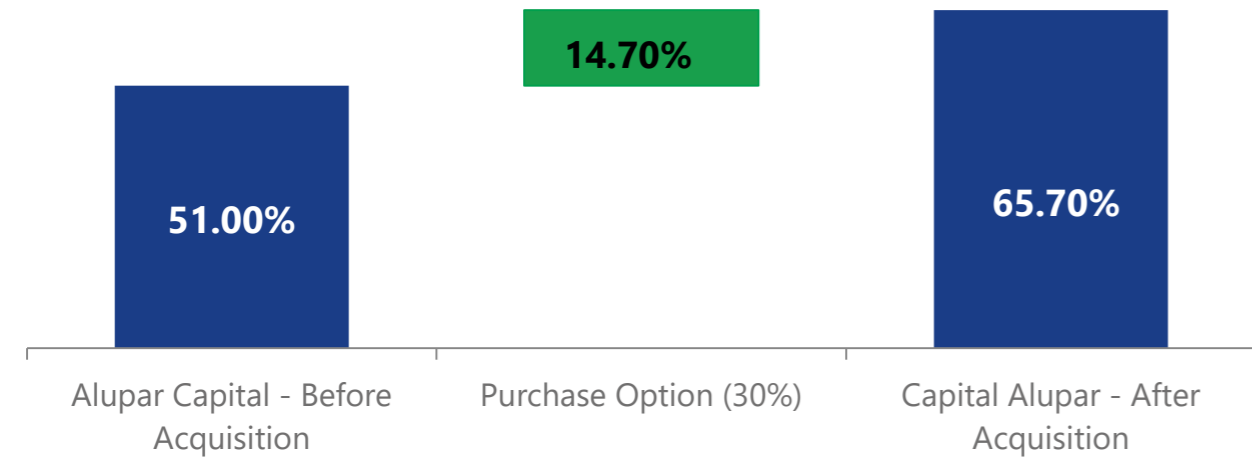
- **Issuance:** Nov/2021
- **Agency:** Environmental Company of the State of São Paulo (CETESB)

This system will reinforce the distribution companies' networks, in addition to meeting the increased demand for electrical power in the metropolitan area of Santos, composed of nine municipalities

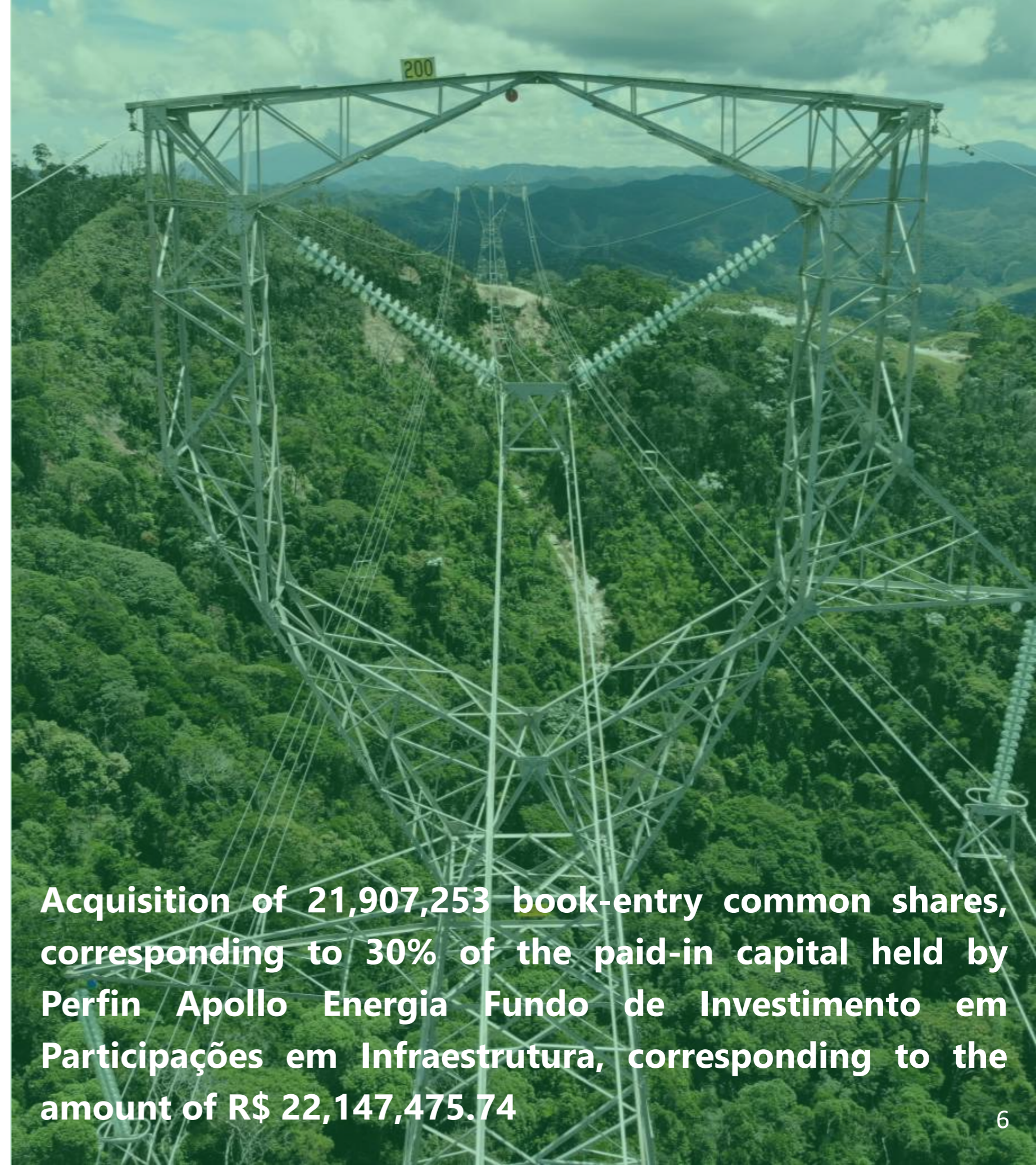
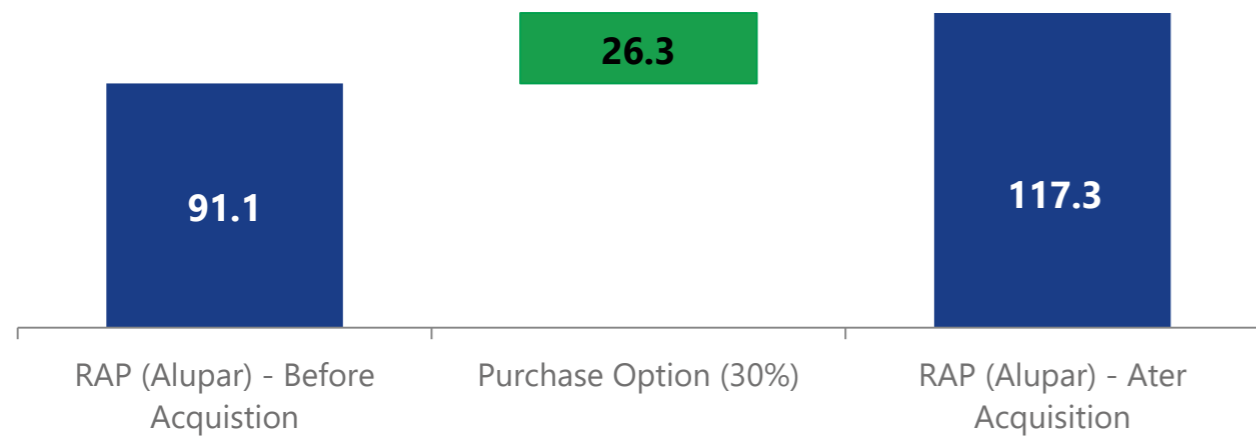
TCC – Transmissora Caminho do Café

Acquisition of Stake

■ Stake Increase



■ RAP Increase (R\$ MM)

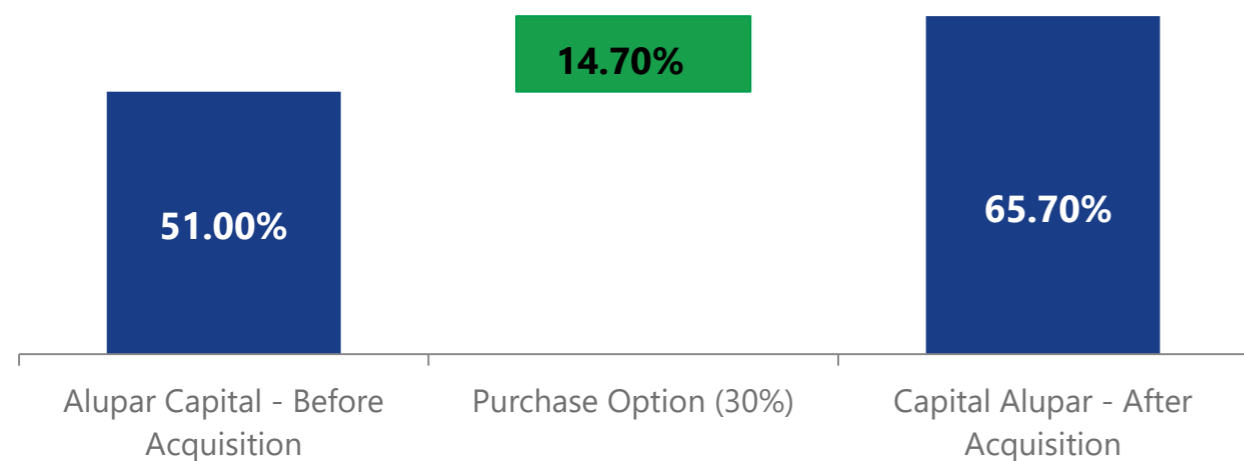


Acquisition of 21,907,253 book-entry common shares, corresponding to 30% of the paid-in capital held by Perfin Apollo Energia Fundo de Investimento em Participações em Infraestrutura, corresponding to the amount of R\$ 22,147,475.74

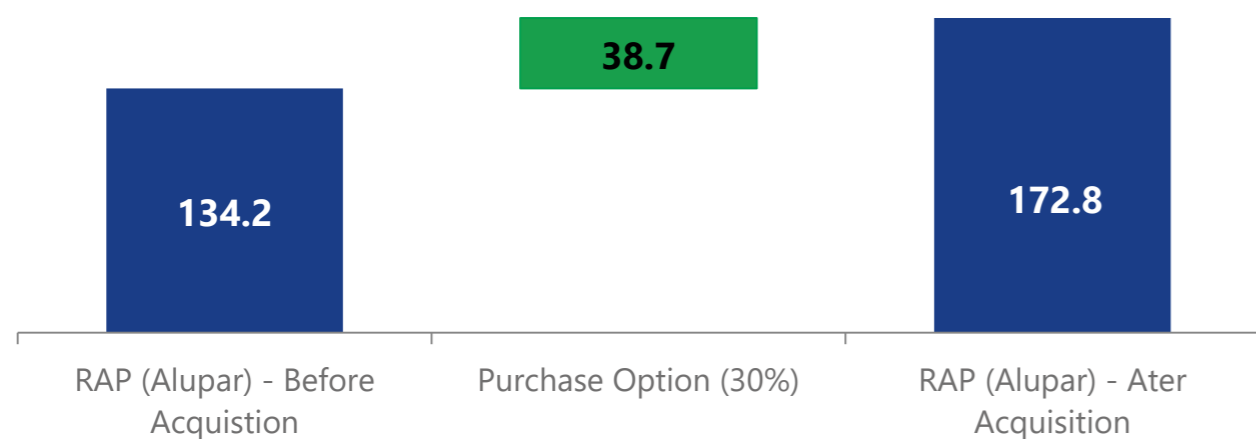
TPE – Transmissora Paraíso de Energia

Acquisition of Stake

■ Stake Increase



■ RAP Increase (R\$ MM)



Acquisition of 30,657,307 book-entry common shares, corresponding to 30% of the paid-in capital held by Perfin Apollo Energia Fundo de Investimento em Participações em Infraestrutura, corresponding to the amount of R\$ 26,348,819.29

TCE - Extension of Deployment Term



TCE received from the Ministry of Mines and Energy of Colombia, (Resolution 40394), the extension of the term for the commercial start-up by **580 days**, thus changing the date to **July 03, 2023**.

Extension of 580 days to the commercial start-up

Initial Date
11/30/2021

Final Date
07/03/2023

TCE's current RAP: USD 24,030,743.00

TSM - Operation start-up



Advance of 8 months

Project Characteristics

Aneel Capex (base: Nov/21): **R\$ 1,139.4 MM**

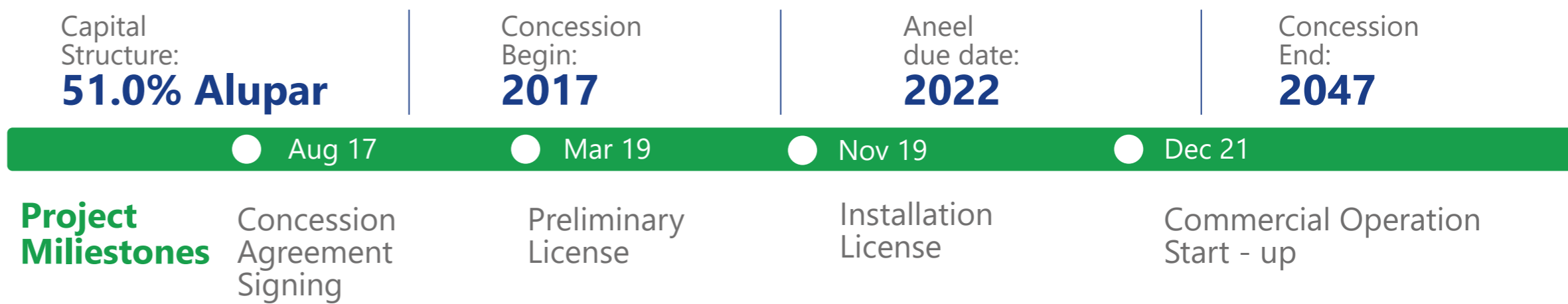
Capex to be unitized: **R\$ 768.5* MM**

RAP Cycle 2021-2022: **R\$ 120.0 MM**

RAP/Capex: **16%**

Project of the Auction Aneel 05/2016 (04.24.2017)

TL 500 kV Fernão Dias – Terminal Rio – 330 km



*Amount does not include R\$ 124.5 MM referring to capitalized financial expenses

ESTE - Operation start-up



Project Characteristics

Project of the Auction 13/2015 – 2nd Stage (10.28.2016)

Aneel Capex (base: Feb/22): **R\$ 633.9 MM**

Capex to be unitized: **R\$ 495.4* MM**

RAP Cycle 2021-2022: **R\$ 123.6 MM**

RAP/Capex: **25%**

TL 500 kV Mesquita – João Neiva – 236 km
SS 500/345 kV João Neiva 2

Capital Structure: 50.02% Alupar	Concession Begin: 2017	Aneel due date: 2022	Concession End: 2047
● Feb 17	● Jan 19	● Out 19	● Feb 22
Project Milestones Concession Agreement Signing	Preliminary License	Installation License	Commercial Operation Start - up

*Amount does not include R\$ 107.9 million referring to capitalized financial expenses

Alupar joined the UN Global Compact

In December 2021, **Alupar** joined **the United Nations Global Compact**, supporting the Ten Principles on Human Rights, Labour, Environment and Anti - Corruption.

With this initiative, Alupar **publicly expresses its intention to implement these principles** inside and outside the Company.

In addition, whoever integrates the initiative assumes **responsibility for contributing** to the achievement of the **Sustainable Development Goals (SDGs)**



HUMAN RIGHTS

- Businesses should support and respect the protection of internationally proclaimed human rights.
- Make sure that they are not complicit in human rights abuses.



LABOUR

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- The elimination of all forms of forced and compulsory labour.
- The effective abolition of child labour.
- The elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

- Businesses should support a precautionary approach to environmental challenges.
- Undertake initiatives to promote greater environmental responsibility.
- Encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

- Businesses should work against corruption in all its forms, including extortion and bribery.

Financial Highlights



2021 Financial Results

Key Indicators "CORPORATE LAW (IFRS)"

R\$ MM	4Q21	4Q20	Var.%	2021	2020	Var.%
Net Revenue	1,127.9	2,275.3	(50.4%)	5,234.2	6,140.7	(14.8%)
EBITDA (CVM 527)	778.7	1,560.6	(50.1%)	3,919.6	3,453.7	13.5%
EBITDA Margin	69.0%	68.6%	0.4 p.p	74.9%	56.2%	18.7 p.p
Adjusted EBITDA Margin*	90.3%	90.4%	(0.1 p.p)	91.1%	87.7%	3.4 p.p
Financial Results	(216.6)	(203.3)	6.5%	(915.5)	(461.7)	98.3%
Consolidated Net Income	356.4	944.6	(62.3%)	2,122.8	2,055.5	3.3%
Subsidiaries' Minority Interest	137.1	483.4	(71.6%)	1,007.4	1,113.4	(9.5%)
Alupar Net Income	219.3	461.2	(52.4%)	1,115.4	942.1	18.4%
Earnings per UNIT (R\$)**	0.75	1.57	(52.4%)	3.81	3.21	18.4%
Net Debt***	7,995.5	6,791.7	17.7%	7,995.5	6,791.7	17.7%
Net Debt / EBITDA****	2.6	1.1		2.0	2.0	

Key Indicators "REGULATORY"

R\$ MM	4Q21	4Q20	Var.%	2021	2020	Var.%
Net Revenue	679.7	545.6	24.6%	2,537.6	1,895.4	33.9%
EBITDA (CVM 527)	593.7	416.2	42.6%	2,104.8	1,451.0	45.1%
EBITDA Margin	87.3%	76.3%	11.0 p.p	82.9%	76.6%	6.3 p.p
Financial Results	(215.4)	(205.1)	5.1%	(911.5)	(459.6)	98.3%
Consolidated Net Income	225.9	110.8	103.9%	705.9	594.2	18.8%
Subsidiaries' Minority Interest	82.2	67.9	21.1%	336.5	371.8	(9.5%)
Alupar Net Income	143.6	42.9	235.0%	369.5	222.4	66.1%
Earnings per UNIT (R\$)**	0.49	0.15	235.0%	1.26	0.76	66.1%
Net Debt***	7,995.5	6,791.7	17.7%	7,995.5	6,791.7	17.7%
Net Debt / EBITDA****	3.4	4.1		3.8	4.7	

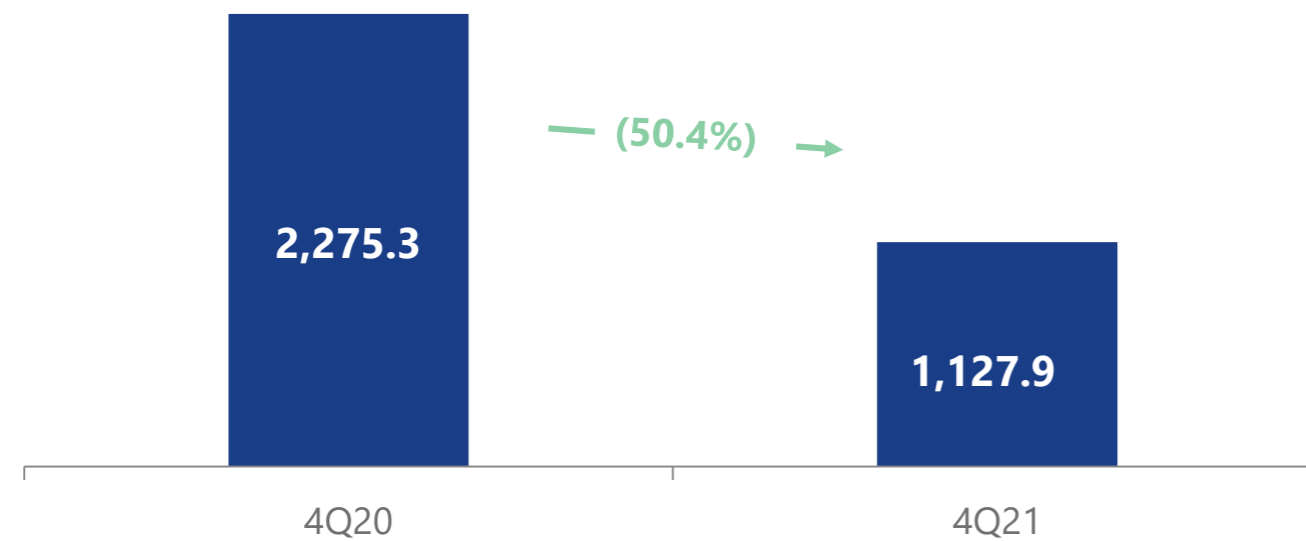
*Subtracted from Net Revenue the Capex made (Infrastructure Cost) **Net Income / Units Equivalent (293,037,090)

*** Including Securities under Non-Current Assets ****Annualized EBITDA.

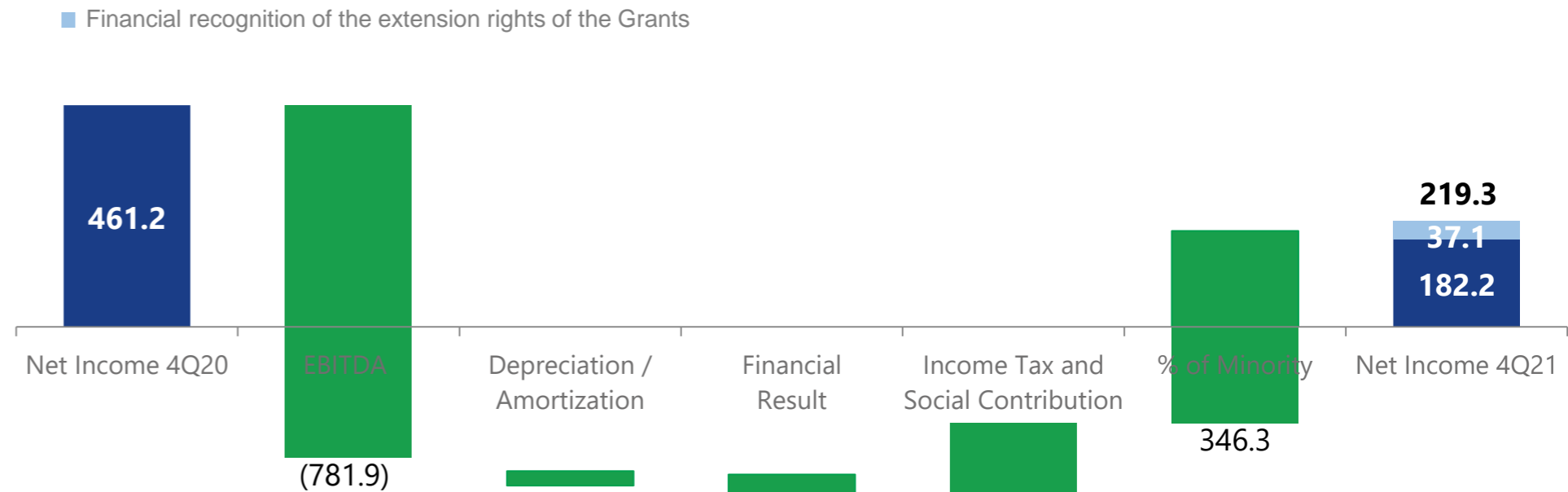
Financial Information - IFRS

Net Revenue - IFRS

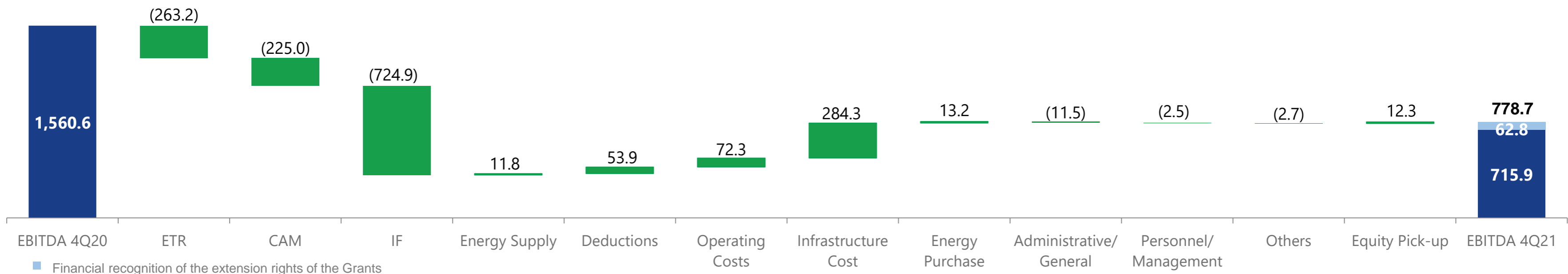
(-) R\$ 724.9 million in infrastructure gross revenue



Net Income - IFRS



EBITDA - IFRS

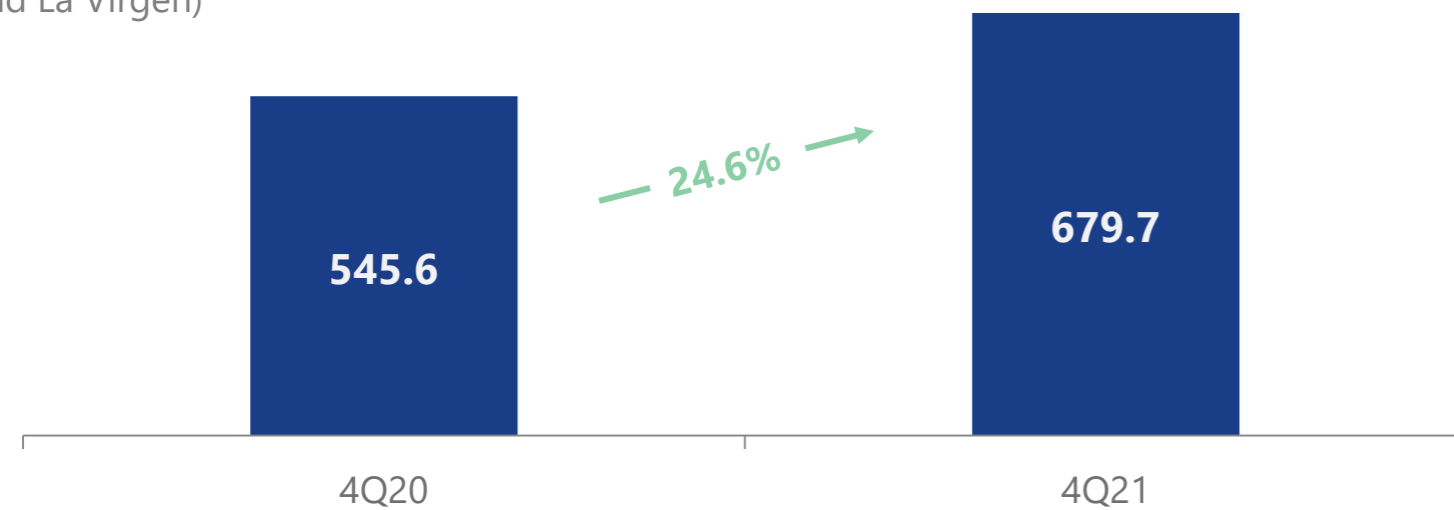


Financial Information - Regulatory

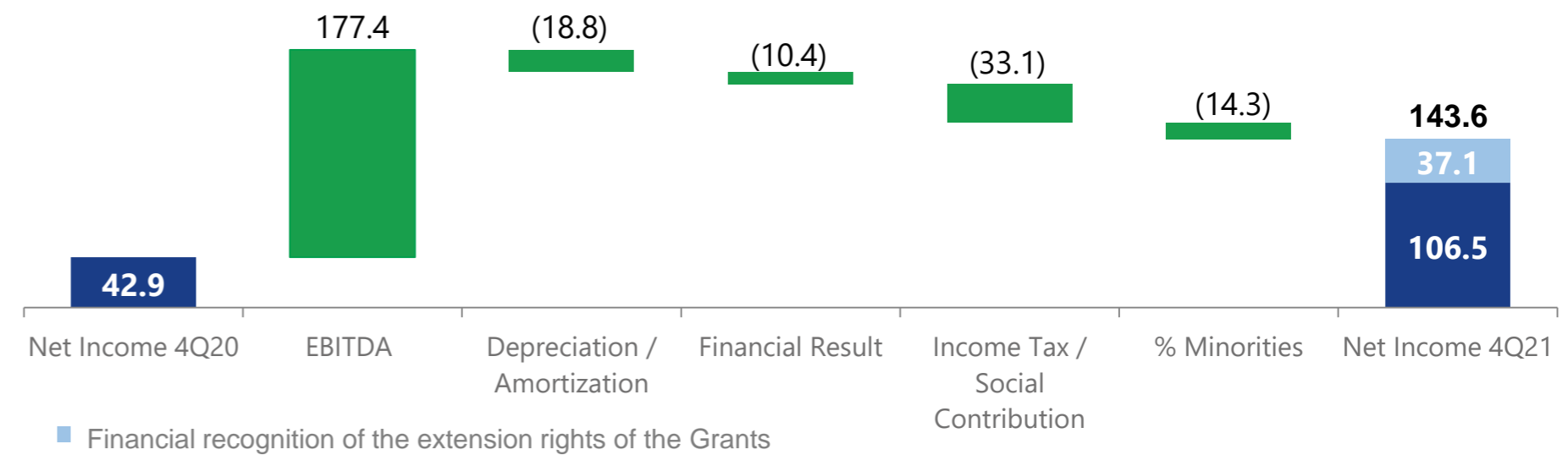


Net Revenue - Regulatory

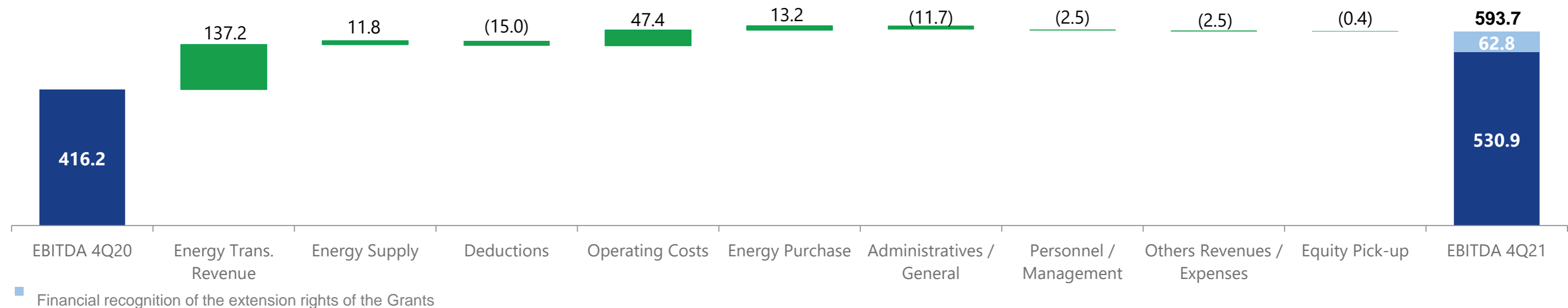
(+) R\$ 87.0 million in the net revenue of the projects that started commercial operations (TPE, TCC, ETB, TSM and La Virgen)



Net Income - Regulatory



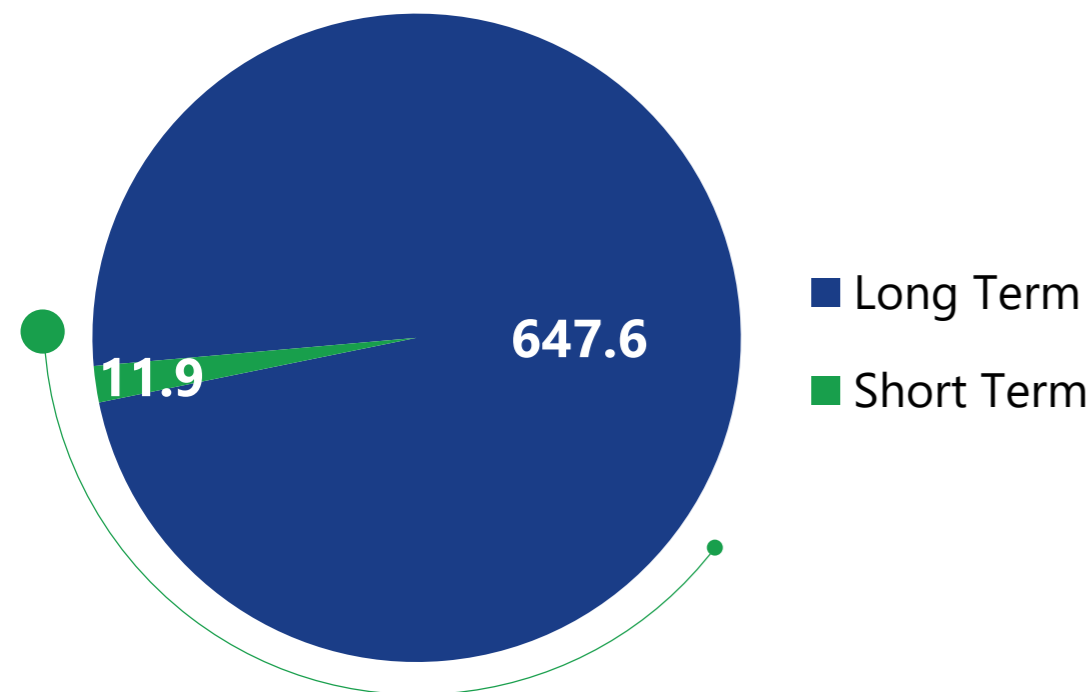
EBITDA - Regulatório



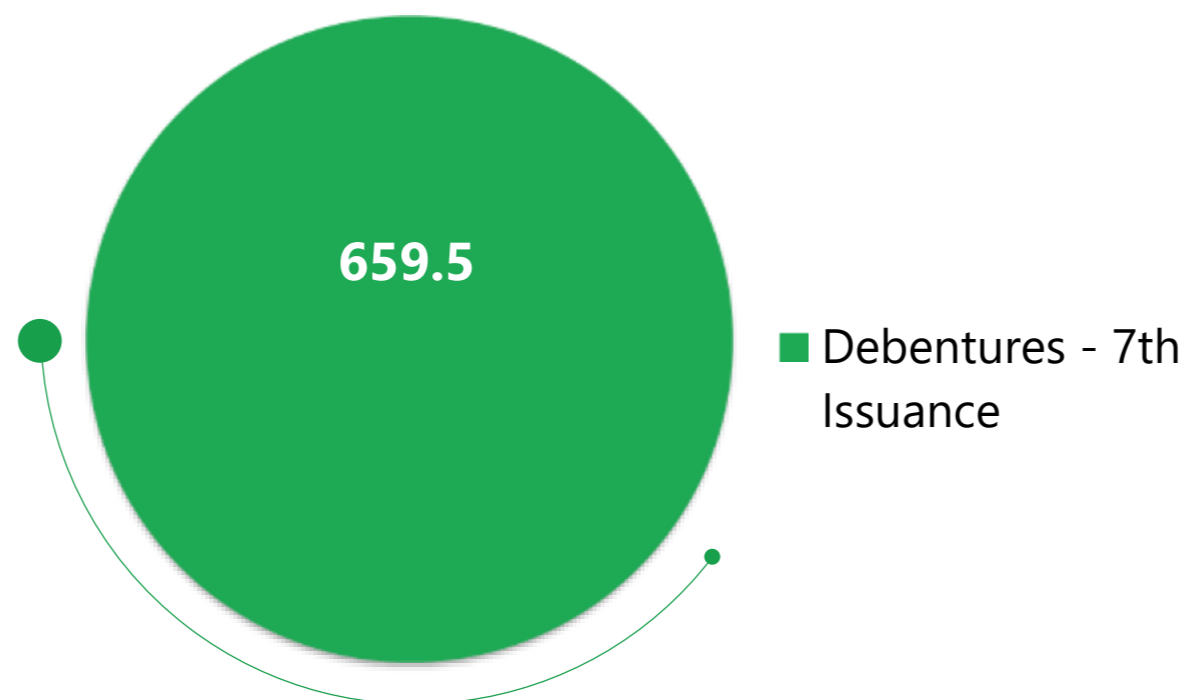
Holding

Undebtedness Profile 4Q21

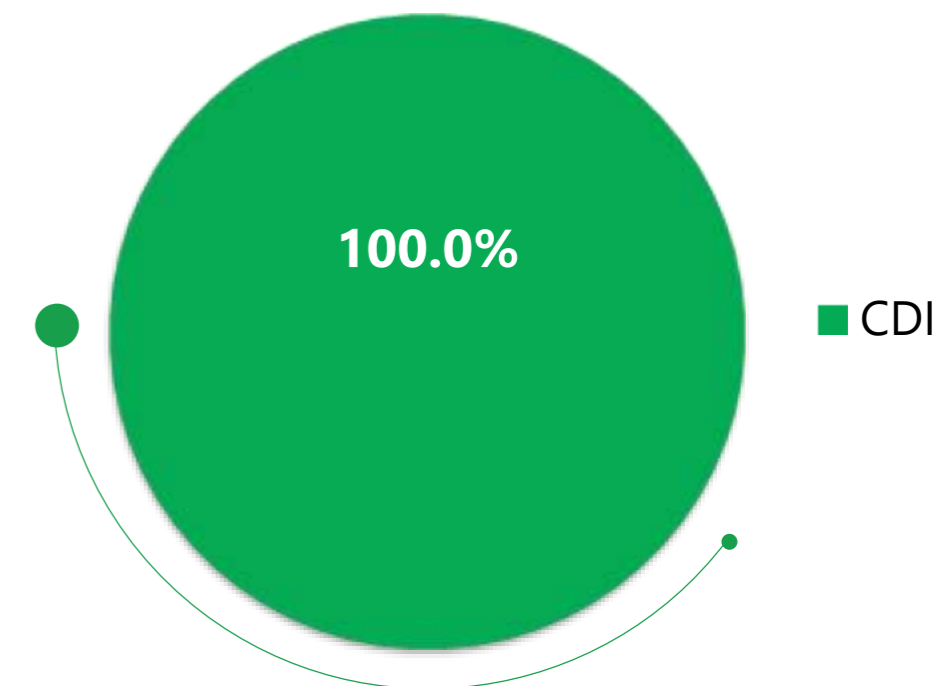
Debt Profile
(in million of R\$)



Total Debt Composition
(in million of R\$)



Gross Debt by Index (%)



Gross Debt

R\$ 659.5 MM

(-) Cash and Cash equivalents

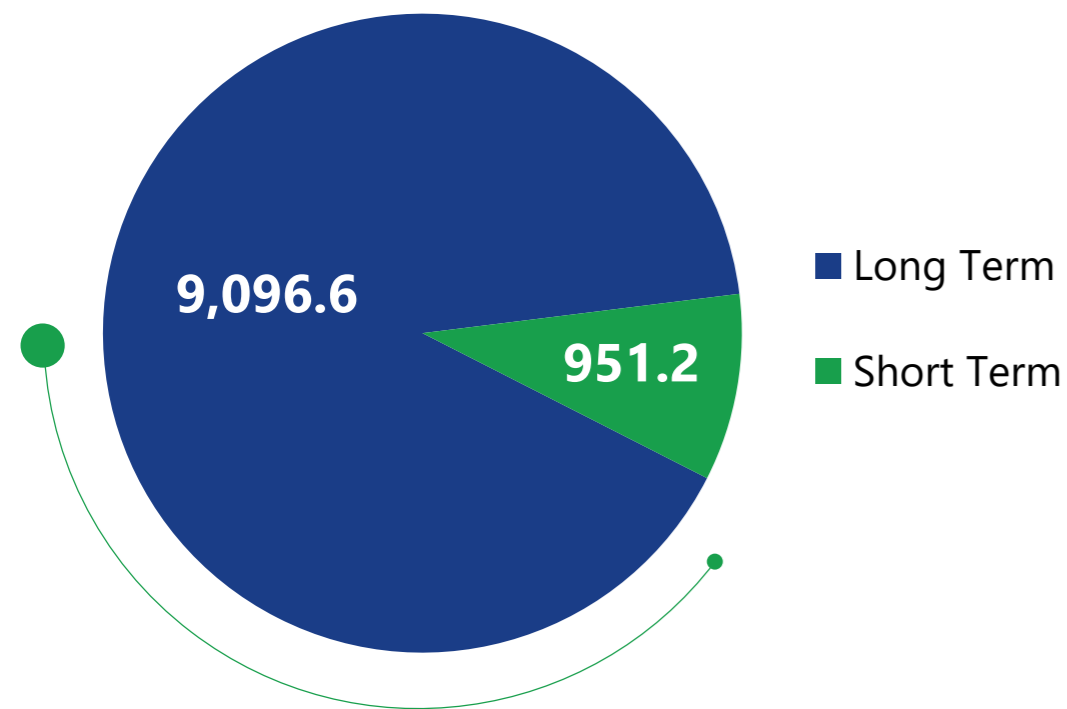
R\$ 520.9 MM

(=) Net Debt

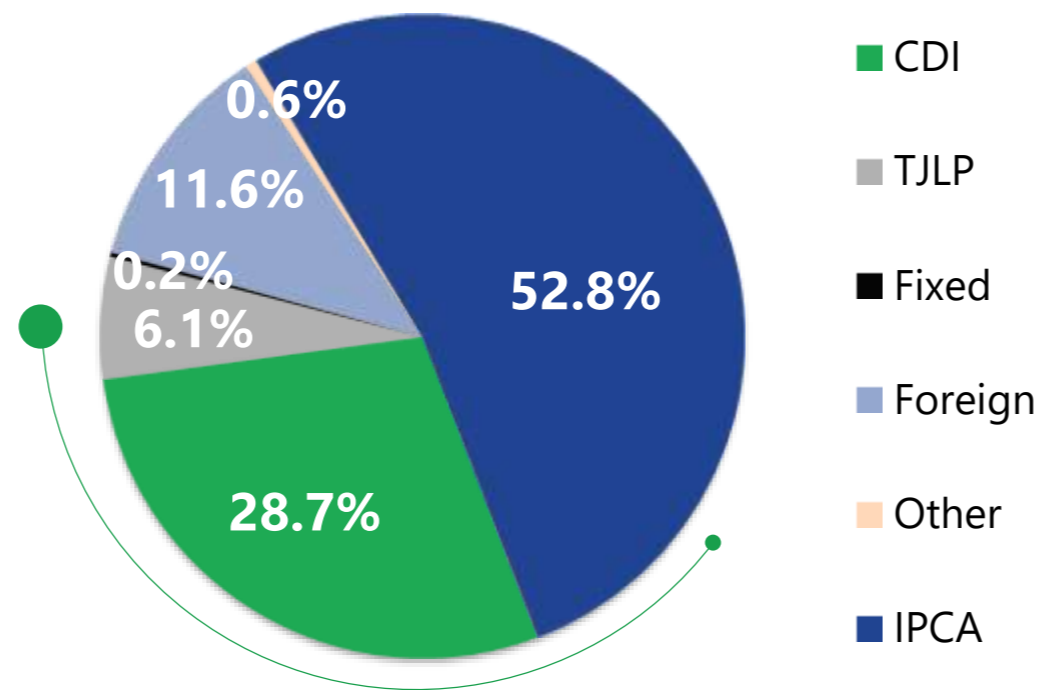
R\$ 138.7 MM

Consolidated Undebtedness Profile 4Q21

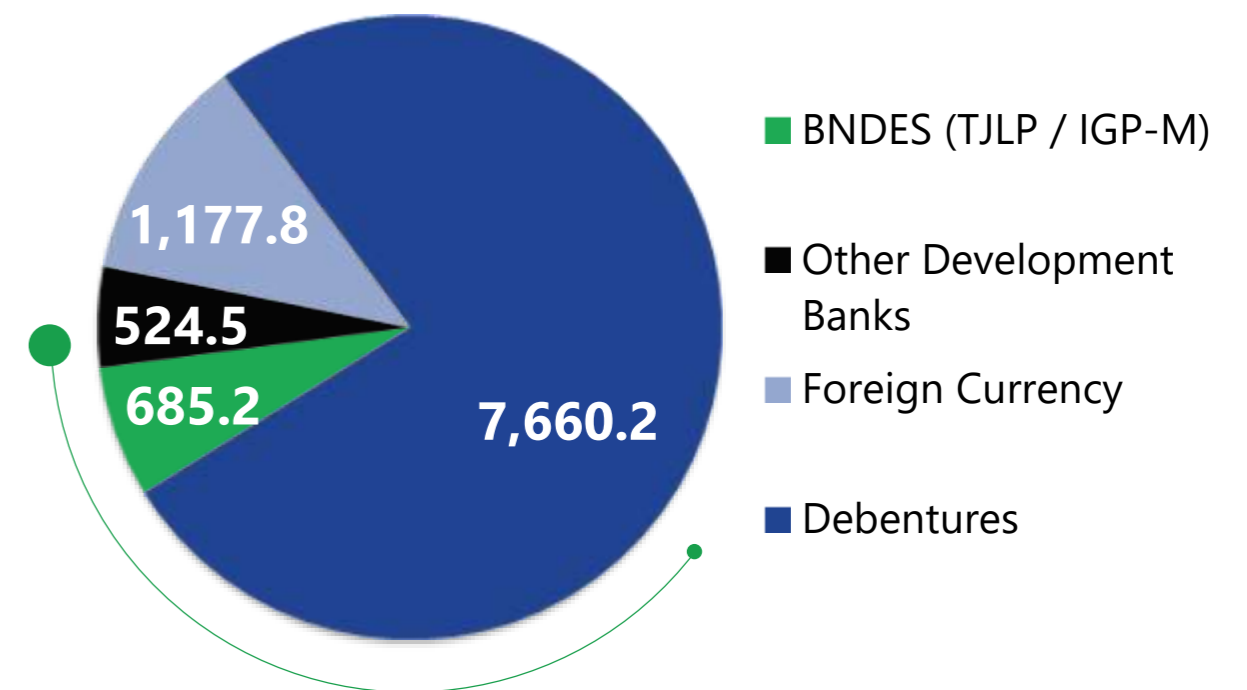
Debt Profile
(in million of R\$)



Gross Debt by Index (%)



Total Debt Composition
(in million of R\$)



Gross Debt

R\$ 10,047.8 MM

(-) Cash and Cash equivalents

R\$ 2,052.3 MM

(=) Net Debt

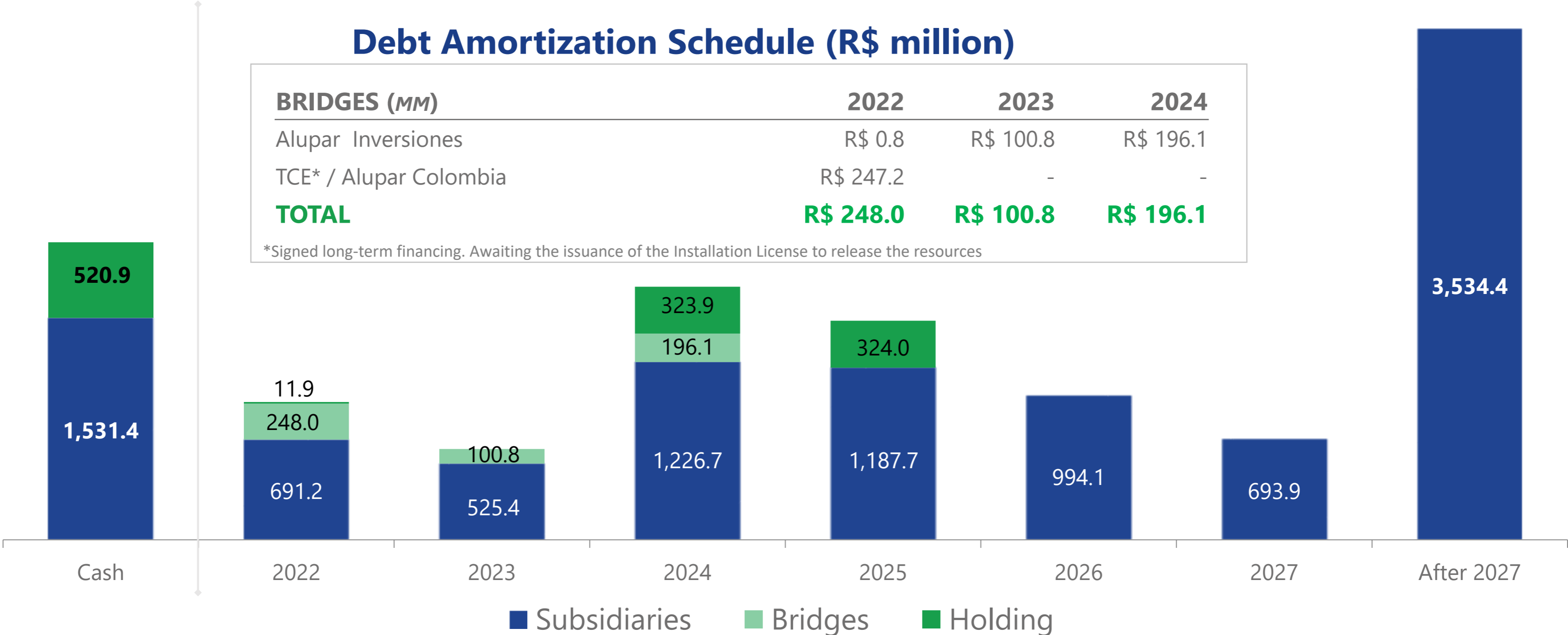
R\$ 7,995.5 MM

Debt Amortization Schedule – 4Q21

Debt Amortization Schedule (R\$ million)

BRIDGES (MM)	2022	2023	2024
Alupar Inversiones	R\$ 0.8	R\$ 100.8	R\$ 196.1
TCE* / Alupar Colombia	R\$ 247.2	-	-
TOTAL	R\$ 248.0	R\$ 100.8	R\$ 196.1

*Signed long-term financing. Awaiting the issuance of the Installation License to release the resources



FitchRatings

Corporate (National scale) AAA

International Scale BB



Profit Allocation 2021

Dividends

On February 24, 2022, the Company's Board of Directors recommended the distribution of dividends in the amount of **R\$ 360,435,620.29**, corresponding to **R\$ 0.41** per common and preferred share issued by the Company, equivalent to **R\$ 1.23** per Unit.

The shareholders that will be entitled to receive dividends are those registered as such on April 11, 2022, and, as of April 12, 2022, the Company's shares will be traded ex – dividends.

Dividends will be paid as shown below:

05.31.2022	R\$ 131,866,690.35, corresponding to R\$ 0.15 per common and preferred share issued by the Company, equivalent to R\$ 0.45 per Unit
08.31.2022	R\$ 131,866,690.35, corresponding to R\$ 0.15 per common and preferred share issued by the Company, equivalent to R\$ 0.45 per Unit
11.30.2022	R\$ 96,702,239.59, corresponding to R\$ 0.11 per common and preferred share issued by the Company, equivalent to R\$ 0.33 per Unit

Disclaimer



The stand-alone and consolidated financial statements were prepared in accordance with the accounting principles adopted in Brazil, which include corporation law, the pronouncements, instructions and interpretations issued by the Accounting Pronouncements Committee (CPC) and the regulations of the Securities and Exchange Commission of Brazil (CVM), combined with specific legislation issued by the National Electric Power Agency (ANEEL). As the industry regulator, ANEEL has powers to regulate the concessions. The results are usually presented in both IFRS and former formats in order to permit comparisons with other periods. However, the results presented in "Regulatory" format are not audited. ALUPAR uses the audited results based on the IFRS principles to declare dividends.

The forward-looking statements contained in this document relating to the business outlook, projections of operational and financial results and the growth prospects of ALUPAR are merely projections, and as such are based exclusively on management's expectations for the future of the business. These expectations depend materially on changes in market conditions and the performance of the Brazilian economy, the sector and international markets and therefore are subject to change without prior notice.



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