

Alupar

4Q20 Results

Agenda



4Q20 **Period Highlights**



Development of **Ongoing Assets**



4Q20 **Financial Information**

COVID

~R\$ 6.3 millions donated to fight the pandemic

402,299 donated products	alcohol gel bottles, PPE's (gloves, masks), basic baskets, among other items.
143 hired doctors	In partnership with BTG and Clinicas Hospital
7 donated vehicles	4 ambulances, 2 trucks and 1 car.
1 donated medical equipment	Digital X-Ray Detector

551,532
benefited people

in **70 municipalities**
in **07 States**

Social investment

~R\$ 3,3 millions to institutions supported through Incentive Laws

GSF – Free Market

- Balance referring to GSF protection injunctions – **R\$182.1 mm**
 - Main Value of the GSF Injunction: R\$ 131.5 mm
 - Monetary Update of the GSF Injunction: R\$ 50.6 mm
- Default Balance with CCEE – **R\$ 60.1 mm**
- Prepayment of net liabilities in the amount of **R\$ 122.0 mm**

R\$ million	Injunction	Default	Total Payment	Term Extension Authorization*
Queluz SHPP	90.7	30.0	60.7	4 year
Lavrinhas SHPP	91.4	30.1	61.3	4 year
TOTAL	182.1	60.1	122.0	

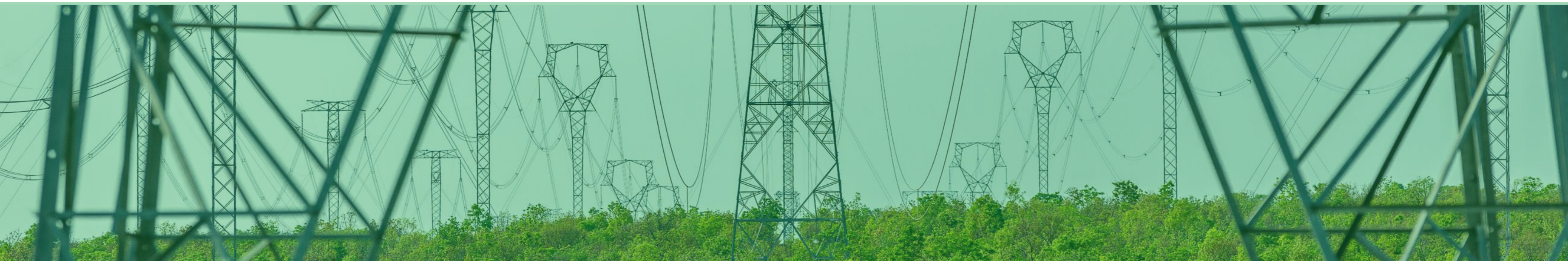
*Deadline estimated by the CCEE on March 2, 2021

Operation start-up 2020



Commercial Operation Start-up: TL Juazeiro III – Ourolandia II 07.24.2020

Commercial Operation Start-up: TL Bom Jesus da Lapa II – Gentio do Ouro II 10.16.2020



Project Characteristics

Aneel Capex (base Oct/20): **R\$ 864.6 MM**

Capex to be unitized: **R\$ 755.7* MM**

RAP Cycle 2020-2021: **R\$ 143.8 MM**

TL Juazeiro III – Ourolandia II: **R\$ 55.9 MM**

TL B. Jesus da Lapa II – Gentio do Ouro II: **R\$ 87.9 MM**

RAP/Capex ratio: **19.0%**

Capital Structure:
51% Alupar

Concession Begin:
2016

Aneel due date:
2020

Concession End:
2046

TL 500 kV Juazeiro III - Ourolândia II – 186 km

Project of the Auction 13/2015 – 1st stage (04.13.2016)

● Sep 16	● Nov 17	● Aug 18	● Feb 19	● Feb 19	● Jul 20
Concession Agreement Signing	Project Acquisition	Preliminary License	Installation License	Civil Works Start	Commercial Operation Start - up

TL Bom Jesus da Lapa II – Gentio do Ouro II – 260 km

● Sep 16	● Nov 17	● Aug 18	● Mar 19	● Mar 19	● Oct 20
Concession Agreement Signing	Project Acquisition	Preliminary License	Installation License	Civil Works Start	Commercial Operation Start - up

*Amount does not include R\$ 72.8 MM referring to capitalized financial expenses

Available in 2020



Availability of transmission facilities for the National Interconnected System: 10.25.2020



Project Characteristics

Aneel Capex (base Oct/20): **R\$ 1,458.1 MM**

Capex to be unitized: **R\$ 1,226.5* MM**

RAP Cycle 2020-2021: **R\$ 243.4 MM**

RAP/Capex ratio (Oct./20): **20%**

TL 500 kV Poções III - Padre Paraíso 2 – 334 km

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

TL 500 kV Padre Paraíso 2 - Governador Valadares 6 – 207 km

SS 500 kV Padre Paraíso 2 / SS 500/230 kV Governador Valadares 6 – Capacity 1.200 MVA

Bay of 500 kV Poções III

Capital Structure:
51% Alupar

Concession Begin:
2017

Aneel due date:
2022

Concession End:
2047



Project Milestones

Concession Agreement Signing

Preliminary License

Installation License

Commercial Operation Start - up

*Amount does not include R\$ 139.5 MM referring to capitalized financial expenses

Concession Agreement Renegotiation



Empresa Litorânea de
Transmissão de Energia S.A.

Notice to the Market: 12.16.2020



Project Characteristics

- Alupar Capex (estimated) - base: Nov/20: **R\$ 450.0 MM**
- Annual Permitted Revenue - base: Nov/2020): **R\$ 57.5 MM**
- RAP/Capex: **12.8%**
- Implementation Period: **36 months counted from the signature of the Contractual Amendment- 01/08/2021)**
- End of Concession: **Sep/2044**

Capital
Structure:

100% Alupar

Index:

IPCA



Composed of two substations:

- Domenico Rangoni (345/138 kV) / Manoel da Nóbrega (230/88 kV) and 40 km of transmission line (230 kV).
- The system will reinforce the distributors' networks, in addition to attend the increased demand for electricity in the Baixada Santista region, which comprises nine municipalities.

Affirmed Rating

AFFIRMED
02.09.2021

Fitch Ratings

- ✓ Corporate (national scale) **AAA**
- ✓ International Scale **BB**

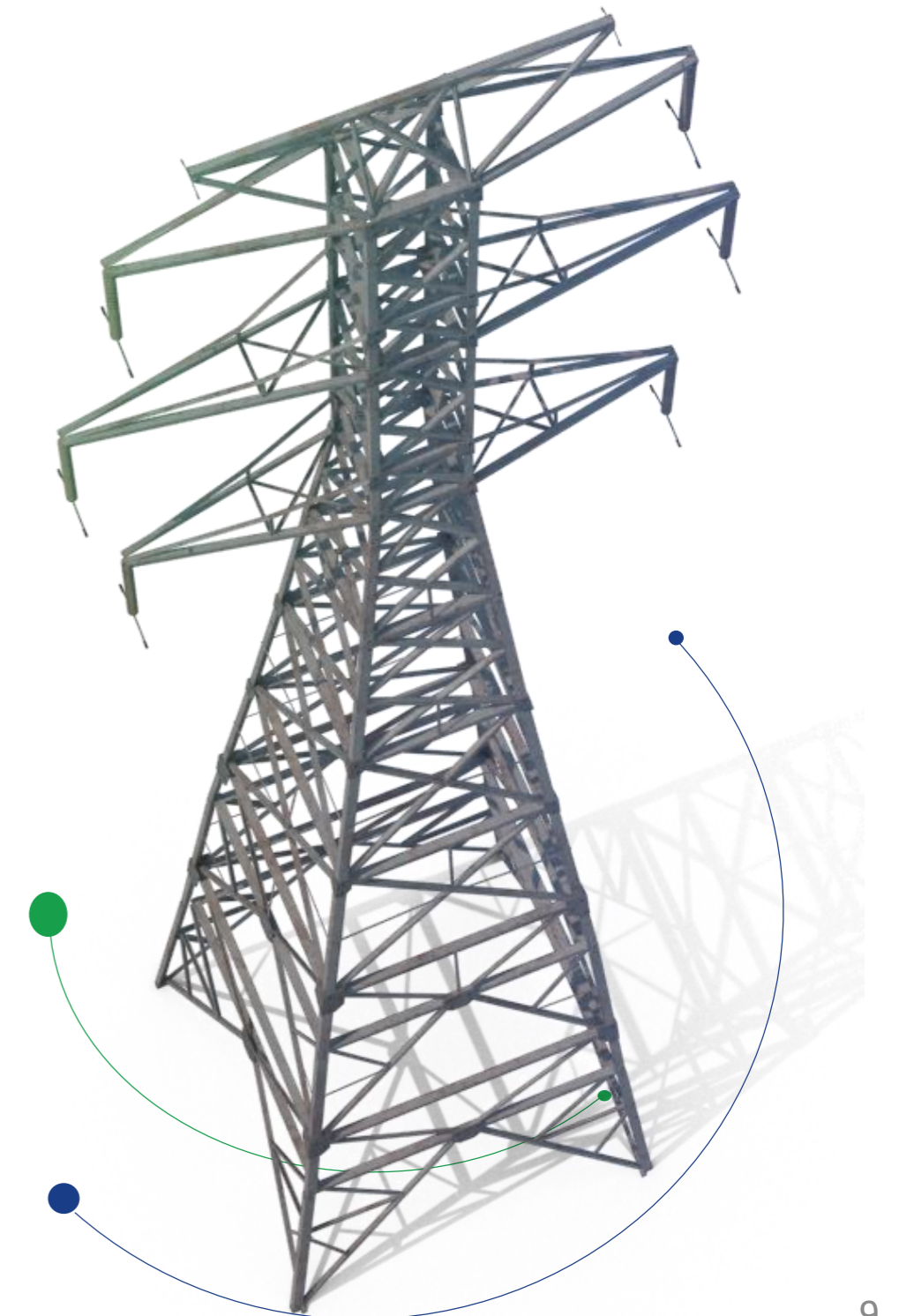
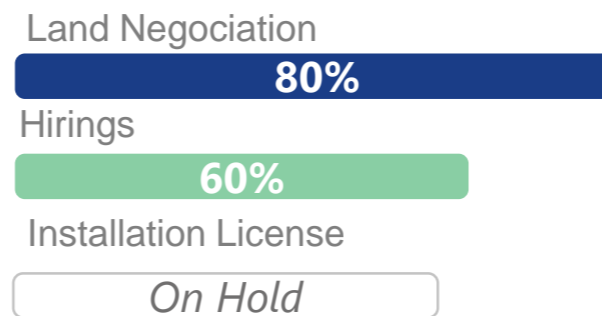
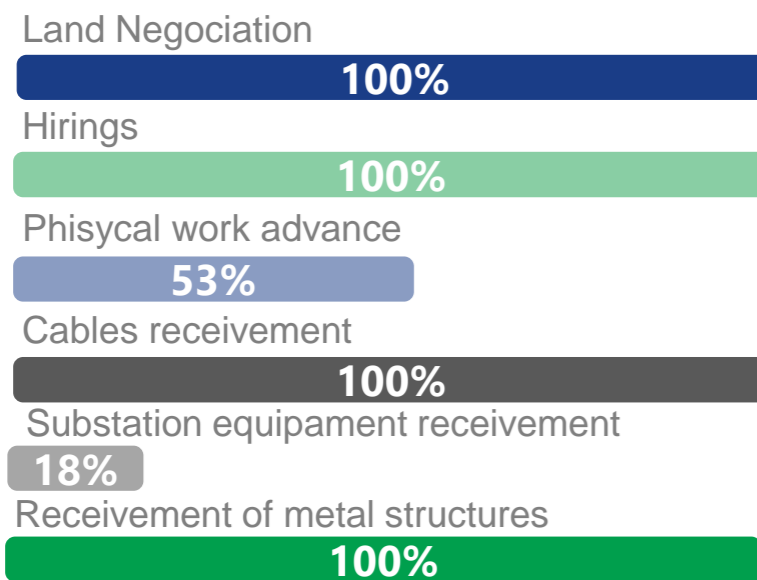
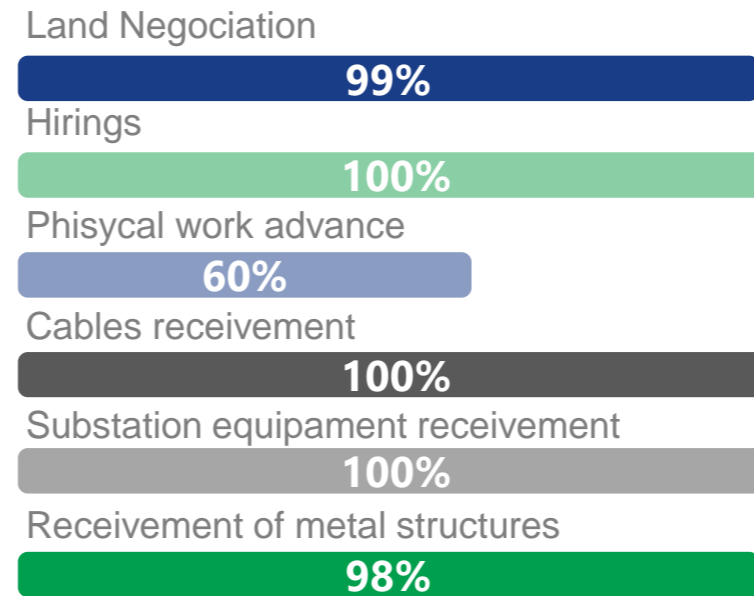
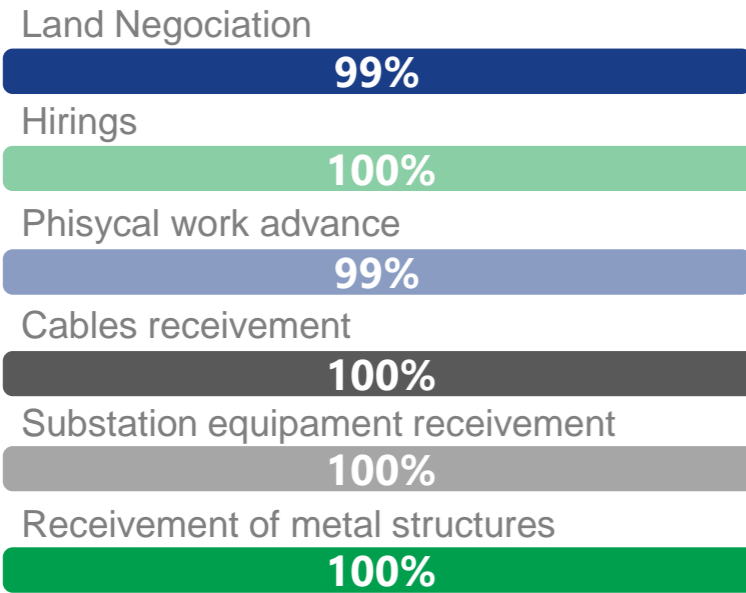
Fitch Ratings has affirmed the long-term national scale rating of the Company and its Debentures issues in “**AAA (bra)**” and international scale rating in “**BB**” for Foreign Currency Issuer Default Rating (IDR) and in “**BBB-**” for Local Currency (IDR), and affirmed a Stable Outlook to national 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, as well as a positive asset base diversification, which dilutes operational risks.

- The transmission segment is characterized by high EBITDA margins and great predictability of operating cash generation.
- On the generation segment, Fitch expects the company to present robust performance and positively manage its exposure to the current hydrological risk.

Development

of ongoing Assets



Financial Highlights



4Q20 Financial Results

Key Indicators "CORPORATE LAW (IFRS)"

R\$ MM	4Q20	4Q19	Var. %	2020	2019	Var.%
Net Revenue	2,405.5	1,369.4	75.7%	6,140.7	4,592.1	33.7%
EBITDA (CVM 527)	1,693.5	664.9	154.7	3,453.7	2,557.7	35.0%
EBITDA Margin	70.4%	48.6%	21.8 p.p	56.2%	55.7%	(0.5 p.p)
Adjusted EBITDA Margin*	91.3%	87.2%	4.1p.p	87.7%	84.8%	2.9 p.p
Financial Results	(203.3)	(72.6)	180.1%	(461.7)	(262.5)	75.9%
Consolidated Net Income	1,032.9	348.4	196.5%	2,055.5	1,641.4	25.2%
Subsidiaries' Minority Interest	523.3	182.0	187.5%	1,113.4	751.1	48.2%
Alupar Net Income	509.6	166.3	206.4%	942.1	890.3	5.8%
Earnings per UNIT (R\$)**	1.74	0.57	206.4%	3.21	3.04	5.8%
Net Debt***	6,791.7	4,519.6	50.3%	6,791.7	4,519.6	50.3%
Net Debt / EBITDA****	1.1	1.7		2.0	1.8	

Key Indicators "REGULATORY"

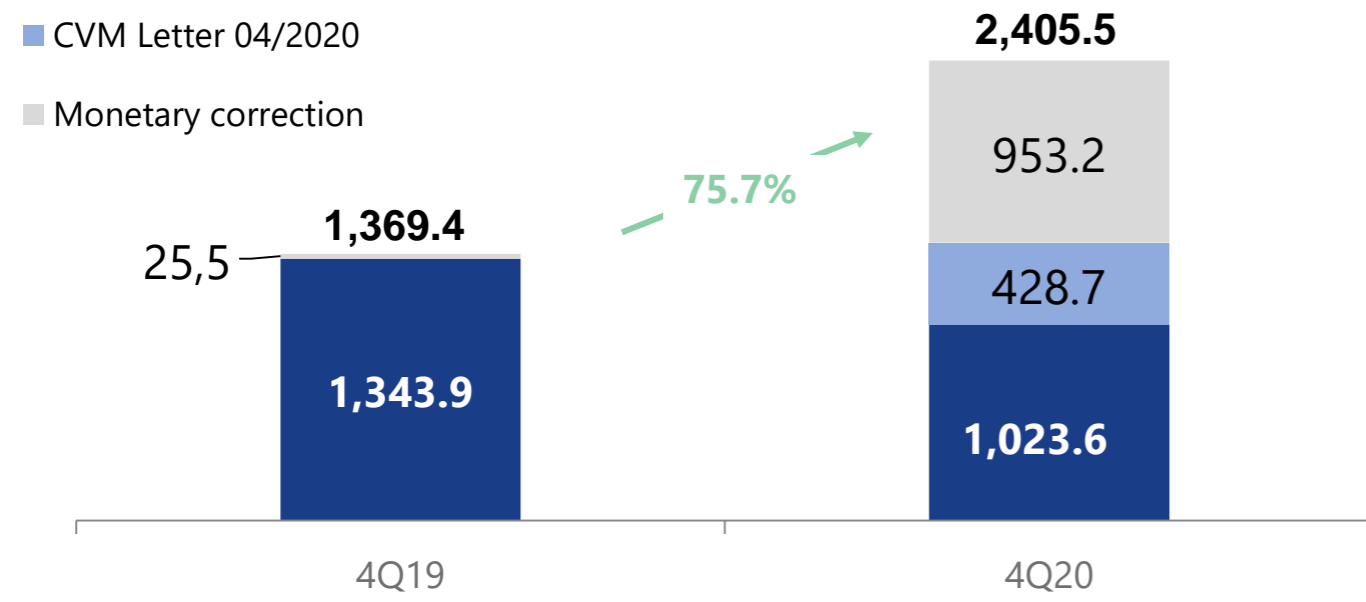
R\$ MM	4Q20	4Q19	Var. %	2020	2019	Var.%
Net Revenue	545.6	462.0	18.1%	1,895.4	1,772.4	6.9%
EBITDA (CVM 527)	416.2	327.9	26.9%	1,451.0	1,245.6	16.5%
EBITDA Margin	76.3%	71.0%	5.3 p.p	76.6%	70.3%	6.3 p.p
Financial Results	(205.1)	(67.8)	202.3%	(459.6)	(257.8)	78.3%
Consolidated Net Income	110.8	172.2	(35.7%)	594.2	669.3	(11.2%)
Subsidiaries' Minority Interest	67.9	86.0	(21.0%)	371.8	364.3	2.1%
Alupar Net Income	42.9	86.2	(50.3%)	222.4	305.0	(27.1%)
Earnings per UNIT (R\$)**	0.15	0.29	(50.3%)	0.76	1.04	(27.1%)
Net Debt***	6,791.7	4,519.6	50.3%	6,791.7	4,519.6	50.3%
Net Debt / EBITDA****	4.1	3.4		4.7	3.6	

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

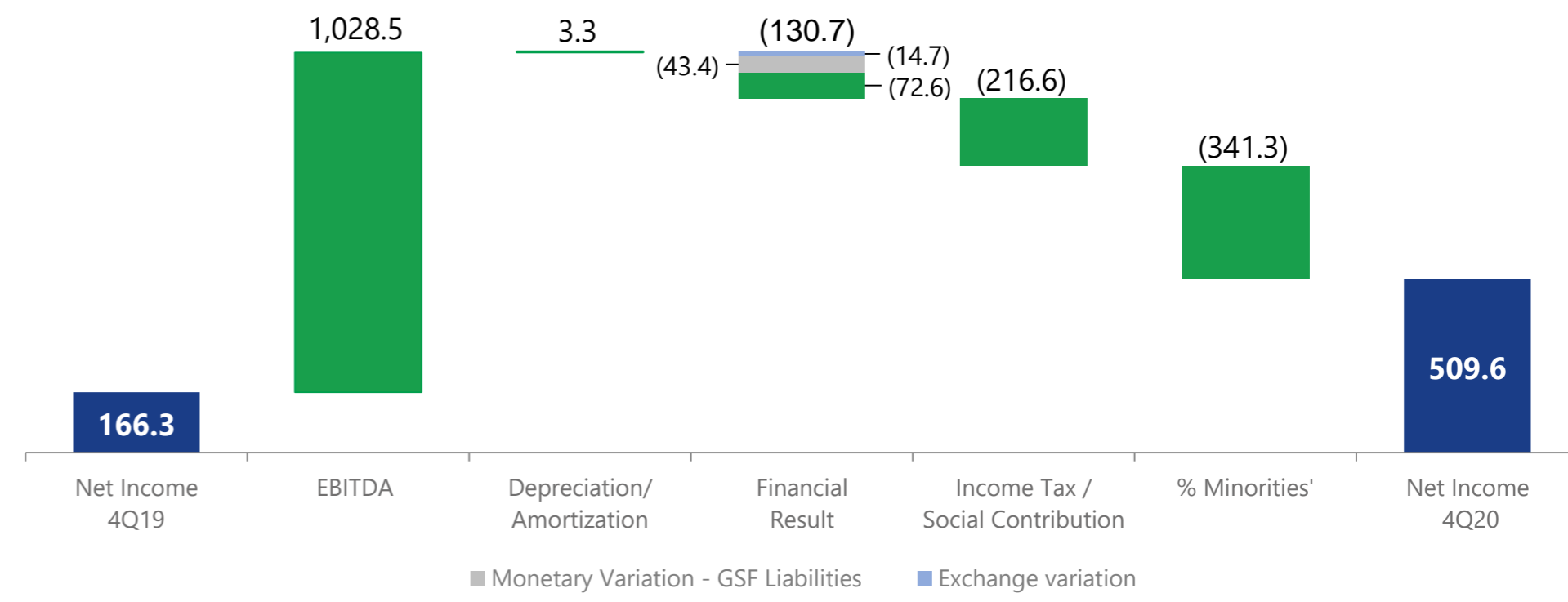
*** Including Securities under Non-Current Assets ****Annualized EBITDA.

Financial Information - IFRS

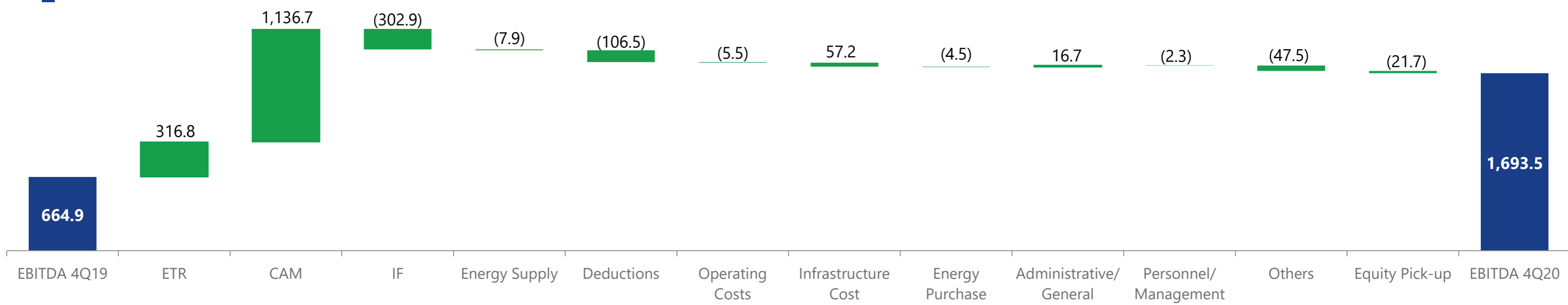
Net Revenue- IFRS



Net Income - IFRS

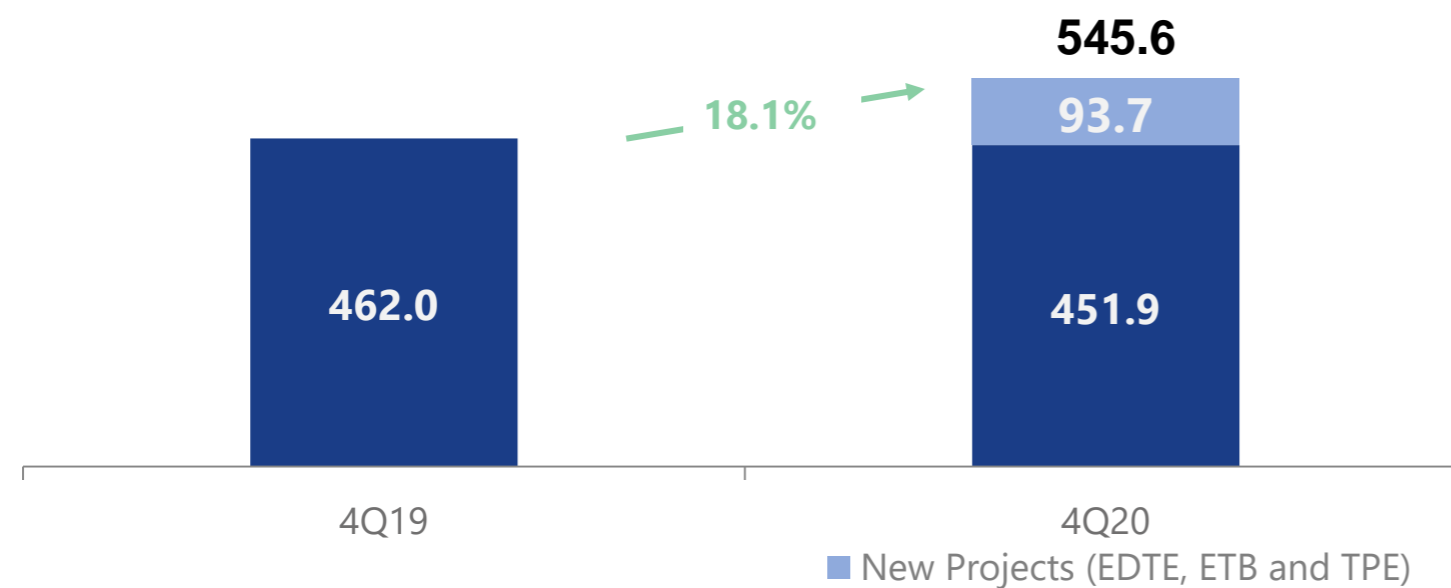


EBITDA - IFRS

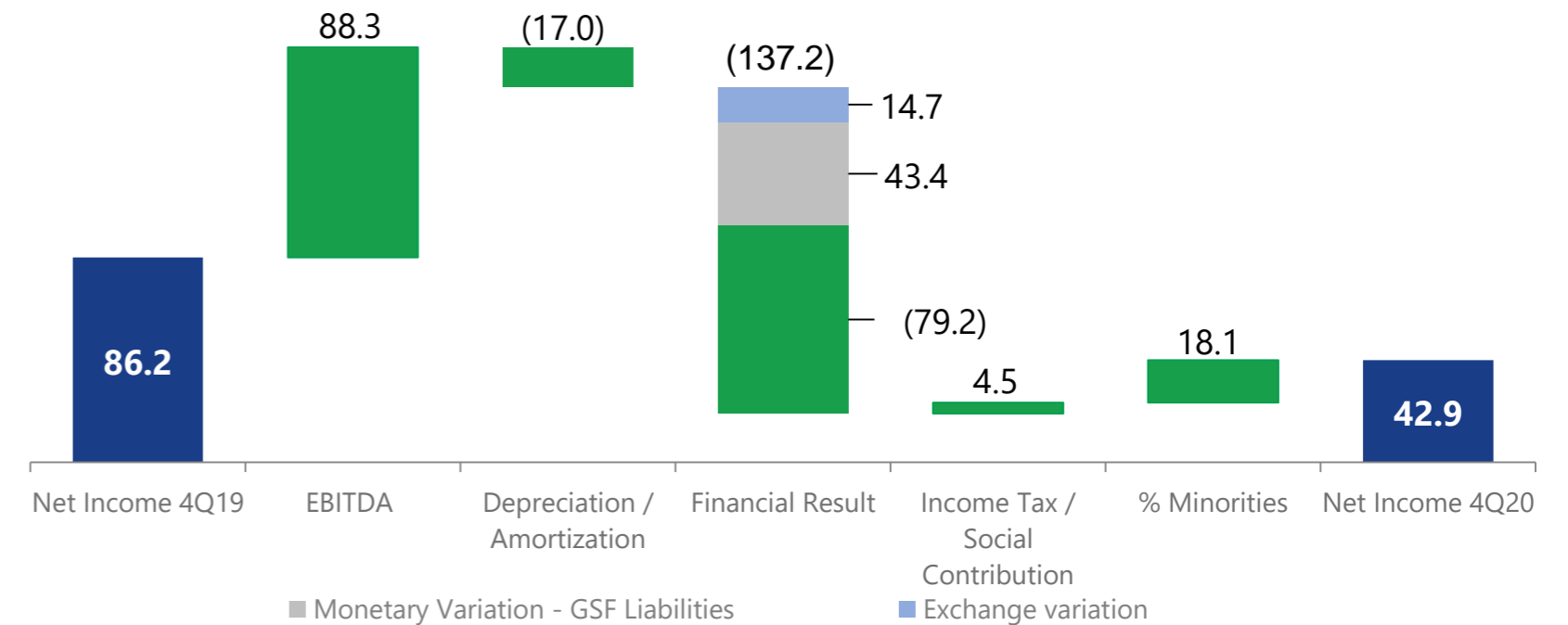


Financial Information - Regulatório

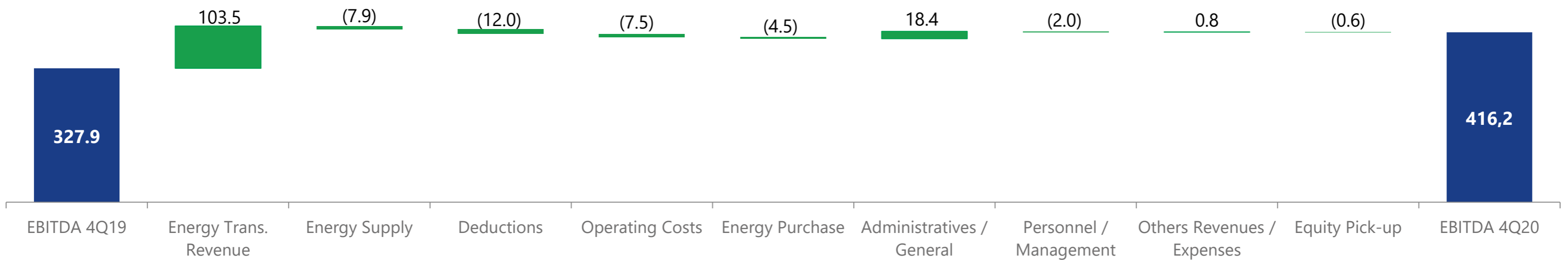
Net Revenue - Regulatory



Net Income - Regulatory



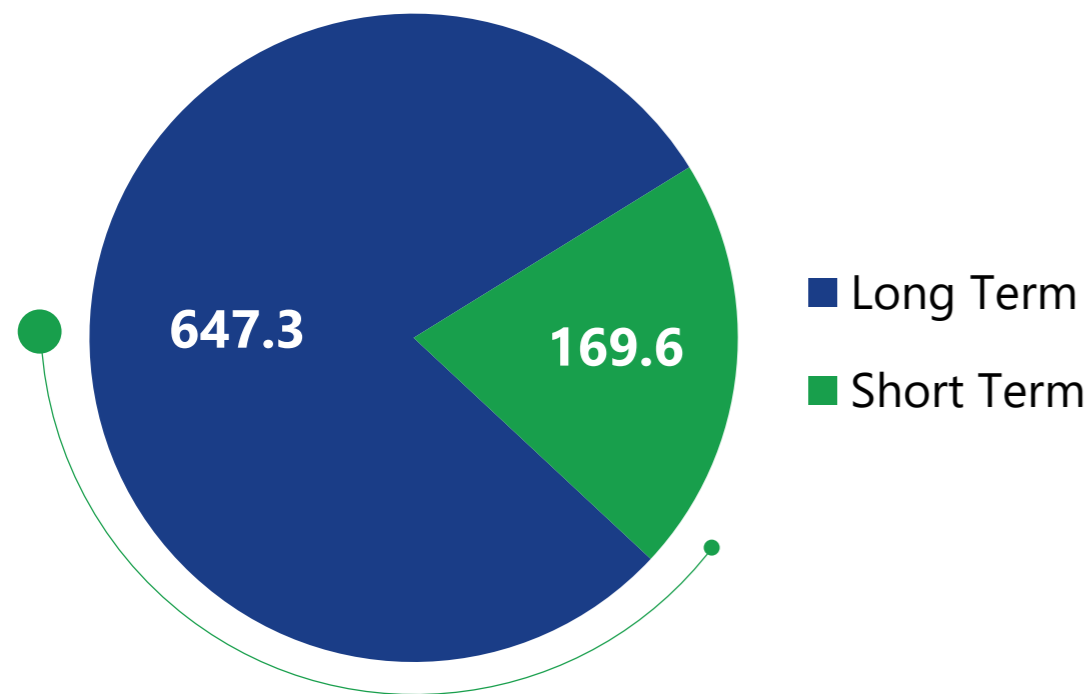
EBITDA - Regulatory



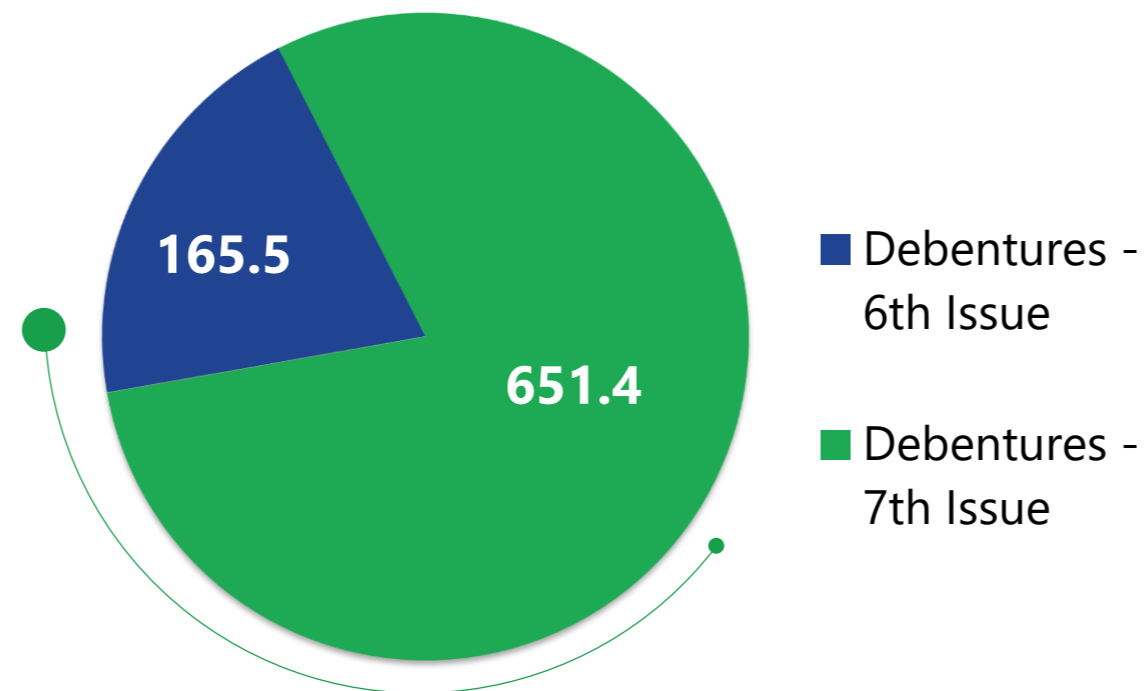
Holding

Undebtedness Profile 4Q20

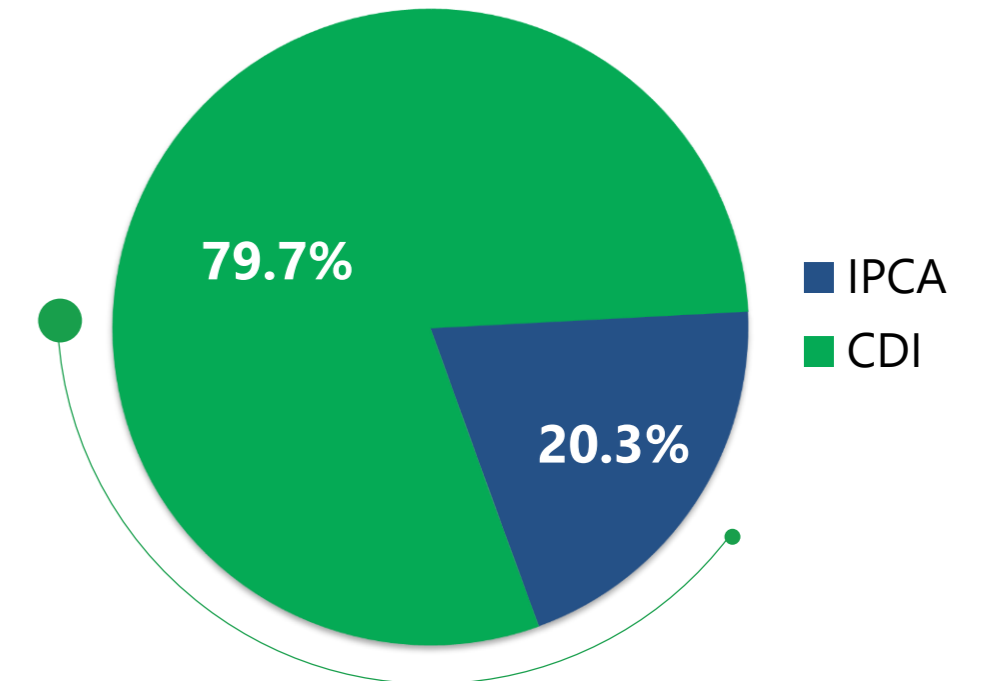
Debt Profile
(in million of R\$)



Total Debt Composition
(in million of R\$)



Gross Debt by Index (%)



Gross Debt

R\$ 816.8 MM

(-) Cash and Cash equivalents

R\$ 744.9 MM

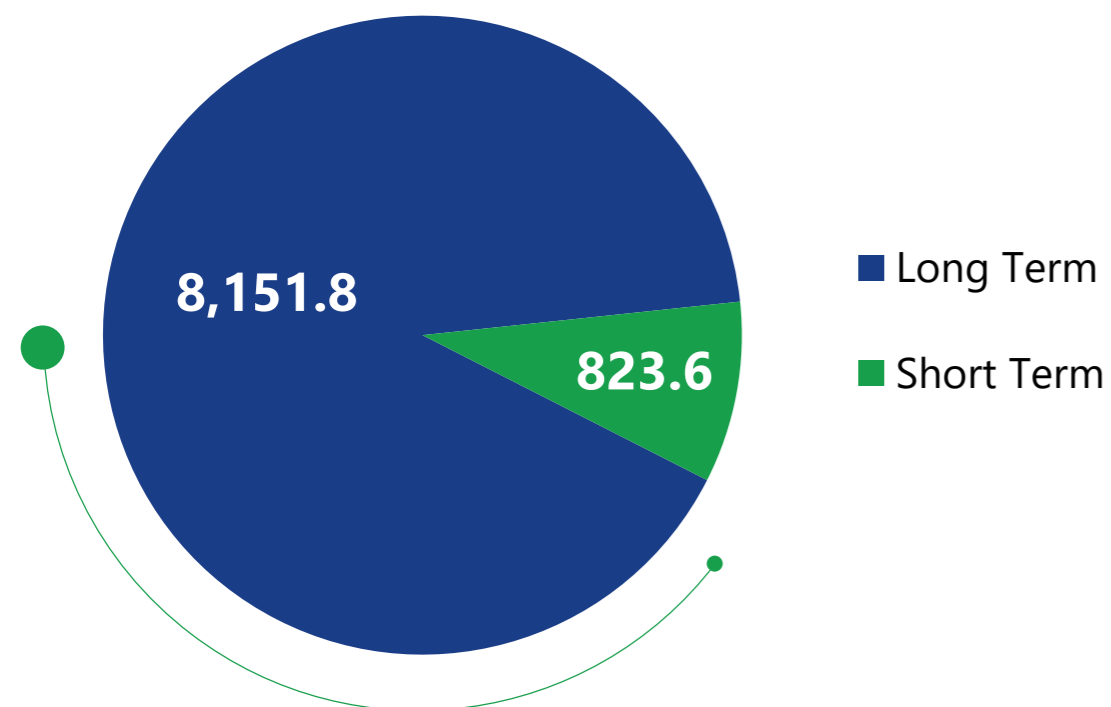
(=) Net Debt

R\$ 72.0 MM

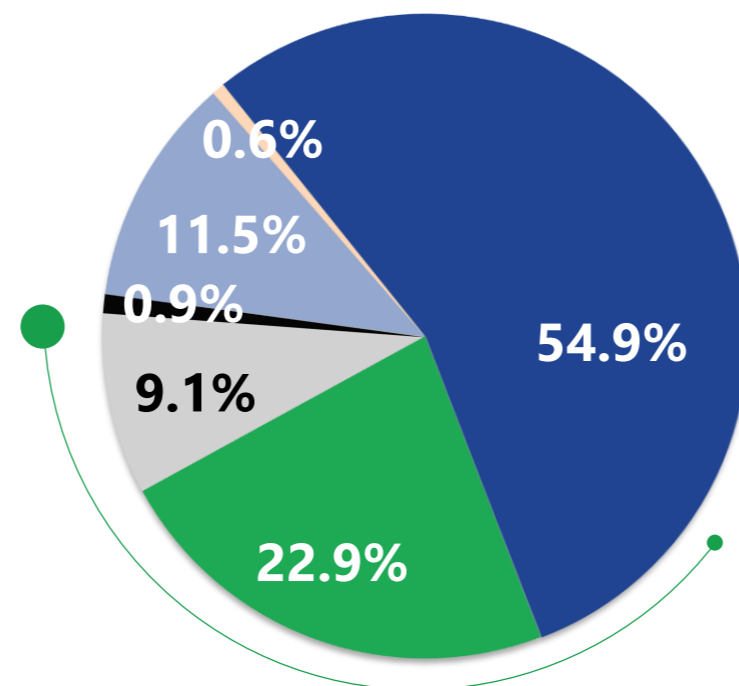
Consolidated

Undebtedness Profile 4Q20

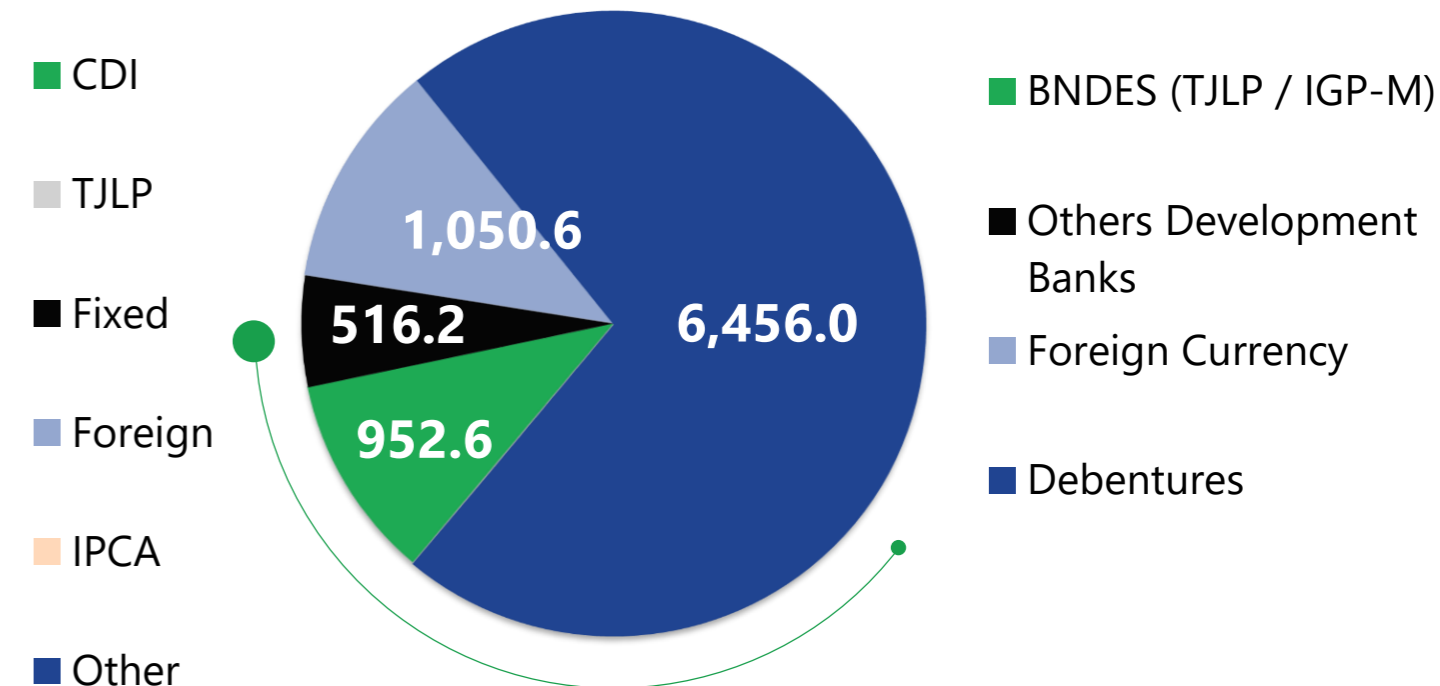
Debt Profile
(in million of R\$)



Gross Debt by Index (%)



Total Debt Composition
(in million of R\$)



Gross Debt

R\$ 8,975.5 MM

(-) Cash and Cash equivalents

R\$ 2,183.7 MM

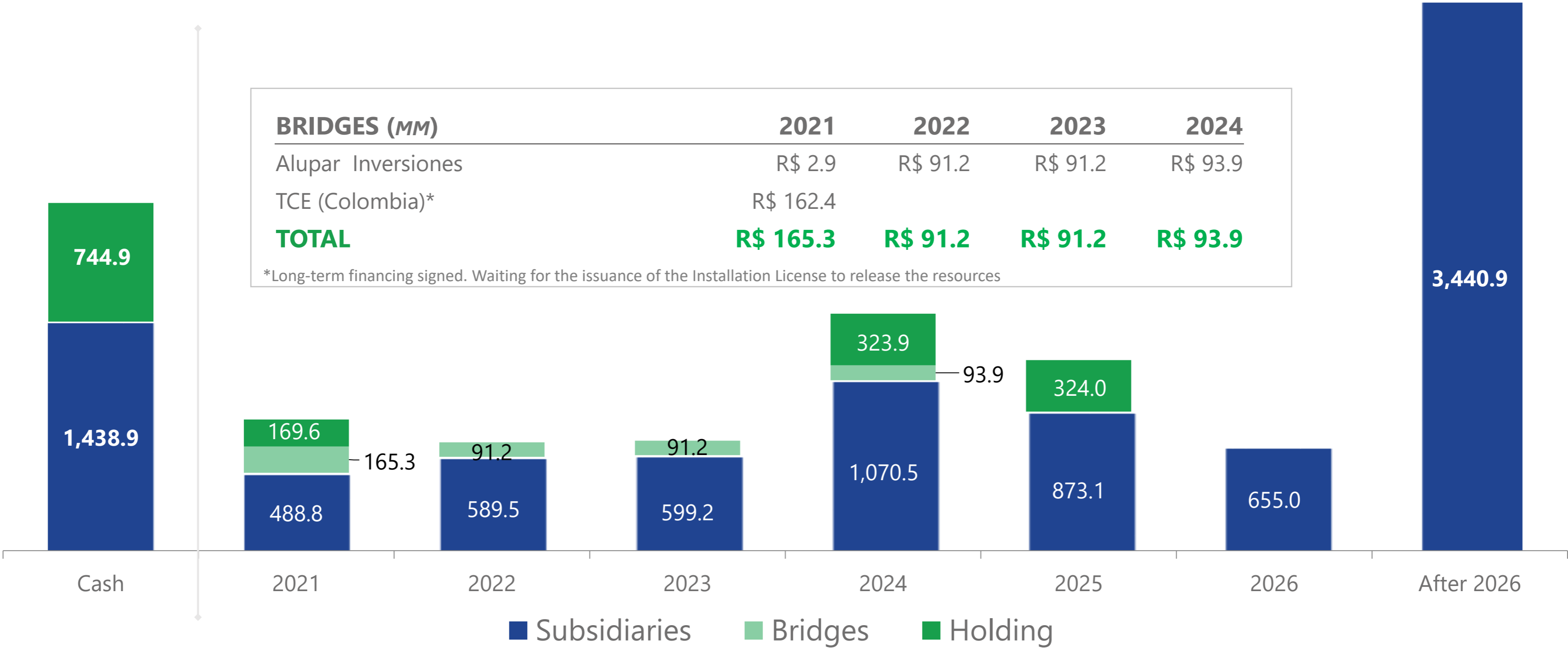
(=) Net Debt

R\$ 6,791.7 MM

Debt Amortization Schedule – 4Q20

BRIDGES (MM)	2021	2022	2023	2024
Alupar Inversiones	R\$ 2.9	R\$ 91.2	R\$ 91.2	R\$ 93.9
TCE (Colombia)*	R\$ 162.4			
TOTAL	R\$ 165.3	R\$ 91.2	R\$ 91.2	R\$ 93.9

*Long-term financing signed. Waiting for the issuance of the Installation License to release the resources



FitchRatings

Corporate (national scale) AAA

International Scale BB

Profit Allocation

Dividends:

On March 22, 2021, the Company's Board of Directors recommended 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 that will be entitled to receive dividends are those registered as such on April 27, 2021 and, as of April 28, 2021, the Company's shares will be traded ex – dividends.

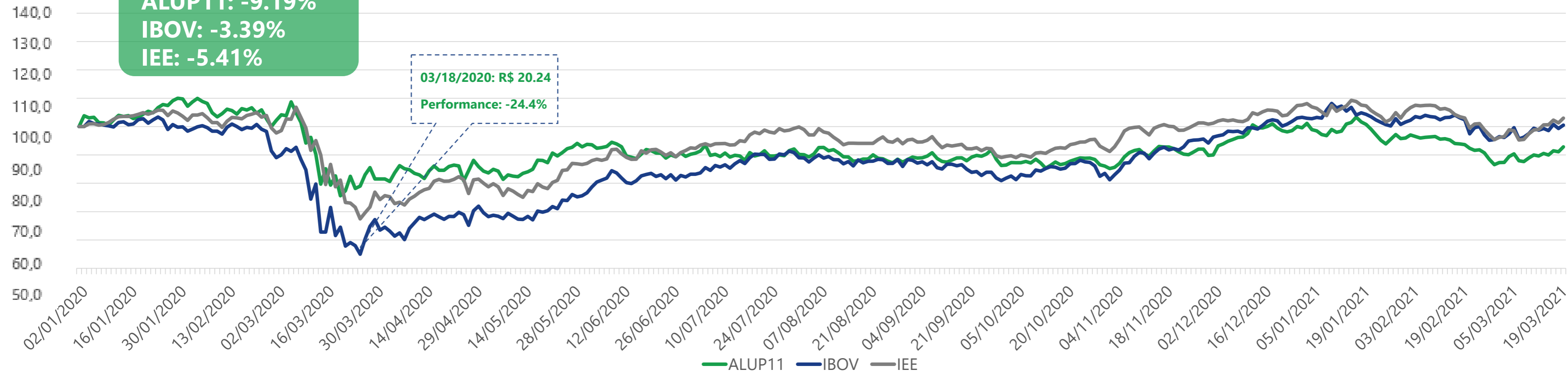
Dividends will be paid as shown below:

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



Performance YTD*
ALUP11: -9.19%
IBOV: -3.39%
IEE: -5.41%

ALUP11 X IBOV X IEE – 4Q20



Financial Volume¹

R\$ MM	
4Q20 Average	20.4
4Q19 Average	20.2
Average after Follow On Pricing	15.7
Average since IPO	9.9

* 03/22/2021 ¹Until 12/31/2020

Alupar

IR Contact

Ph.: +55 (11) 4571-2400 r.:2481 | 2483
ri@alupar.com.br