

Quarterly information
Individual and Consolidated
March 31, 2021

Alupar Investimento S.A.

Quarterly information

Summary

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Analysis of Consolidated Result

The 1Q20 results are being restated for the sole and exclusive purpose of reflecting in the disclosures of the quarterly balances the impacts of CVM Official Letter 04/2020, which were adequate on December 31, 2020, so that such re-presentation does not change the Company's annual result disclosed on March 22, 2021 (note 2.4).

Net Operating Revenue - IFRS

Alupar and its subsidiaries reported a Net Revenue of **R\$ 1,601.5 million** in 1Q21, increasing by 22.8% over the **R\$ 1,303.8 million** reported in the same period of 2020.

Net Revenue (R\$ MM)				
	4Q20	1Q21	1Q20	Var.%
Operation and maintenance revenue	376.9	94.8	63.5	49.2%
Infrastructure Revenue	767.0	505.6	811.8	(37.7%)
Remuneration of Concession Assets	1,298.9	976.4	379.8	157.1%
Energy Supply	195.2	181.5	179.0	1.4%
Gross Revenue – IFRS	2,638.0	1,758.4	1,434.1	22.6%
Deductions	232.5	156.9	130.3	20.4%
Net Revenue – IFRS	2,405.5	1,601.5	1,303.8	22.8%

(a) an increase of **R\$ 321.8 million** in revenue of the transmission companies, of which the main lines are:

(i) a **R\$ 596.6 million** increase in **Revenue from Remuneration of Concession Assets**, as detailed below:

Transmitters												
Revenue from Remuneration of Concession Assets	ETB	TPE	EATE	ETEP	ENTE	STN	ECTE	ESTE	TSM	TCC	Other Transmitters	Total
1Q21	64.2	112.2	131.4	29.3	57.1	48.3	27.4	11.7	15.2	248.3	231.4	976.4
1Q20	16.8	24.7	66.9	14.9	29.4	27.1	14.0	1.2	2.0	13.4	169.3	379.8
Variations	47.4	87.5	64.5	14.4	27.6	21.2	13.4	10.5	13.2	234.9	62.1	596.6

(ii) a **R\$ 306.1 million** reduction in **Infrastructure Revenue**, as detailed below:

Transmitters									
Infrastructure Revenue	ETB	EDTE	TPE	TCC	ESTE	TSM	Other Transmitters	Total	
1Q21	-	-	0.9	193.1	150.5	160.9	0.2	505.6	
1Q20	149.0	76.4	261.4	139.2	151.3	29.6	5.0	811.8	
Variations	(149.0)	(76.4)	(260.5)	53.9	(0.8)	131.3	(4.8)	(306.2)	

(b) a **R\$ 2.5 million** increase in **Energy Supply Revenue**, as detailed below:

Energy Supply	Generation Combined			Alupar Trading			Intercompany Eliminations			Generation Consolidated			
	1Q21	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value
ACR (Long Term Contract)	479,180	167.49	80,260								479,180	167.49	80,260
ACL (Short Term Contract)	158,880	257.10	40,849				(86,184)	202.08	(17,416)		72,696	322.34	23,433
Trading	205,834	230.96	47,539	56,187	228.91	12,862					262,021	230.52	60,401
Related Parties	2,160	280.00	605	29,685	55.58	1,650	(31,845)	70.79	(2,254)				
CCEE			13,024			4,126							17,150
Tax			282										282
Total			182,559			18,638			(19,670)				181,526

Energy Supply	Generation Combined			Alupar Trading			Intercompany Eliminations			Generation Consolidated			
	1Q20	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value
ACR (Long Term Contract)	476,925	163.12	77,794								476,925	163.12	77,794
ACL (Short Term Contract)	189,768	251.63	47,751				(87,142)	197.52	(17,212)		102,626	297.58	30,539
Trading	148,147	240.69	35,658	183,514	190.91	35,034	(59,681)	148.57	(8,867)		271,980	227.31	61,825
Reclassification													
CCEE			5,738			5,719			(2,576)				8,881
Total			166,941			40,753			(28,655)				179,039
Variations			15,618			(22,115)			8,985				2,487



Cost of Services - IFRS

In 1Q21, Cost of Services totaled **R\$ 498.9 million**, 17.4% lower than the **R\$ 604.0 million** reported in 1Q20.

Below are the main variations for this accounting line:

(a) a reduction of **R\$ 106.8 million** in **Infrastructure costs**, according to the variations below:

Infrastructure Cost	Transmitters							Total
	ETB	EDTE	TPE	TCC	ESTE	TSM	Other Transmitters	
1Q21	-	-	-	210.7	74.1	103.4	5.1	393.2
1Q20	117.4	40.9	179.5	94.9	42.9	20.0	4.5	500.1
Variations	(117.4)	(40.9)	(179.5)	115.8	31.2	83.4	0.6	(106.9)

(b) a **R\$ 5.6 million** increase in **Costs of Services**, as detailed below:

(+) R\$ 5.3 million in transmission companies TPE and ETB, due to their respective commercial start-ups;

(-) R\$ 3.1 million in Foz do Rio Claro HPP from a reversal of provisions for a litigation related to the project's implementation and, consequently, an accounting reclassification from "contingency in the result" to "fixed assets in progress";

(+) R\$ 0.5 million in Ferreira Gomes HPP, due to costs for labor lawsuits;

(+) R\$ 0.3 million in Energia dos Ventos wind farms, due to the lease of equipment for the maintenance of wind turbines;

(+) R\$ 0.8 million in Morro Azul SHPP arising from higher sector charges linked to power generation, which was 27,336 MWh this quarter, 150.8% higher than the 10,898 MWh generated in 1Q20.

(c) a **R\$ 6.0 million** reduction in **Energy Purchased for Resale**, as detailed below:

Energy Purchase	Generation Combined			Alupar Trading			Intercompany Eliminations			Generation Consolidated		
	1Q21	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value	MWh	Price
Trading	(182,736)	146.42	(26,756)	(15,996)	179.61	(2,873)	-	-	-	(198,732)	149.09	(29,629)
CCEE			(1,212)			(23)						(1,235)
Related Parties	(29,686)	55.57	(1,650)	(88,344)	203.99	(18,021)	118,029	166.66	19,670	(0)	-	0
Taxes			1,405			2,764						4,169
Total			(28,213)			(18,153)			19,670			(26,695)

Energy Purchase	Generation Combined			Alupar Trading			Intercompany Eliminations			Generation Consolidated		
	1Q20	MWh	Price	Value	MWh	Price	Value	MWh	Price	Value	MWh	Price
Trading	(66,542)	141.73	(9,431)	(211,320)	206.14	(43,562)	146,822	177.62	26,079	(131,040)	205	(26,914)
CCEE			(11,945)	-	-	(2,661)			2,576			(12,030)
Taxes			710			5,535						6,245
Total			(20,666)			(40,688)			28,655			(32,699)
Variacões			(7,547)			22,535			(8,985)			6,003

(d) a **R\$ 0.6 million** increase in the **Hydro Resources – CFURH** line due to the increase in energy generation in the quarter arising from higher water inflows when compared to 1Q20, therefore impacting the Ferreira Gomes HPP (+R\$ 0.8 million).

Cash costs, excluding infrastructure cost (CAPEX) and depreciation/amortization, totaled **R\$ 77.8 million** (4.9% of Net Revenue) in 1Q21, compared to **R\$ 77.6 million** (5.9% of Net Revenue) in the same period of 2020.

Operating Costs R\$ (MM)				
Operating Costs	4Q20	1Q21	1Q20	Var. %
Cost of Services Rendered	68.2	40.5	34.8	16.2%
Energy Purchased for Resale	47.9	26.7	32.7	(18.4%)
Charges of Electric Grid - CUST	8.5	8.0	8.0	-
Hydro Resources - CFURH	1.1	2.7	2.1	28.4%
Infrastructure Cost	549.8	393.2	500.1	(21.4%)
Depreciation / Amortization	27.2	27.9	26.4	5.6%
Total	702.8	498.9	604.0	(17.4%)



Operating Expenses - IFRS

In 1Q21, Operating Expenses totaled **R\$ 23.9 million**, 17.7% lower than the **R\$ 29.0 million** reported in 1Q20.

The **R\$ 5.1 million** variation in this accounting group was due to:

(a) a **R\$ 0.9 million** reduction in **Equity Pickup**, which totaled **R\$ 1.5 million** in the quarter, against **R\$ 0.6 million** in 1Q20. This result is exclusively due to the variation in transmission company TNE. This transmission company reported a profit of R\$ 2.9 million in the quarter, resulting in an equity pickup of R\$ 1.5 million. In 1Q20, its profit was R\$ 1.3 million, resulting in an equity pickup of R\$ 0.6 million

(b) a **R\$ 4.7 million** reduction in the **General and Administrative** line arising from:

(i) a **R\$ 1.6 million** reduction in La Virgen HPP, due to non-recurring taxes for the import of equipment in 1Q20;

(ii) a **R\$ 1.6 million** reduction in Verde 8 SHPP, since, in 1Q20, a provision of **R\$ 1.6 million** was made for the ISS tax for the project's implementation. (This amount was reversed in 2Q20 due to its reclassification from probable to possible); and

(iii) a **R\$ 1.6 million** reduction in Alupar – Holding, arising from non-recurring legal advisory expenses in 1Q20.

Operating Expenses R\$ (MM)				
Operating Expenses	4Q20	1Q21	1Q20	Var.%
General and Administrative	12.1	9.7	14.4	(32.4%)
Personnel and Management	19.0	14.7	14.4	2.2%
Equity Pickup	9.1	(1.5)	(0.6)	-
Others	(3.8)	(0.6)	(0.7)	(9.1%)
Depreciation / Amortization	1.6	1.6	1.6	-
Total	38.1	23.9	29.0	(17.7%)



EBITDA - IFRS

In 1Q21, EBITDA totaled **R\$ 1,108.1 million**, 58.6% higher than the **R\$ 698.7 million** reported in 1Q20.

Adjusted EBITA margin reached 91.7%, 4.8 p.p. higher than the 86.9% margin in 1Q20.

The change in EBITDA was due to:

(a) a **R\$ 324.3 million** increase in **Revenue**, arising from: (i) a **R\$ 321.8 million** increase in **Energy Transmission Revenue**; and (ii) a **R\$ 2.5 million** increase in **Energy Supply Revenue**. For more information on revenue variations, please see the “Net Operating Revenue - IFRS” section;

(b) a **R\$ 26.5 million** increase in **Deductions**, which totaled **R\$ 156.9 million** in this quarter against **R\$ 130.3 million** reported for the same period in 2020. This variation was mainly due to: (i) growth of **R\$ 14.7 million** in deductions of taxes and deferred charges, basically due to the increase in revenue, due to the investments made in transmission assets being implemented in Brazil and; (ii) an increase of **R\$ 9.9 million** in PIS/COFINS taxation for the TPE, ETB and TCC transmitters, due to the respective entry into commercial operation.

(c) a **R\$ 106.8 million** reduction in **Infrastructure Costs**, as detailed below:

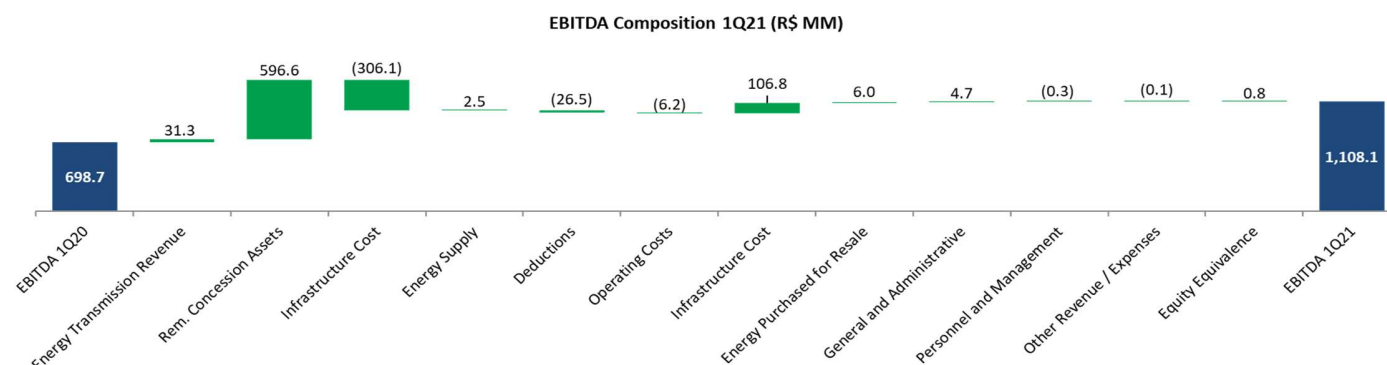
Infrastructure Cost	Transmitters							Total
	ETB	EDTE	TPE	TCC	ESTE	TSM	Other Transmitters	
1Q21	-	-	-	210.7	74.1	103.4	5.1	393.2
1Q20	117.4	40.9	179.5	94.9	42.9	20.0	4.5	500.1
Variations	(117.4)	(40.9)	(179.5)	115.8	31.2	83.4	0.6	(106.9)

(d) a **R\$ 6.2 million** increase in **Operating Costs** and reductions of **R\$ 6.0 million** in **Energy Purchases** and **R\$ 4.7 million** in **General and Administrative Expenses**, as detailed in the “Cost of Services – IFRS” and “Operating Expenses – IFRS” sections.

EBITDA - IFRS (R\$ MM)				
	4Q20	1Q21	1Q20	Var.%
Net Revenue - IFRS	2,405.5	1,601.5	1,303.8	22.8%
Operating Costs	(77.8)	(51.1)	(44.9)	13.9%
Infrastructure Costs	(549.8)	(393.2)	(500.1)	(21.4%)
Energy Purchase	(47.9)	(26.7)	(32.7)	(18.4%)
Operating Expenses	(27.3)	(23.8)	(28.1)	(15.2%)
Equity Pickup	(9.1)	1.5	0.6	-
EBITDA	1,693.5	1,108.1	698.7	58.6%
EBITDA Margin	70.4%	69.2%	53.6%	15.6 p.p
Adjusted EBITDA Margin*	91.3%	91.7%	86.9%	4.8 p.p

*Subtracted from Net Revenue the Capex made (Infrastructure Cost)

The EBITDA composition is as follows:



Note: ETR – Energy Transmission Revenue/ RCA – Revenue of Concession Assets/ IR – Infrastructure Revenue



Financial Result

Totaled **R\$ (210.1) million** in 1Q21, compared to **R\$ (92.3) million** in 1Q20.

This variation in the financial result is mainly explained by:

(a) a **R\$ 7.2 million** reduction in Financial Revenues, basically due to:

- (i) a reduction in cash position, due to investments made in the transmission companies being implemented; and
- (ii) lower average interbank deposit rates (“CDI”), of 0.48% YTD in 1Q21 against 1.00% YTD in 1Q20. The main impact was at Alupar - Holding, which decreased by R\$ 9.3 million.

(b) a **R\$ 110.6 million** increase in Financial Expenses, mainly impacted by:

- (i) a **R\$ 98.4 million** increase from the commercial start-ups of transmission companies TPE and ETB (Oct/20) and TCC (Jan/21), which impacted this line by R\$ 56.1 million, R\$ 36.2 million and R\$ 6.1 million, respectively;
- (ii) a **R\$ 3.5 million** increase in La Virgen HPP / Alupar Peru, due to exchange rate variations between the period (non-cash effect);
- (iii) increases of **R\$ 1.9 million** in Verde 8 SHPP, **R\$ 2.9 million** in Ferreira Gomes HPP and **R\$ 0.8 million** in Holding Windpar (Energia dos Ventos), due to the increase in the IPCA inflation index, of 2.05% YTD in 1Q21 against 0.53% YTD in 1Q20; and
- (iv) increases of **R\$ 4.0 million** in Queluz SHPP and **R\$ 3.7 million** in Lavrinhas SHPP, basically due to the monetary restatement of GSF liabilities arising from the variation of the General Price Index - Market (“IGP-M”). This GSF liability was settled in March 2021.

Net Income – IFRS

In 1Q21, Net Income totaled **R\$ 323.4 million**, 52.8 higher than the **R\$ 211.6 million** in 1Q20. This variation was due to:

- (a) a **R\$ 409.4 million** increase in **EBTIDA**, as previously detailed in the “EBITDA – IFRS” section;
- (b) a **R\$ 117.8 million** increase in **Financial Result**, mainly due to the R\$ 110.6 million increase in Financial Expenses, as detailed in the section above;
- (c) a **R\$ 67.2 million** increase in IR/CSLL, mainly due to the **R\$ 76.4 million** increase in Deferred IRPJ/CSLL. The main impacts to the line are provided below:

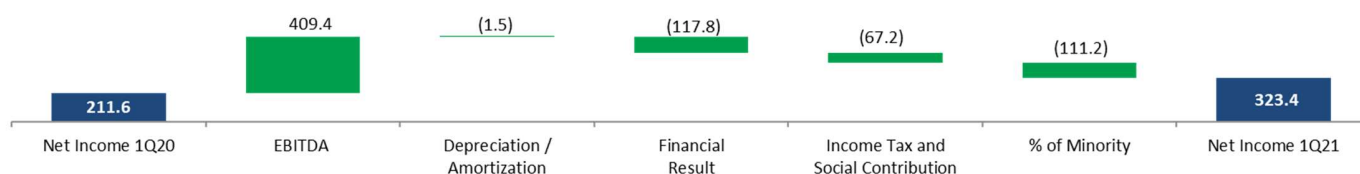
IR / CSLL Taxes	ETB	EDTE	ETAP	TCC	ESTE	TSM	Other Transmitters	Generators	Holdings	Total
1Q21	(21.6)	4.9	5.8	65.1	24.7	19.2	103.5	5.8	0.3	207.7
1Q20	10.1	17.2	(16.6)	14.8	32.3	3.0	75.3	4.3	0.2	140.5
Variations	(31.7)	(12.3)	22.4	50.3	(7.7)	16.2	28.2	1.5	0.1	67.2

(d) a **R\$ 111.2 million** increase in the **% Minorities** line, mainly impacted by:

- (i) a **R\$ 71.7 million** increase in transmission companies TCC, ETB and TSM, due to the growth in results from the investments made to implement the projects; and
- (ii) a **R\$ 57.5 million** increase in the transmission companies who have RAP adjusted by the General Market Price Index (“IGP-M”), which totaled 29.71% accumulated from Jun/20 – Mar/21 due to recognition of the monetary restatement of the contractual asset.

The Net Income composition is as follows:

Net Income Composition - 1Q21 (R\$ MM)





Investments

In 1Q21, total investments of **R\$ 436.3 mm** were carried out in our companies, of which R\$ 426.1 million was allocated to the transmission segment, R\$ 9.9 million in the generation segment, and R\$ 0.3 million in the development of new businesses, against **R\$ 566.1 mm** reported in 1Q20, which had R\$ 547.4 million invested in the transmission segment, R\$ 18.5 million invested in the generation segment and R\$ 0.2 million in the development of new businesses.

The volume of investments in 1Q21 mainly reflects the implementation of transmission assets TCC, TCE, ESTE and TSM which together totaled **R\$ 420.9 million** against the **R\$ 205.1 mm** recorded in 1Q20.

Investments (R\$ MM)		
	1T21	1T20
Transmission*	426.1	547.4
ELTE	(0.1)	0.1
TCC	210.7	94.9
TPE	-	179.5
TCE	32.8	47.3
ESTE	74.1	42.9
TSM	103.4	20.0
EDTE	-	40.9
ETB	-	117.4
ETES	-	3.5
Transirapé	5.2	-
Other	-	0.8
Generation	9.9	18.5
Energia dos Ventos	0.1	0.2
La Virgen	3.3	16.9
WP Agreste Potiguar	1.5	-
Other	5.0	1.4
Holding	0.3	0.2
Total	436.3	566.1
* With the exception of TCE, the investment value of the transmission companies is exactly the amount recorded as infrastructure cost.		



Indebtedness

Alupar - Holding:

In 1Q21, Alupar – Holding’s gross debt totaled **R\$ 829.6 million**, compared to the **R\$ 816.8 million** reported in Dec/20.

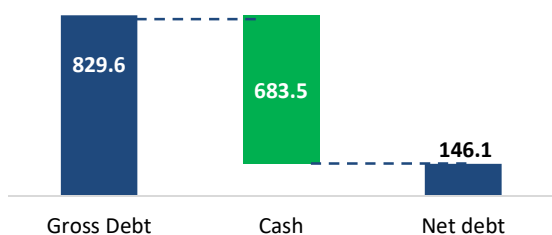
This change is explained by:

- (i) provision for charges, totaling **R\$ 5.5 million**; and
- (ii) provision for monetary variations, in the amount of **R\$ 7.3 million**;

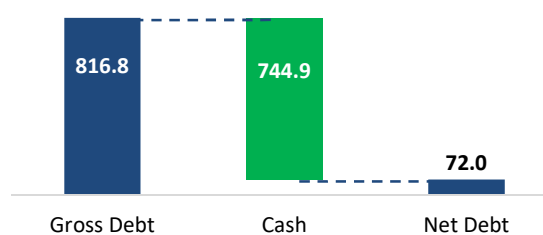
Cash and cash equivalents and short-term investments at Alupar - Holding totaled **R\$ 683.5 million**, R\$ 61.4 million less than the **R\$ 744.9 million** reported in Dec/20. This variation is mainly explained by:

- (i) receipt of dividends from subsidiaries, in the amount of **R\$ 112.8 million**;
- (ii) contributions of **R\$ 184.8 million** towards projects being implemented in 1Q21, the main ones being:
 - (ii.i) **R\$ 95.0 million** for transmission company ELTE;
 - (ii.ii) **R\$ 39.5 million** for transmission company TCC; and
 - (ii.iii) **R\$ 39.5 million** for Alupar Peru, responsible for implementing the La Virgen HPP;

Total Debt Mar/21



Total Debt Dec/20



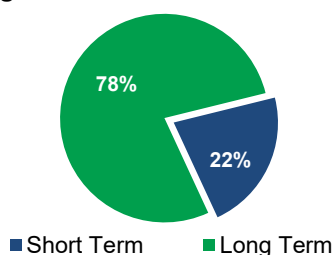
The gross debt of Alupar - Holding consists of 100% of issues of debentures, all indexed by IPCA or CDI, with a very long profile, with approximately 78% maturing in 2024 and 2025.

Short-term debt totaled **R\$ 182.3 million**, against **R\$ 169.6 million** in Dec /20. Of this amount, R\$ 172.8 mm refer to the 2nd installment of the VI debenture issue, which was paid on April 15, 2021.

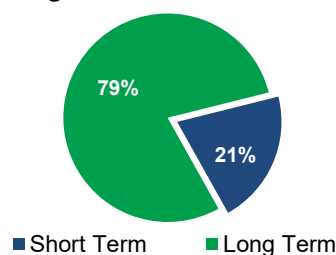
For more information on the Indebtedness of Alupar - Holding, please refer to Explanatory Notes 19 “Loans and Financing” and 20 “Debentures” in the 1Q21 quarterly information.

Below is the debt profile for Alupar – Holding:

Holding Debt Profile - Mar/21



Holding Debt Profile - Dec/21





Consolidated:

Consolidated gross debt for Alupar and its subsidiaries totaled **R\$ 9,115.5 million** in 1Q21, compared to **R\$ 8,975.5 million** in Dec/20. This variation is mainly explained by:

- (i) a **R\$ 12.8 million** increase in Alupar - Holding, as previously explained;
- (ii) provisions for charges and monetary variations of subsidiaries, totaling **R\$ 232.7 million**;
- (iii) payment of subsidiary debt charges, in the amount of **R\$ 133.3 million**;
- (iv) amortization of principal for subsidiary debts, in the amount of **R\$ 101.9 million**;
- (v) an increase of **R\$ 91.9 million**, due to the exchange rate variation in debts for La Virgen HPP and Morro Azul SHPP; and
- (vi) release of the 2nd parcel of the bridge loan for Alupar Colombia, in the amount of **R\$37.8 millio**.

Cash and cash equivalents / short-term investments / securities totaled **R\$ 1,996.2 million** in 1Q21, against **R\$ 2,183.7 million** in Dec/20. This variation of **R\$ 187.5 million** in cash was mainly due to:

- (i) a **R\$ 61.4 million** reduction in Alupar – Holding, as previously explained; and
- (ii) a **R\$ 136.4 million** reduction in cash for transmission companies TSM and ESTE, due to the investments carried out for the implementation of these assets;

Net debt in 1Q21 totaled **R\$ 7,119.3 million**, compared to **R\$ 6,791.7 million** in Dec/20.



In 1Q21, short-term debt totaled **R\$ 1,010.2 million** (11.1% of total debt), compared to **R\$ 823.6 million** in Dec/20.

11.1% of short term debt, 37.9% or R\$ 383.0 million, refers to bridges loans, with maturity until March/2022.

Of the consolidated gross debt: (i) **R\$ 829.6 million** refers to Alupar – Holding; (ii) **R\$ 6,278.5 million** are for operating companies, whose account payables are compatible with their respective cash generations; and (iii) **R\$ 2,007.4 million** are for projects being implemented, namely:

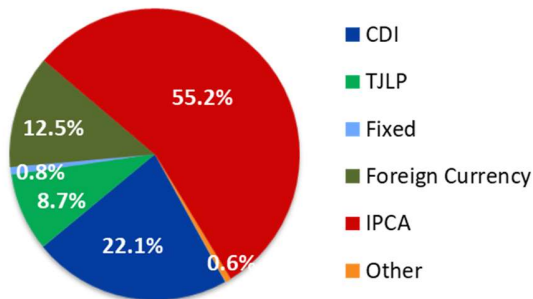
- R\$ 708.9 million** to Alupar Peru / La Virgen for the implementation of the La Virgen HPP;
- R\$ 286.1 million** for the implementation of transmission company TCE (Colombia);
- R\$ 445.1 million** for the implementation of transmission company ESTE;
- R\$ 567.3 million** for the implementation of transmission company TSM;

In 1Q21, debenture issues corresponded to **R\$ 6,517.7 million**, or 72% of total debt. The debentures were issued by: (i) Alupar – Holding, with a balance of **R\$ 829.6 million**; (ii) operating subsidiaries, totaling **R\$ 4,675.6 million**; and (iii) projects being implemented, with a balance of **R\$ 1,012.4 million**.

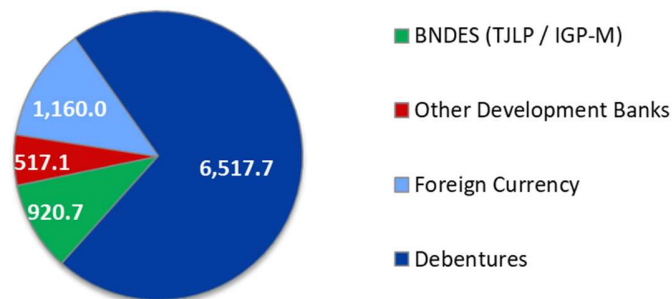
Debt in foreign currency totaled **R\$ 1,160.0 million**, or 12.7% of total debt, and are allocated to generation and transmission projects in Peru and Colombia.



Gross Debt by Index (%)

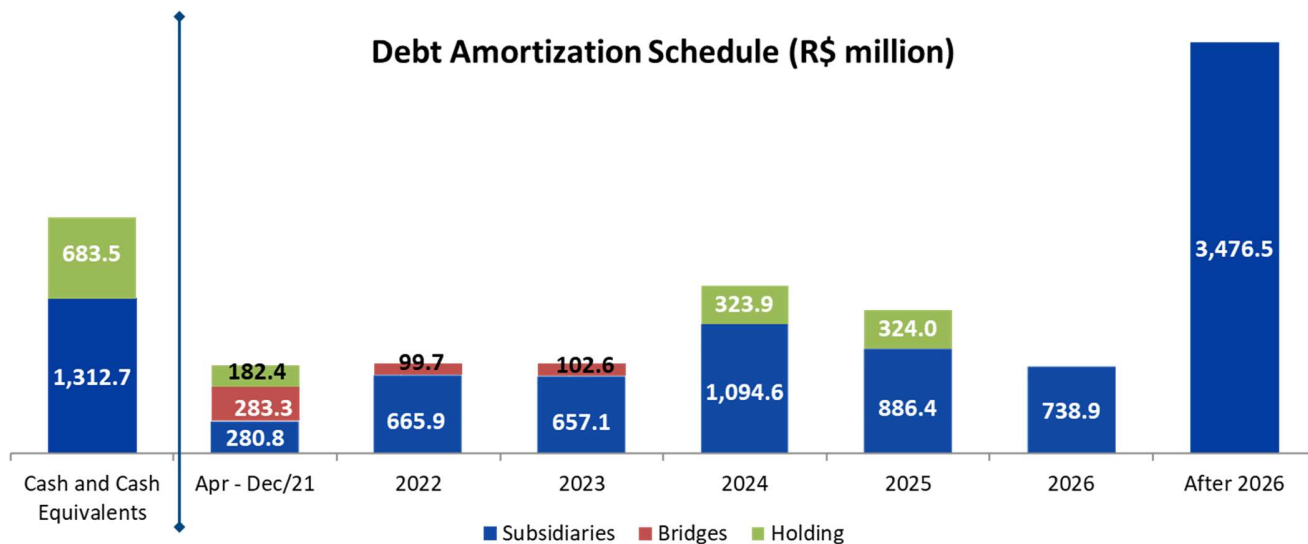


Gross Debt Composition (R\$ MM)



Alupar's consolidated debt profile is quite lengthy, consistent with the Company's low-risk business nature, high predictability of revenues and strong operating cash generation from the transmission and generation of electric power segments.

Debt Amortization Schedule (R\$ million)



BRIDGES (MM)	Apr - Dec/21	2022	2023
La Virgen / Alupar Inversiones	R\$ 102.6	R\$ 99.7	R\$ 102.6
TCE (Colombia)	R\$ 180.7		
TOTAL	R\$ 283.3	R\$ 99.7	R\$ 102.6

Fitch Ratings

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



São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1909
Vila Nova Conceição, São Paulo - SP, 04543-011

Tel: +55 11 2573 3000
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A free translation from Portuguese into English of Independent Auditor's Review Report on Individual and Consolidated Interim Financial Information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and Accounting Pronouncement NBC TG 21 and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and specific CVM rules.

INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

The Shareholders, Board of Directors and Officers
Alupar Investimento S.A.
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Alupar Investimento S.A. (the "Company"), for the quarter ended March 31, 2021, comprising the statement of financial position as of March 31, 2021 and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for the three-month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 (R4) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this financial information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with NBC TG 21 (R4) and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).



São Paulo Corporate Towers
Av. Presidente Juscelino Kubitschek, 1909
Vila Nova Conceição, São Paulo - SP, 04543-011

Tel: +55 11 2573 3000
ey.com.br

Emphasis of matter - Restatement of corresponding figures

We draw attention to Note 2.4 to the interim financial information, in which the Company discloses that, due to the recognition of the effects of the revision of the discount rates of the financial flows of the concession contracts and the respective revision of the construction and O&M margins, including the respective tax effects, the corresponding figures for the quarter ended March 31, 2020, presented for comparison purposes, have been adjusted and are restated as provided for in NBC TG 23 - Accounting Policies, Change in Estimates and Errors. Our conclusion is not modified in respect of this matter.

Other matters

Statements of value added

The abovementioned quarterly information includes the individual and consolidated statements of value added (SVA) for the three-month period ended March 31, 2021, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 – Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with the criteria defined in referred to Standard and consistently with the overall individual and consolidated interim financial information.

São Paulo, May 10, 2021.

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

Rita de C. S. Freitas
CRC 1SP214160/O-5

Balance Sheets

As at March 31, 2021 and December 31, 2020

(All amounts in thousands of reais)

	Note	Company		Consolidated	
		3/31/2021	12/31/2020	3/31/2021	12/31/2020
Assets					
Current assets		1,104,245	1,221,435	4,024,296	4,084,394
Cash and cash equivalents	5	126,076	189,784	523,159	674,609
Short-term investments	6	557,435	555,099	1,365,101	1,405,506
Marketable securities	7	-	-	3,118	767
Trade receivables	8	19,128	32,179	338,682	415,353
Dividends receivable	29	344,691	390,119	75	75
Income tax and social contribution to be offset	28	25,410	26,032	73,227	81,684
Other taxes to be offset		5,272	5,191	65,943	59,476
Inventories		-	-	7,969	7,856
Prepaid expenses		53	63	4,979	5,828
Collaterals and escrow deposits	21	-	-	384	384
Contractual concession asset	9	-	-	1,499,674	1,290,362
Other receivables		26,180	22,968	141,985	142,494
Non-current assets		6,094,873	5,631,368	19,509,671	18,492,116
<u>Long-term receivables</u>		<u>96,335</u>	<u>104,459</u>	<u>14,415,382</u>	<u>13,486,495</u>
Trade receivables	8	-	-	25,705	20,903
Marketable securities	7	-	-	104,802	102,852
Income tax and social contribution to be offset	28	-	-	3,187	3,187
Other taxes to be offset		-	-	3,640	3,640
Deferred income tax and social contribution	28	-	-	10,135	6,688
Prepaid expenses		-	-	8,886	9,203
Collaterals and escrow deposits	21	789	778	15,298	15,333
Contractual concession asset	9	-	-	14,229,758	13,310,348
Advance for future capital increase	29	95,465	103,600	-	-
Other receivables		81	81	13,971	14,341
Investments in subsidiaries	10	5,805,054	5,334,961	-	-
Investments in joint ventures	10	129,200	127,734	129,200	127,734
Investment properties		7,731	7,731	7,731	7,731
Property, plant and equipment	12	2,062	2,189	4,756,788	4,672,156
Intangible assets	13	54,491	54,294	200,570	198,000
Total assets		7,199,118	6,852,803	23,533,967	22,576,510

The accompanying notes are an integral part of this interim financial information.

Balance Sheets

As at March 31, 2021 and December 31, 2020

(All amounts in thousands of reais)

Note	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Liabilities				
Current liabilities	453,902	449,186	2,359,359	2,290,153
Loans and financing	19	-	576,435	363,798
Debentures	20	182,311	169,588	433,723
Trade payables	14	17,736	26,742	196,576
Payroll, vacations and related charges		7,028	6,007	57,887
Income tax and social contribution	28	-	-	25,513
Regulatory charges	17	-	-	63,146
Other taxes payable		119	156	42,597
Leases		526	514	9,107
Deferred social contribution and regulatory charges	18	-	-	118,567
Dividends payable	29	246,153	246,153	493,831
Advances from customers		-	-	2,064
Provision for environmental compensations	15	-	-	13,619
Provision for asset recognition	16	-	-	296,479
Provision for contingencies	21	-	-	-
Other payables		29	26	29,815
Non-current liabilities	653,443	653,499	11,564,077	11,341,675
Loans and financing	19	-	-	2,021,324
Debentures	20	647,338	647,253	6,083,986
Leases		991	1,132	29,628
Advance for future capital increase		-	-	293
Deferred income tax and social contribution	28	-	-	2,111,989
Deferred social contribution and regulatory charges	18	-	-	1,238,088
Provision for environmental compensations	15	-	-	19,180
Provision for asset recognition	16	-	-	9,227
Provision for contingencies	21	5,114	5,114	15,055
Other payables		-	-	35,307
Total liabilities	1,107,345	1,102,685	13,923,436	13,631,828
Equity	22	6,091,773	5,750,118	9,610,531
Subscribed and paid-in capital		2,981,996	2,981,996	2,981,996
(-) Share issuance costs		(65,225)	(65,225)	(65,225)
Capital reserve		20,515	20,515	20,515
Earnings reserves		2,727,377	2,727,379	2,727,377
Retained earnings		323,416	-	323,416
Other comprehensive income		103,694	85,453	103,694
Non-controlling interest	11	-	-	3,518,758
Total liabilities and equity		7,199,118	6,852,803	23,533,967
			22,576,510	

The accompanying notes are an integral part of this interim financial information.

Alupar Investimento S.A.

Statements of Income

Three-month periods ended March 31, 2021 and 2020

(All amounts in thousands of reais, except earnings per share)

Note	Company		Consolidated	
	Period ended		Period ended	
	3/31/2021	3/31/2020 (Restatement)	3/31/2021	3/31/2020 (Restatement)
Operation and maintenance revenue, Infrastructure revenue and Power supply	16,916	37,229	713,459	958,655
Concession asset payment	-	-	888,015	345,106
Net operating revenue	16,916	37,229	1,601,474	1,303,761
Power purchased for resale	(18,153)	(40,688)	(26,695)	(32,699)
Power grid charges (CUST)	-	-	(7,965)	(7,976)
Financial Compensation for the Use of Water Resources	-	-	(2,650)	(2,064)
Services provided	(438)	(492)	(68,357)	(61,219)
Infrastructure cost	-	-	(393,249)	(500,082)
Cost of services	(18,591)	(41,180)	(498,916)	(604,040)
Gross profit (loss)	(1,675)	(3,951)	1,102,558	699,721
Operating revenues (expenses)				
General and administrative expenses	(7,101)	(7,745)	(25,937)	(30,294)
Other revenues	-	-	1,306	661
Other expenses	-	-	(708)	(3)
Equity pick up of subsidiaries	325,728	232,891	1,466	645
	318,627	225,146	(23,873)	(28,991)
Income before finance income (costs) and taxes	316,952	221,195	1,078,685	670,730
Finance costs	(13,336)	(20,072)	(220,925)	(110,320)
Finance income	19,800	10,491	10,815	18,050
Finance income (costs)	6,464	(9,581)	(210,110)	(92,270)
Income before taxation	323,416	211,614	868,575	578,460
Current income tax and social contribution	-	-	(25,465)	(34,724)
Deferred income tax and social contribution	-	-	(182,223)	(105,809)
Taxes on income	-	-	(207,688)	(140,533)
Net income for the period	323,416	211,614	660,887	437,927
Attributed to controlling shareholders			323,416	211,614
Attributed to non-controlling interest	11		337,471	226,313
Basic and diluted earnings per common share	23		0.36789	0.24071
Basic and diluted earnings per preferred share	23		0.36789	0.24071

The accompanying notes are an integral part of this interim financial information.

Alupar Investimento S.A.

Statements of Comprehensive Income
 Three-month periods ended March 31, 2021 and 2020
 (All amounts in thousands of reais)

Note	Company		Consolidated		
	Period ended		Period ended		
	3/31/2021	3/31/2020 (Restatement)	3/31/2021	3/31/2020 (Restatement)	
Net income for the period	323,416	211,614	660,887	437,927	
Accumulated conversion adjustments (i)	22	18,241	24,873	18,074	24,873
Comprehensive income for the period	341,657	236,487	678,961	462,800	
Attributed to controlling shareholders			341,657	236,487	
Attributed to non-controlling interest			337,304	226,313	

- (i) The accumulated amounts of foreign exchange variations related to conversion adjustments of subsidiaries abroad, recognized in other comprehensive income, will be subsequently reclassified to the result for the period, only at the time of the disposal of an entity abroad, or in the loss of control.

The accompanying notes are an integral part of this interim financial information.

Alupar Investimento S.A.

Statements of Changes in Equity

Three-month periods ended March 31, 2021 and 2020

(All amounts in thousands of reais)

Description	Period ended March 31, 2021			Retained earnings			Retained earnings	Other comprehensive income (loss)	Total Company	Non-controlling interest	Total Consolidated
	Capital	(-) Share issuance costs	Capital reserve	Legal reserve	Unrealized earnings reserve	Investment reserve					
BALANCE AS AT JANUARY 1, 2021	2,981,996	(65,225)	20,515	229,790	422,029	2,075,560	-	85,453	5,750,118	3,194,564	8,944,682
<u>Comprehensive income (loss)</u>											
Net income for the period	-	-	-	-	-	-	323,416	-	323,416	337,471	660,887
Accumulated conversion adjustments for the period	-	-	-	-	-	-	-	18,241	18,241	(167)	18,074
<u>Capital transaction with partners</u>											
Capital increase - non-controlling interest	-	-	-	-	-	-	-	-	-	48,265	48,265
Dividends	-	-	-	-	-	-	-	-	-	(61,360)	(61,360)
Others modifications	-	-	-	-	-	(2)	-	-	(2)	(15)	(17)
BALANCES AS AT MARCH 31, 2021	2,981,996	(65,225)	20,515	229,790	422,029	2,075,558	323,416	103,694	6,091,773	3,518,758	9,610,531

Description	Period ended March 31, 2020 (Restatement)			Retained earnings			Retained earnings	Other comprehensive income (loss)	Total Company	Non-controlling interest	Total Consolidated
	Capital	(-) Share issuance costs	Capital reserve	Legal reserve	Unrealized earnings reserve	Investment reserve					
BALANCE AS AT JANUARY 1, 2020	2,981,996	(65,225)	15,450	182,686	220,689	1,628,067	-	38,526	5,002,189	2,537,876	7,540,065
<u>Comprehensive income (loss)</u>											
Net income for the period	-	-	-	-	-	-	211,614	-	211,614	226,313	437,927
Accumulated conversion adjustments for the period	-	-	-	-	-	-	-	24,873	24,873	-	24,873
<u>Capital transaction with partners</u>											
Capital increase - non-controlling interest	-	-	-	-	-	-	-	-	-	7,152	7,152
Dividends	-	-	-	-	-	-	-	-	-	(128,132)	(128,132)
BALANCES AS AT MARCH 31, 2020	2,981,996	(65,225)	15,450	182,686	220,689	1,628,067	211,614	63,399	5,238,676	2,643,209	7,881,885

The accompanying notes are an integral part of this interim financial information.

Alupar Investimento S.A.

Statements of Cash Flows

Three-month periods ended March 31, 2021 and 2020

(All amounts in thousands of reais)

	Company		Consolidated	
	3/31/2021	3/31/2020 (Restatement)	3/31/2021	3/31/2020 (Restatement)
Cash flow from operating activities				
Income before taxation	323,416	211,614	868,575	578,460
Adjustments to profit to:				
Depreciation and amortization	522	474	29,436	27,964
Equity pick up of subsidiaries	(325,728)	(232,891)	(1,466)	(645)
Debt and leases charges	12,837	19,682	243,599	220,689
Other adjustments for inflation and exchange rate changes, net	-	-	34,972	7,143
Finance income	(2,337)	(9,379)	(6,628)	(29,695)
Derecognition of property, plant and equipment and intangible assets	-	-	966	357
Others	-	(575)	1,328	769
Taxes on revenues (PIS and COFINS) and deferred regulatory charges	-	-	100,811	86,098
	8,710	(11,075)	1,271,593	891,140
(Increase) decrease in assets				
Trade receivables	13,051	21,383	71,869	26,455
Contractual concession asset	-	-	(1,128,722)	(921,274)
Recoverable taxes	541	(733)	1,990	(18,084)
Inventories	-	-	(113)	121
Other	(3,213)	1,358	2,080	9,215
	10,379	22,008	(1,052,896)	(903,567)
Increase (decrease) in liabilities				
Trade payables	(9,006)	(29,069)	(148,692)	(59,374)
Regulatory and sector fees	-	-	4,365	2,149
Payroll, vacations and other charges	1,021	222	104	(1,563)
Contributions and taxes payable	(37)	-	(44,806)	(7,960)
Provisions for asset recognition and environmental costs	-	-	115,387	(1,509)
Advances from customers	-	-	608	2,961
Other	3	(71)	(1,257)	23,370
	(8,019)	(28,918)	(74,291)	(41,926)
Cash provided by (used in) operating activities	11,070	(17,985)	144,406	(54,353)
Income tax and social contribution	-	-	(67,436)	(53,823)
Net cash provided by (used in) operating activities	11,070	(17,985)	76,970	(108,176)
Cash flow from investing activities				
Capital increase in investees	(184,767)	(2,448)	-	-
Payment for acquisition of investments	-	-	-	(9,594)
Advance for future capital increase paid	(2,374)	(60,078)	-	-
Redemption of short-term investments	-	49,794	609,412	758,998
Short-term investments	-	(25,540)	(566,679)	(653,071)
Dividends received	112,846	27,950	-	-
Purchase of property, plant and equipment	(41)	(84)	(39,872)	(57,285)
Purchase of intangible assets	(306)	(165)	(3,165)	(8,775)
Net cash provided by (used in) investing activities	(74,642)	(10,571)	(304)	30,273
Cash flow from financing activities				
Capital increase - non-controlling interest	-	-	48,264	7,152
Dividends paid	-	-	(77,004)	(27,109)
Lease paid	(136)	(184)	(2,818)	(1,722)
Debts	-	-	37,773	-
Interest on loans and debentures	-	-	(133,287)	(136,550)
Payment of principal of loans and debentures	-	-	(101,942)	(167,245)
Net cash used in financing activities	(136)	(184)	(229,014)	(325,474)
Exchange rate changes on cash and cash equivalents	-	-	898	6,278
Net decrease in cash and cash equivalents	(63,708)	(28,740)	(151,450)	(397,099)
Decrease in cash and cash equivalents				
Balance at the beginning of the year	189,784	39,474	674,609	1,025,204
Balance at the end of the year	126,076	10,734	523,159	628,105
Net decrease in cash and cash equivalents	(63,708)	(28,740)	(151,450)	(397,099)

The accompanying notes are an integral part of this interim financial information.

Alupar Investimento S.A.

Statements of Value Added

Three-month periods ended March 31, 2021 and 2020

(All amounts in thousands of reais)

	Company		Consolidated	
	3/31/2021	3/31/2020 (Restatement)	3/31/2021	3/31/2020 (Restatement)
Revenues				
Operation and maintenance revenue	-	-	94,801	63,524
Infrastructure revenue	-	-	505,633	811,777
Concession financial asset payment	-	-	976,410	379,769
Power supply	18,638	40,753	181,526	179,039
Revenue associated with the construction of own assets	-	-	44,083	-
Other revenues	-	-	1,306	661
	<u>18,638</u>	<u>40,753</u>	<u>1,803,759</u>	<u>1,434,770</u>
(-) Inputs from third parties				
Power purchased for resale	(18,153)	(40,688)	(26,695)	(32,699)
Power grid charges	-	-	(7,965)	(7,976)
Financial Compensation for the Use of Water Resources	-	-	(2,650)	(2,064)
Infrastructure cost	-	-	(355,661)	(500,082)
Outsourced services	(1,169)	(3,032)	(20,514)	(23,173)
Materials	(18)	(28)	(4,762)	(2,290)
Other costs	(93)	(211)	(3,777)	(6,679)
	<u>(19,433)</u>	<u>(43,959)</u>	<u>(422,024)</u>	<u>(574,963)</u>
(-) Depreciation and amortization	(522)	(473)	(29,631)	(27,964)
Wealth received in transfer				
Equity pick up of subsidiaries	325,728	232,891	1,466	645
Finance income	20,766	11,002	13,387	18,564
	<u>346,494</u>	<u>243,893</u>	<u>14,853</u>	<u>19,209</u>
Wealth for distribution	345,177	240,214	1,366,957	851,052
Wealth distributed				
Personnel				
Direct compensation	3,943	2,774	27,849	18,808
Benefits	545	710	6,367	4,483
F.G.T.S	224	213	1,883	1,205
	<u>4,712</u>	<u>3,697</u>	<u>36,099</u>	<u>24,496</u>
Taxes, rates and contributions				
Federal	3,604	4,851	372,222	276,530
State	-	-	2,353	204
Municipal	63	66	278	246
	<u>3,667</u>	<u>4,917</u>	<u>374,853</u>	<u>276,980</u>
Lenders and lessors				
Interest and changes in exchange rates	12,819	19,640	263,582	107,397
Rentals	46	(86)	2,592	1,329
Other costs	517	432	28,944	2,923
	<u>13,382</u>	<u>19,986</u>	<u>295,118</u>	<u>111,649</u>
Shareholders				
Earnings reserves	323,416	211,614	323,416	211,614
Non-controlling interest	-	-	337,471	226,313
	<u>323,416</u>	<u>211,614</u>	<u>660,887</u>	<u>437,927</u>
	345,177	240,214	1,366,957	851,052

The accompanying notes are an integral part of this interim financial information.

Notes to the interim financial information

1. Operations

Alupar Investimento S.A. (“Company” or “Alupar”) is a publicly-held corporation, CNPJ 08.364.948/0001-38, whose shares are traded on the São Paulo Stock Exchange (B3 S.A. – Brasil, Bolsa Balcão), under code ALUP11. The Company is domiciled in Brazil, headquartered in the City of São Paulo, State of São Paulo, at Rua Gomes de Carvalho, 1996, 16th floor, mainly engaged in the investment in other entities operating in the energy and infrastructure industries, both in Brazil and abroad, either as a shareholder or quotaholder; generation, transformation, transportation, distribution and trading of energy in any form; preparation of feasibility studies and projects; construction, operation and maintenance of power plants, transmission and transportation lines, substations and distribution network, as well as any other related or supplementary services; and any other services or activities in the infrastructure sector.

The Company is a direct subsidiary of Guarupart Participações Ltda. (“Guarupart”) and has interests in entities that holds electric energy transmission and generation service concessions and/or authorizations, in addition to holdings and entities operating in other industries, as follows:

• Electric energy transmission:

Companies (abbreviation)	Localization/connection	Concession Agreement nº	Concession period (start/end)	Start date of operation	Line extension (km)	Tension (Kv)	Contract adjustment rate	50% reduction of APR beginning 16th year of operation	Expected taxation review
Subsidiaries:									
Empresa Paraense de Transmissão de Energia S.A. ('EETEP')	Tucuruí (PA) - Vila Conde (PA)	043/2001	06/12/01 06/12/31	08/25/02	323	500	IGP-M	Yes	No
Empresa Yesrte de Transmissão de Energia S.A. ('ENTE')	Tucuruí (PA) - Açailândia (MA)	085/2002	12/11/02 12/11/32	02/12/05	464	500	IGP-M	Yes	No
Empresa Regional de Transmissão de Energia S.A. ('ERTE')	Vila Conde (PA) - Santa Maria (PA)	083/2002	12/11/02 12/11/32	09/15/04	179	230	IGP-M	Yes	No
Empresa Amazonense de Transmissão de Energia S.A. ('EATE')	Tucuruí (PA) - Presidente Dutra (PA)	042/2001	06/12/01 06/12/31	03/10/03	924	500	IGP-M	Yes	No (*)
Empresa Catarinense de Transmissão de Energia S.A. ('ECTE')	Campos Yesvos (SC) - Blumenau (SC)	088/2000	11/01/00 11/01/30	03/26/02	253	525	IGP-M	Yes	No
Sistema de Transmissão Yesrdeste S.A. ('STN')	Teresina (PI) - Fortaleza (CE)	005/2004	02/18/04 02/18/34	01/01/06	541	500	IGP-M	Yes	No
Companhia Transleste de Transmissão ('Transleste')	Irapé (MG) - Montes Claros (MG)	009/2004	02/18/04 02/18/34	12/18/05	150	345	IGP-M	Yes	No
Companhia Transsudeste de Transmissão ('Transsudeste')	Itutinga (MG) - Juiz de Fora (MG)	005/2005	03/04/05 03/04/35	02/23/07	140	345	IGP-M	Yes	No
Companhia Transirapé de Transmissão ('Transirapé')	Irapé (MG) - Araçuaí (MG)	012/2005	03/15/05 03/15/35	05/23/07	65	230	IGP-M	Yes	No
Sistema de Transmissão Catarinense S.A. ('STC')	Barra Grande (SC) - Lages (SC) - Rio Sul (SC)	006/2006	04/27/06 04/27/36	11/08/07	195	230	IPCA	Yes	No
Lumitrans - Companhia Transmissora de Energia Elétrica ('Lumitrans')	Machadinho (SC) - Campos Yesvos (SC)	007/2004	02/18/04 02/18/34	10/03/07	51	525	IGP-M	Yes	No
Empresa de Transmissão do Espírito Santo S.A. ('ETES')	Verona (ES) - Mascarenhas (ES)	006/2007	04/20/07 04/20/37	12/12/08	107	230	IPCA	Yes	Yes
Empresa Brasileira de Transmissão de Energia S.A. ('EBTE')	Juba (MG) - Juína (MG)	011/2008	10/16/08 10/16/38	06/30/11	775	230	IPCA	No	Yes
Empresa Santos Dumont de Energia S.A. ('ESDE')	Subestação Santos Dummond (MG)	025/2009	11/19/09 11/19/39	02/06/13	Substation	138/345	IPCA	No	Yes
Empresa de Transmissão de Energia do Mato Grosso S.A. ('ETEM')	Yesva Mutum (MT) - Yesbres (MT) - Cuiabá (MT)	005/2010	07/12/10 07/12/40	12/16/11	235	230	IPCA	No	Yes
Empresa de Transmissão de Varzea Grande S.A. ('ETVG')	Subestação Várzea Grande (MT)	018/2010	12/23/10 12/12/40	12/23/12	Substation	138/230	IPCA	No	Yes
Empresa de Transmissão Serrana S.A. ('ETSE')	Subestação Abdon Batista / Gaspar (SC)	006/2012	05/10/12 05/10/42	12/01/14	Substation	230/525 138/230	IPCA	No	Yes
Empresa Litorânea de Transmissão de Energia S.A. ('ELTE')	Henry Borden (SP) - MaYesel da Nóbrega (SP)	016/2014	09/05/14 09/05/44	Pre-operating	SE+40 Km	230/345	IPCA	No	Yes
Empresa Transmissora Agreste Potiguar S.A. ('ETAP')	Rio Grande do Yesrte (RN)	013/2016	09/02/16 09/02/46	04/06/19	SE+20 Km	500/230	IPCA	No	Yes
Empresa Transmissora Capixaba S.A. ('ETC')	Subestação Rio Yesvo do Sul (ES)	020/2016	09/02/16 09/02/46	09/23/19	Substation	345/138	IPCA	No	Yes
Transmissora Caminho do Café S.A. ('TCC')	Minas Gerais (MG) - Espírito Santo (ES)	006/2017	02/10/17 02/10/47	03/19/21	288	500	IPCA	No	Yes
Transmissora Paraíso De Energia S.A. ('TPE')	Bahia (BA) - Minas Gerais (MG)	002/2017	02/10/17 02/10/47	10/25/20	541	500	IPCA	No	Yes
Empresa Sudeste de Transmissão de Energia S.A. ('ESTE')	Mesquita (MG) - João Neiva (ES)	019/2017	02/10/17 02/10/47	Pre-operating	236	500	IPCA	No	Yes
Transmissora Serra da Mantiqueira S.A. ('TSM')	São Paulo (SP) - Rio de Janeiro (RJ)	037/2017	08/11/17 08/11/47	Pre-operating	330	500	IPCA	No	Yes

Notes to the interim financial information

Companies (abbreviation)	Localization/connection	Concession Agreement nº	Concession period (start/end)	Start date of operation	Line extension (km)	Tension (Kv)	Contract adjustment rate	50% reduction of APR beginning 16th year of operation	Expected taxation review
Subsidiaries:									
Transmissora Colombiana de Energia S.A.S ESP (**) ('TCE')	Virginia-Nueva Esperanza - Colombia	UPME 07-2016	11/28/16 Indefinite	Pre-operating	200	500	IPP	No	Yes
Empresa Diamantina de Transmissão de Energia S.A. ('EDTE')	Ibicoara (BA) - Ibicoara (BA)	015/2016	12/01/16 12/01/46	01/20/20	170	500	IPCA	No	Yes
Amazônia - EletroYesrte Transmissora de Energia S.A. ('AETE')	Rondonópolis (MT) - Cuiabá (MT)	008/2004	02/18/04 03/18/34	08/19/05	193	230	IGP-M	Yes	No
Transmissora Matogrossense de Energia S.A. ('TME')	Jauru (MT) - Cuiabá (MT)	023/2009	11/19/09 11/19/39	11/22/11	348	500/230	IPCA	No	Yes
ETB - Empresa de Transmissão Baiana S.A. ('ETB')	Bom Jesus da Lapa (BA)	011/2016	09/29/16 09/29/46	10/16/20	446	500	IPCA	No	Yes
Joint ventures:									
TransYesrte Energia S.A. (***) ('TNE')	Boa Vista (RR) - Equador (RR) - Lechuga (AM)	003/2012	01/25/12 01/25/42	Pre-operating	715	500	IPCA	No	Yes
Total under operation					6,408				
Total under construction					1,521				

(* The EATE has tariff review for the period to RBNI (see note 9). (**) Concession of TCE is located in Colombia, the applicable regulatory rules in this country differ from the rules applicable in Brazil. (***) The TNE partially entered into commercial operation, see note 10.

Electric energy generation:

Companies (abbreviation)	Location	Concession Agreement/Authorization nº	Concession Term		Start date of operation	Installed capacity - MW	Guaranteed energy - MW
			Start	End			
Subsidiaries:							
Foz do Rio Claro Energia S.A. ('Foz')	Rio Claro - Caçu (GO) e São Simão (GO)	005/2006	08/15/06	08/15/41	08/05/10	68.4	41.0
Ijuí Energia S.A. ('Ijuí')	Rio Ijuí - Rolador (RS) e Salvador das Mi:	006/2006	08/15/06	08/15/41	03/29/11	51.0	30.4
Usina Paulista Lavrinhas de Energia S.A. ('Lavrinhas')	Rio Paraíba do Sul - Lavrinhas (SP)	138/2004 and 716/2006	04/07/04	04/07/34	09/03/11	30.0	21.4
Usina Paulista Queluz de Energia S.A. ('Queluz')	Rio Paraíba do Sul - Queluz (SP)	139/2004 and 715/2006	04/07/04	04/07/34	08/12/11	30.0	21.4
Ferreira Gomes Energia S.A. ('Ferreira Gomes')	Rio Araguaí - Ferreira Gomes (AP)	002/2010	11/09/10	11/09/45	11/04/14	252.0	153.1
Energia dos Ventos I S.A. ('EDV I')	Aracati (CE)	Ordinance 431/12	07/17/12	07/17/47	04/22/16	23.1	11.8
Energia dos Ventos II S.A. ('EDV II')	Aracati (CE)	Ordinance 428/12	07/16/12	07/16/47	05/13/16	12.6	6.0
Energia dos Ventos III S.A. ('EDV III')	Aracati (CE)	Ordinance 433/12	07/19/12	07/19/47	03/03/16	18.9	9.6
Energia dos Ventos IV S.A. ('EDV IV')	Aracati (CE)	Ordinance 442/12	07/24/12	07/24/47	03/02/16	27.3	14.8
Energia dos Ventos X S.A. ('EDV X')	Aracati (CE)	Ordinance 435/12	07/19/12	07/19/47	03/02/16	16.8	8.7
Geração de Energia Termoeletrica e Participações S.A. ('GET')	Rio de Janeiro (RJ)	-	-	-	-	-	-
Risaralda Energia S.A.S.E.S.P. (*) ('Risaralda')	Rio Risaralda (PCH Morro Azul) - Colômbia	-	09/06/11	Indefinite	09/10/16	19.9	13.2
Verde 8 Energia S.A. ('Verde 8')	Rio Verde - Santa Helena de Goiás (GO)	3.702/12; 4.684/14 and 5.953/16	10/24/12	06/15/44	03/31/19	30.0	18.7
Água Limpa S.A. ('Água Limpa')	Rio Piracicaba - Antônio Dias (MG)	Ordinance 346/14	07/18/14	07/18/49	Pre-operating	23.0	11.9
La Virgen S.A.C. (*) ('La Virgen')	Rio Tarma - Perú	253/2005 - 313/2008	10/12/05	Indefinite	Pre-operating	84.0	49.3
Eolica do Agreste Potiguar I S.A. ('EAP I')	Jandaira (RN)	-	-	-	Pre-operating	23.1	20.5
Eolica do Agreste Potiguar II S.A. ('EAP II')	Jandaira (RN)	-	-	-	Pre-operating	35.7	12.7
Eolica do Agreste Potiguar III S.A. ('EAP III')	Jandaira (RN)	-	-	-	Pre-operating	-	-
Eolica do Agreste Potiguar IV S.A. ('EAP IV')	Jandaira (RN)	-	-	-	Pre-operating	-	-
Eolica do Agreste Potiguar V S.A. ('EAP V')	Jandaira (RN)	-	-	-	Pre-operating	-	-
Eolica do Agreste Potiguar VI S.A. ('EAP VI')	Jandaira (RN)	-	-	-	Pre-operating	-	-
Eolica do Agreste Potiguar VII S.A. ('EAP VII')	Jandaira (RN)	-	-	-	Pre-operating	-	-
Total under operation						580.0	350.1
Total under construction						165.8	94.4

(* The concessions of Risaralda and La Virgen are located in Colombia and Peru, respectively; therefore, the applicable regulatory rules in these countries differ from the regulatory rules applicable in Brazil.

Holdings and other industries:

Companies (abbreviation)	Activity
Subsidiaries:	
Alupar Chile Inversiones SpA ("Alupar Chile")	Holding
Alupar Colombia S.A.S ("Alupar Colombia")	Holding - parent of Risaralda and TCE
Alupar Inversiones Peru S.A.C. ("Alupar Peru")	Holding - parent of La Virgen
Apaete Participações em Transmissão S.A. ("Apaete") (nota 11)	Holding - parent of AETE
Transminas Holding S.A. ("Transminas")	Holding - interest in Transleste, Transudeste and Transirapé
Transmissoras Reunidas S.A. ("Transmissoras Reunidas")	Holding
Windepar Holding S.A. ("Windepar")	Holding - parent of EDV I, EDV II, EDV III, EDV IV and EDV X
AF Energia S.A. ("AF")	Provider of operation and maintenance services
ACE Comercializadora Ltda. ("ACE")	Electric energy trading company

Notes to the interim financial information

1.1. Impacts of COVID-19

The Company's management continues to adopt all monitoring and prevention measures for Covid-19, disclosed in note 1.1. of the annual financial statements for the year ended December 31, 2020, issued on March 22, 2021.

Regarding the accounting balances, the possible impacts were evaluated, as follows:

Regarding their investments, no subsequent devaluation was identified, the Company and its subsidiaries mitigate the risks of volatility in the financial market by investing in investments that have low volatility risk, in view of their conservative profile.

The businesses of Alupar's subsidiaries have predictable revenue, readjusted by inflation and long-term, ensured by the regulatory models of our segments, with no risk of demand, as it does not depend on the volume of electricity consumed or on energy prices. Accordingly, the management of the Company and its subsidiaries does not consider that there is a risk of realization of its receivables. There was no significant variation in defaults as a result of COVID-19 in the three-month period ended March 31, 2021.

On May 18, 2020, ANEEL published Decree No. 10,350/2020, which created the Conta-COVID, a measure to help the electric sector from the impacts of the crisis caused by the coronavirus. This account received funds from bank loans contracted by the Electric Energy Trading Chamber and destined to cover deficits or to anticipate revenues, total or partial, from the distributors, in order to balance their cash. This ensures the maintenance of the flow of funds to generators and transmitters, mitigating the risk of future default. On June 23, 2020, ANEEL approved the regulation of the COVID-Account.

Currently, with the exception of the construction of the plant of the indirect subsidiary La Virgen, located in Peru, there is no forecast of a delay in construction in progress that could affect the infrastructure revenues included in its estimates for recoverability of the consolidated deferred income tax and for the analysis impairment of its subsidiaries. Regarding the La Virgen plant, as it is a long-term investment and has an indefinite concession period, the Company's management did not identify any impacts on the realization of its fixed assets due to the delay in its construction. In addition, all projects under implementation in Brazil have already made their respective long-term funding, with no new funding required in the short term.

Based on the above assessment, on March 31, 2021 and until the date of issuance of this interim financial information, no significant impacts were identified on the business of the Company and its subsidiaries that could require disclosure or change in accounting assumptions used in the estimates made by the Company and its subsidiaries.

1.2. Renegotiation of the GSF (Generation Scaling Factor) – Hydroelectric power plants

On September 9, 2020, Law No. 14,052 was published, which amended Law No. 13,203, of December 8, 2015, establishing new conditions for renegotiating the hydrological risk assumed by hydroelectric generators with energy sale contracts in the Free Contracting Environment (ACL) and who participated in the Energy Reallocation Mechanism (MRE) in recent years. The objective of this Law is to compensate these hydroelectric generators for such risks whose effects are related to the anticipation of the physical guarantee of generation projects called structuring, as well as the delay in the start-up of the transmission facilities necessary for the flow of energy generation from these projects, in addition to thermal generation outside the order of merit. The compensation to hydroelectric generators will occur with the extension of the concession period for generation grants, limited to seven years, and will be subject to the withdrawal of any lawsuits or the right to discuss issues related to the MRE by the eligible agents, with no provision being made of risk premium payment.

On December 1, 2020, ANEEL regulated this Law through Normative Resolution No. 895, establishing the methodology for calculating the compensation to be paid to generators participating in the MRE, considering the potential generation of electricity from the structuring projects, if there was no restriction on the flow of energy, and the price of energy in the short-term market at the time of the restriction.

The Company's subsidiaries that will be entitled to this renegotiation are: Queluz, Lavrinhas, Ferreira Gomes, Verde 8, Foz do Rio Claro and Ijuí. On December 31, 2020, only subsidiaries Queluz and Lavrinhas had GSF balances payable, as a

Notes to the interim financial information

result of an injunction obtained from the Superior Court of Justice (STJ), which suspended the payment of GSF from the period from July 1, 2015 to February 7, 2018. The subsidiaries Ferreira Gomes, Foz do Rio Claro and Ijuí withdrew their lawsuits when they renegotiated the GSF of the Regulated Contracting Environment (ACR), which occurred in 2015, therefore, they have no outstanding payables. The subsidiary Verde 8 also has no outstanding GSF balances, from the period from July 1, 2015 to February 7, 2018, as it entered into commercial operation in March 2019.

The Electric Energy Trading Chamber - CCEE made the calculations and made ANEEL and the market available on March 2, 2021, the compensation applicable to the titleholders of the participating generators of the MRE, with grant in force on the date of publication of the Law.

The extension of the granting terms and amounts for each of the Company's subsidiaries are shown below:

Power plants	Extension of the concession period (months)	Amount
São José (Ijuí)	-	23
Foz do Rio Claro	1	364
Queluz	49	16,616
Lavrinhas	49	16,758
Ferreira Gomes	17	15,131
Verde 8	5	745

In the financial settlement of the CCEE held on March 9, 2021, the subsidiaries Queluz and Lavrinhas made the payment in the amount of R\$182,111, of the outstanding amounts referring to the GSF (note 14), using the amounts receivable, in the amount of R\$60,154, resulting from default by GSF injunctions (note 8), to deduct cash outflow. The payment of outstanding GSF values is also one of the precedent conditions for the renegotiation of hydrological risk. In addition, the subsidiaries Queluz and Lavrinhas did not abandon their injunctions.

The Company's subsidiaries did not recognize the extension rights related to their respective grants in the quarter ended March 31, 2021, as they were awaiting the disclosure of the final amounts by ANEEL, initially scheduled for April 2, 2021, to obtain the approval of their respective Governing Bodies and to withdraw their lawsuits, conditions precedent for receiving the compensation defined by Law No. 14,052. However, until the date of issuance of this interim financial information, there was no disclosure of the final amounts by ANEEL.

2. Presentation of interim financial information

2.1. Basis of preparation

The individual and consolidated interim financial information were prepared in accordance with NBC TG 21 (R4) – Interim Financial Reporting, issued by the Federal Accounting Council (CFC), and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), in accordance with the supplementary rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the Quarterly Information Form (ITR), and by the National Electric Energy Agency (ANEEL), when these are not in inconsistent with Brazilian or International practices.

2.2. Conformity declaration

All relevant information, specific to the interim financial information individual and consolidated, is being evidenced and correspond to that used in the management of the Company's operations and its subsidiaries.

Management evaluated the ability of the Company and its subsidiaries to continue, being convinced that it has the necessary resources and the ability to develop its business in the future on a continuous basis, without the knowledge of material uncertainties or probabilities that may generate significant doubts in relation to its continuity.

The interim financial information individual and consolidated was approved by the Company's Management and authorized for issuance on May 10, 2021.

2.3. Measurement basis

The interim financial information individual and consolidated was prepared based on the historical cost, except for certain financial instruments measured at their fair values under the accounting standards.

2.4. Restatement of interim financial information for the period ended March 31, 2020

On December 1, 2020, the CVM issued Circular Letter No. 4, which provided guidance on the relevant aspects of accounting practices introduced with the adoption of CPC 47 (IFRS 15) of CPC48 (IFRS 9) to be observed in the preparation of the Financial Statements of the Power Transmission Companies. Among the matters addressed in the Official Letter, the topics that had an impact on the Company and its subsidiaries were: (i) Contract Remuneration Rate - determination of construction margin and operating and maintenance margin, in which the contracts are remunerated at the remaining implicit rate;; (ii) Treatment of the Variable Portion (PV) - Variable Consideration - the PV must be estimated in the initial measurement of the contract and reviewed each year; (iii) segregation in a specific heading in the Statement of Income of the revenue from remuneration of the concession assets; and (iv) recognition of the impacts of the Periodic Tariff Review (RTP) due to changes in the regulatory base (BRR) or in the capital remuneration rate (regulatory WACC) in an heading below the operating margin.

As of December 31, 2020, the subsidiaries, based on the guidelines of the Official Letter, CPC 47 (IFRS 15) and CPC48 (IFRS 9), adjusted their accounting practices, and in accordance with paragraph 14 of CPC 23 / IAS 8 - Accounting policies, change of estimate and correction of error, the following balances presented in the quarterly information for March 31, 2020 are being restated as shown below:

Company	Note	Disclosed 3/31/2020	Impacts of Circular Letter n. 04/2020	Restatement 3/31/2020
Statement of Income and Comprehensive income				
Equity pick up of subsidiaries	iii	200,426	32,465	232,891
Other accounts not impacted		(21,277)	-	(21,277)
Net profit for the period	iii	179,149	32,465	211,614
Other comprehensive income to be reclassified to profit or loss for the period in subsequent periods - accumulated conversion adjustments		24,873	-	24,873
Comprehensive income for the period	iii	204,022	32,465	236,487
Statement of Cash flows				
Income before taxation	iii	179,149	32,465	211,614
Equity pick up of subsidiaries	iii	(200,426)	(32,465)	(232,891)
Other accounts not impacted		3,292	-	3,292
Net cash used in operating activities		(17,985)	-	(17,985)
Net cash used in investing activities		(10,571)	-	(10,571)
Net cash used in financing activities		(184)	-	(184)
Net decrease in cash and cash equivalents		(28,740)	-	(28,740)
Statement of Value Added				
Demais itens não impactados		(3,679)	-	(3,679)
Value added in transfer (Equity pick up of subsidiaries)	iii	211,428	32,465	243,893
Wealth for distribution		207,749	32,465	240,214
Wealth distributed		207,749	32,465	240,214
Earnings reserves	iii	179,149	32,465	211,614
Other accounts not impacted		28,600	-	28,600

Notes to the interim financial information

Consolidated	Note	Disclosed 3/31/2020	Impacts of Circular Letter n. 04/2020	Restatement 3/31/2020
Statement Income and Comprehensive income				
Net operating revenue	i e iv	1,216,927	86,834	1,303,761
Equity pick up of subsidiaries	iii	(1,451)	2,096	645
Deferred income tax and social contribution	iii	(77,273)	(28,536)	(105,809)
Other accounts not impacted		(760,670)	-	(760,670)
Net profit for the period	i, ii, iii e iv	377,533	60,394	437,927
Other comprehensive income to be reclassified to profit or loss for the period in subsequent periods - accumulated conversion adjustments		24,873	-	24,873
Comprehensive income for the period	i, ii, iii e iv	402,406	60,394	462,800
Earning per share				
Basic and diluted earnings per common share	i, ii, iii e iv	0.20378	0.03693	0.24071
Basic and diluted earnings per preferred share	i, ii, iii e iv	0.20378	0.03693	0.24071
Net profit for the period				
Attributed to controlling shareholders	i, ii, iii e iv	179,149	32,465	211,614
Attributed to non-controlling interest	i, ii, iii e iv	198,384	27,929	226,313
Comprehensive income for the period				
Attributed to controlling shareholders	i, ii, iii e iv	204,022	32,465	236,487
Attributed to non-controlling interest	i, ii, iii e iv	198,384	27,929	226,313
Statement of Cash flows				
Income before taxation	i, iii e iv	489,530	88,930	578,460
Taxes on revenues (PIS and COFINS) and deferred regulatory charges	iv	77,047	9,051	86,098
Equity pick up of subsidiaries	iii	1,451	(2,096)	(645)
Contractual concession asset	i	(825,389)	(95,885)	(921,274)
Other accounts not impacted		149,185	-	149,185
Net cash used in operating activities		(108,176)	-	(108,176)
Net cash provided by investing activities		30,273	-	30,273
Net cash used in financing activities		(325,474)	-	(325,474)
Exchange rate changes on cash and cash equivalents		6,278	-	6,278
Net decrease in cash and cash equivalents		(397,099)	-	(397,099)
Statement of Value Added				
Gross value added (revenue)	i	1,338,885	95,885	1,434,770
Inputs from third parties		(574,963)	-	(574,963)
Depreciation and amortization		(27,964)	-	(27,964)
Net added value produced	i	735,958	95,885	831,843
Value added in transfer (Equity pick up of subsidiaries)	ii	17,113	2,096	19,209
Wealth for distribution		753,071	97,981	851,052
Wealth distributed				
Taxes, rates and contributions (Federal)	ii e iv	239,393	37,587	276,980
Earnings reserves	i, ii, iii e iv	377,533	60,394	437,927
Other accounts not impacted		136,145	-	136,145

i) Change in the discount rate (implicit rate) to calculate the fair value and remuneration of the contractual asset, revision of the construction and Operation and Maintenance (O&M) margins, considering the new parameters of the implicit rate and recognition of the remuneration revenue of the assets concession from the beginning of the construction of the infrastructure, when originally, this was accounted for only after the beginning of the commercial operation;

ii) Effects of items i and iv on the calculation of deferred income and social contribution taxes;

iii) Effects of the adjustments mentioned in items i, ii and iv in the calculation of equity pickup calculation, when applicable.

iv) Effects of item i on the calculation of Pis and Cofins and deferred regulatory charges

Notes to the interim financial information

2.5. Key estimates and critical accounting assumptions

The preparation of interim financial information individual and consolidated is subject to the Company's Management assumptions, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. The estimates and assumptions are reviewed at each reporting date and eventual changes are recognized on a prospective basis.

The key estimates and critical accounting assumptions used in the preparation of the interim financial information individual and consolidated are consistent with those applied and described in note 2.3 to the annual financial statements for the year ended December 31, 2020, issued on March 22, 2021.

2.6. Functional and reporting currency and translation of balances and transactions in foreign currency

2.6.1 Functional and reporting currency

This interim financial information individual and consolidated was prepared and are presented in Brazilian thousands of Reais (R\$), which is the functional currency of the Company, its subsidiaries and joint ventures, except for subsidiaries Alupar Peru and La Virgen, whose functional currency are the Nuevo Sol, subsidiaries Alupar Colombia, Risaralda and TCE, whose functional currency is the Colombian Peso, and subsidiary Alupar Chile, whose functional currency is the Chilean Peso. The functional currency was determined based on the primary economic environment for each entity's operations.

2.6.2 Balances and transactions in foreign currency

The Company recognizes in other comprehensive income, the effect resulting from the conversion resulting from exchange differences in the Company's functional currency, in relation to its subsidiaries abroad. Such changes are solely transferred to the statement of profit and loss upon derecognition of net investment. Assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rate prevailing at reporting date of the interim financial information individual and consolidated. Revenues and expenses in foreign currency, as well as cash flows items, are translated into the Company's functional currency at the average exchange rate for the period.

2.7. Consolidation criteria

The consolidation criteria used in the preparation of the interim financial information are consistent to those applied and described in note 2.5 to the annual financial statements for the year ended December 31, 2020, issued on March 22, 2021.

As at March 31, 2021 and as at December 31, 2020, the Company's interest in subsidiaries and joint venture is broken down as follows:

Notes to the interim financial information

Company	Activity	Interest 3/31/2020 (%)		Interest 12/31/2020 (%)	
		Direct	Indirect	Direct	Indirect
Subsidiaries:					
ACE	Sales	100.00	-	100.00	-
AETE (**)	Transmission	-	32.06	-	32.06
AF Energia	Provision of services	100.00	-	100.00	-
Agua Limpa	Generation	99.99	-	99.99	-
Alupar Chile	Holding	100.00	-	100.00	-
Alupar Colombia	Holding	100.00	-	100.00	-
Alupar Peru	Holding	100.00	-	100.00	-
Apaete	Holding	36.96	-	36.96	-
EAP I	Generation	99.90	-	99.90	-
EAP II	Generation	99.90	-	99.90	-
EAP III (x)	Generation	99.90	-	99.90	-
EAP IV (x)	Generation	99.90	-	99.90	-
EAP V (x)	Generation	99.90	-	99.90	-
EAP VI (x)	Generation	99.90	-	99.90	-
EAP VII (x)	Generation	99.90	-	99.90	-
EATE	Transmission	50.02	-	50.02	-
EBTE (i)	Transmission	-	25.51	-	25.51
ECTE	Transmission	50.02	-	50.02	-
EDTE (vi)	Transmission	-	25.06	-	25.06
EDV I (iv)	Generation	-	100.00	-	100.00
EDV II (iv)	Generation	-	100.00	-	100.00
EDV III (iv)	Generation	-	100.00	-	100.00
EDV IV (iv)	Generation	-	100.00	-	100.00
EDV X (iv)	Generation	-	100.00	-	100.00
ELTE	Transmission	99.99	-	99.99	-
ENTE	Transmission	50.01	-	50.01	-
ERTE	Transmission	21.96	28.05	21.96	28.05
ESDE (iii)	Transmission	-	50.02	-	50.02
ESTE (i)	Transmission	-	50.02	-	50.02
ETAP	Transmission	100.00	-	100.00	-
ETB	Transmission	51.00	-	51.00	-
ETC	Transmission	100.00	-	100.00	-
ETEM	Transmission	62.79	-	62.79	-
ETEP	Transmission	50.02	-	50.02	-
ETES	Transmission	100.00	-	100.00	-
ETSE (iv)	Transmission	-	50.02	-	50.02
ETVG	Transmission	100.00	-	100.00	-
Ferreira Gomes	Generation	100.00	-	100.00	-
Foz	Generation	69.83	-	69.83	-
GET	Generation	51.00	-	51.00	-
Ijuí	Generation	86.66	-	86.66	-
La Virgen (viii)	Generation	3.67	86.07	3.67	86.07
Lavrinhas	Generation	61.00	-	61.00	-
Lumitrans (i)	Transmission	15.00	40.01	15.00	40.01
Queluz	Generation	68.83	-	68.83	-
Reunidas	Holding	99.99	-	99.99	-
Risaralda (vii)	Generation	0.34	99.62	0.34	99.62
STC (i)	Transmission	20.00	40.01	20.00	40.01
STN	Transmission	51.00	-	51.00	-
TCC	Transmission	51.00	-	51.00	-
TCE (vii)	Transmission	-	99.99	-	99.99
TME	Transmission	60.00	-	60.00	-
TPE	Transmission	51.00	-	51.00	-
Transirapé (ii) (v)	Transmission	-	33.71	-	33.71
Transleste (ii) (v)	Transmission	-	33.71	-	33.71
Transminas	Holding	70.02	-	70.02	-
Transudeste (ii) (v)	Transmission	-	33.71	-	33.71
TSM	Transmission	51.00	-	51.00	-
Verde 8	Generation	85.00	-	85.00	-
Windepar	Holding	100.00	-	100.00	-
Joint venture:					
TNE (*)	Transmission	51.00	-	51.00	-

(i) Directly controlled by EATE. (ii) Directly controlled by Transminas. (iii) Directly controlled by ETEP. (iv) Directly controlled by ECTE. (v) Indirect interest through EATE. (vi) Indirect interest through ENTE. (vii) Indirect interest through Alupar Colombia. (viii) Indirect interest through Alupar Peru. (iv) Indirect interest through Windepar. (x) Subsidiaries established on September 16, 2020. (*) TNE is jointly controlled as relevant decisions on business are approved by the unanimous decision of the shareholders holding the voting shares.

Notes to the interim financial information

3. Significant accounting policies

The accounting policies adopted by the Company, its subsidiaries and jointly controlled companies, in the preparation of this individual and consolidated interim financial information, are consistent with those adopted in the preparation of the annual financial statements for the year ended December 31, 2020 and described in the note explanatory nº 3. This individual and consolidated interim financial information should be read in conjunction with those annual financial statements, issued on March 22, 2021.

4. New standards and interpretations not yet in effective

Currently, the CPC works with the issuance of new pronouncements and revision of existing pronouncements, which will only come into force on January 1, 2023, being:

- Classification of liabilities as current or non-current (changes to CPC 26/IAS 1);
- Onerous Contracts - costs to fulfill a contract (changes to CPC 25/IAS 37); and
- Property, plant and equipment: Revenue before intended use (changes to CPC 27/IAS 16).

The Company and its subsidiaries are assessing the impacts of adopting these new pronouncements and do not expect any material effects on its financial statements, when they are in effect.

5. Cash and cash equivalents

Cash and cash equivalents	Average compensation - % CDI		Company		Average compensation - % CDI		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Cash available (cash and banks)	-	-	269	568	-	-	36,697	44,514
Bank deposit certificates	95.00%	95.00%	125,712	189,216	96.85%	96.85%	320,759	411,479
Repurchase agreements	-	-	-	-	94.17%	94.17%	162,714	147,069
Investment funds	20.00%	20.00%	95	-	20.00%	20.00%	2,989	71,547
Total			126,076	189,784			523,159	674,609

Cash equivalents are held for the purpose of meeting short-term cash commitments and mainly refer to bank deposit certificates, highly liquid, fixed-income investment funds, and automatic investments that are linked to current account, where the actual compensation will depend on the total period for which the funds remain invested; as Management records these investments by earned income percentage, there is no risk of significant change in value in the event of early redemption, and are considered financial instruments measured at fair value against profit or loss.

6. Short-term investments

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Portfolio composition				
Government brazilian bonds – Financial Treasury Bills	151,504	155,150	233,012	230,118
Government brazilian bonds	379,377	371,677	1,031,810	1,073,830
Private notes	26,553	28,275	100,396	101,860
Other	1	(3)	(117)	(302)
Total	557,435	555,099	1,365,101	1,405,506

The Company and its subsidiaries invest funds in three exclusive funds, are measured at fair value through profit or loss and yield average interest of 85.46% of CDI as at March 31, 2021 (88.57% of CDI as at December 31, 2020).

Notes to the interim financial information

7. Marketable securities

Marketable securities	Average appreciation - % CDI		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Investment funds	98.00%	98.00%	107,920	103,619
Current			3,118	767
Non-current			104,802	102,852

Marketable securities comprise short-term investments recognized as reserve accounts securing the subsidiaries' loan and financing agreements. These accounts consist of the obligation to maintain short-term investments corresponding to three installments of loans and financing, on average.

8. Trade receivables

	Company		Consolidated						
	Not past due		Falling due	Overdue				3/31/2021	12/31/2020
	3/31/2021	12/31/2020		Up to 30 days	From 31 to 60 days	From 61 to 360 days	More than 361 days		
Power transmission system									
Transmission charges billed	-	-	195,627	1,494	1,591	6,351	17,347	222,410	212,069
	-	-	195,627	1,494	1,591	6,351	17,347	222,410	212,069
Power generation system									
Regulated environment	-	-	19,709	-	-	-	-	19,709	23,081
Free environment	3,618	12,729	44,858	-	-	-	27,768	72,626	77,832
MRE and Spot (short-term energy) (a)	15,510	19,450	49,642	-	-	-	-	49,642	123,274
	19,128	32,179	114,209	-	-	-	27,768	141,977	224,187
	19,128	32,179	309,836	1,494	1,591	6,351	45,115	364,387	436,256
Current	19,128	32,179						338,682	415,353
Non-current	-	-						25,705	20,903

During the three-month period ended March 31, 2021, no allowance for doubtful debts was recorded, due to the non-recognition of historical losses and/or loss expectations on trade receivables, evaluation and monitoring of credit risk and that they are guaranteed by the National Electric System Operator (ONS).

- (a) Of the outstanding amount of MRE and Spot (short-term energy) of R\$68,773 on December 31, 2020, the amount of R\$60,154 was used by its subsidiaries in the financial settlement of CCEE of the outstanding amounts referring to the GSF, as disclosed in note 1.2.

9. Contractual concession asset

Changes in concession asset	Consolidated	
	3/31/2021	12/31/2019
Opening balance	14,600,710	9,959,154
Operation and maintenance revenue	94,801	591,201
Concession asset payment	976,410	2,266,275
Infrastructure revenue	505,633	3,241,714
Concession asset performance	(448,122)	(1,457,634)
Closing balance	15,729,432	14,600,710
Current	1,499,674	1,290,362
Non-current	14,229,758	13,310,348

Notes to the interim financial information

The Annual Permitted Revenue (APR) of the Company's subsidiaries, in accordance with Approving Resolution number 2,725, of July 14, 2020, effective since July, 2020, is being carried out as follows:

Cycle 2020 ~2021	Basic grid			Basic grid - frontier		DIT ^(e) (exclusive)		Total	Calculation of adjustment amount (PA)	Total net
	RBL ^(a)	RBNI ^(b)	RMEL ^(f)	RBL ^(a)	RBNI ^(b)	RPEC ^(c)	RCDM ^(d)			
EATE	249,272	8,878	34	-	-	-	-	258,184	6,614	264,798
ENTE	134,549	18	12	-	-	-	-	134,579	(2,169)	132,410
STN	157,720	1,737	-	-	-	-	-	159,457	(2,266)	157,191
ETEP	58,581	15	192	-	-	-	-	58,788	(461)	58,327
ECTE	56,783	11	31	-	-	-	-	56,825	(542)	56,283
ERTE	23,777	6,870	-	-	-	-	-	30,647	(12,395)	18,252
EBTE	41,370	4,360	9	2,719	-	432	-	48,890	1,223	50,113
STC	30,443	1,975	-	8,280	2,587	371	4,477	48,133	(769)	47,364
Transleste	35,664	-	-	-	-	-	-	35,664	(472)	35,192
Transirapé	20,815	9,512	-	4,742	4,311	387	1,282	41,049	1,774	42,823
Lumitrans	31,818	22	-	-	-	-	-	31,840	(346)	31,494
Transudeste	30,231	-	-	-	-	-	-	30,231	(324)	29,907
ETSE	16,034	2,107	-	2,458	1,894	1,021	-	23,514	(142)	23,372
ETES	8,836	3,226	-	-	4,470	-	2,057	18,589	(217)	18,372
ESDE	9,242	-	2	4,114	-	1,005	-	14,363	(482)	13,881
ETAP	57,319	-	-	-	-	-	-	57,319	(754)	56,565
TME	47,779	7,137	32	-	-	-	-	54,948	(545)	54,403
ETC	10,338	-	-	19,512	-	3,424	-	33,274	(2,696)	30,578
ETEM	13,700	-	55	-	-	-	-	13,755	(144)	13,611
ETVG	1,358	208	-	2,844	6,013	496	848	11,767	(12)	11,755
AETE	32,175	-	30	-	-	-	-	32,205	(588)	31,617
EDTE	65,952	-	-	-	-	-	-	65,952	(875)	65,077
Total	1,133,756	46,076	397	44,669	19,275	7,136	8,664	1,259,973	(16,588)	1,243,385

(a) Bid Basic Grid. (b) New Facilities, Basic Grid. (c) Revenue from assets of other concession operators of bid transmission. (d) Revenue from other transmission facilities. (e) Other transmission facilities. (f) Revenue from improvements.

10. Investments in subsidiaries and joint venture

Variation in investments	Balance as at 12/31/2020	Capitla increase	Amortization of intangible	Adjustment to cumulative conversion	Equity pick up of subsidiaries	Dividends	Balance as at 3/31/2021
Subsidiaries							
ACE	14	-	-	-	(3)	-	11
AF	2,866	-	-	-	712	-	3,578
Agua Limpa	7,858	-	-	-	-	-	7,858
Alupar Colômbia	86,577	-	-	1,516	(7,296)	-	80,797
Alupar Chile	(1,521)	-	-	-	-	-	(1,521)
Alupar Peru	241,688	39,532	-	14,232	(28,583)	-	266,869
Apaete	62,854	-	-	-	4,264	-	67,118
EAP I	(88)	-	-	-	(3)	-	(91)
EAP II	(83)	-	-	-	(2)	-	(85)
EAP III	1	-	-	-	-	-	1
EAP IV	1	-	-	-	-	-	1
EAP V	1	-	-	-	-	-	1
EAP VI	1	-	-	-	-	-	1
EAP VII	1	-	-	-	-	-	1
EATE	579,100	-	-	-	86,482	-	665,582
ECTE	103,495	-	-	-	12,469	-	115,964
ELTE	17,895	97,000	-	-	(2,738)	-	112,157
ENTE	274,829	-	-	-	30,261	-	305,090
ERTE	35,415	-	-	-	2,935	(3,294)	35,056
ETAP	243,594	-	-	-	13,344	-	256,938
ETB (ii)	199,111	-	(258)	-	23,034	(13,615)	208,272
ETC	95,984	8,500	-	-	10,084	(846)	113,722
ETEM	60,178	-	-	-	1,787	-	61,965
ETEP	124,951	-	-	-	13,287	(9,003)	129,235
ETES	62,329	-	-	-	(121)	(728)	61,480
ETVG	71,433	-	-	-	3,036	-	74,469
Ferreira Gomes	911,438	-	-	-	6,811	-	918,249
Foz	174,832	-	-	-	6,228	(27,933)	153,127
GET	(548)	-	-	-	-	-	(548)
Ijuí	290,920	-	-	-	4,069	-	294,989
La Virgen (i)	27,233	-	-	2,368	(552)	-	29,049
Lavrinhas	97,147	-	-	-	3,650	-	100,797
Lumitrans	16,370	-	-	-	1,447	-	17,817
Queluz	125,782	-	-	-	4,022	-	129,804
Risaralda	83	-	-	125	10	-	218
STC	38,514	-	-	-	1,998	-	40,512
STN	269,617	-	-	-	19,846	-	289,463
TCC	172,957	39,525	-	-	61,222	-	273,704
TME	134,723	-	-	-	6,557	(12,000)	129,280
TPE	371,345	10,710	-	-	16,975	-	399,030
Transminas	110,353	-	-	-	10,944	-	121,297
Transmissoras Reunidas	(12)	-	-	-	-	-	(12)
TSM	86,386	-	-	-	19,083	-	105,469
Verde 8	84,713	-	-	-	2,936	-	87,649
Windepar	154,624	-	-	-	(3,933)	-	150,691
Subtotal	5,334,961	195,267	(258)	18,241	324,262	(67,419)	5,805,054
Joint ventures							
TNE	127,734	-	-	-	1,466	-	129,200
Total Consolidated	127,734	-	-	-	1,466	-	129,200
Total Company	5,462,695	195,267	(258)	18,241	325,728	(67,419)	5,934,254

Variation in investments	Balance as at 12/31/2019	Capitla increase	Adjustment to cumulative conversion	Equity pick up of subsidiaries (Restatement)	Dividends (iii)	Balance as at 3/31/2020 (Restatement)
Subsidiaries						
ACE	23	-	-	(1)	-	22
AF	789	-	-	566	-	1,355
Agua Limpa	7,878	-	-	-	-	7,878
Alupar Colômbia	46,380	-	5,621	(1,925)	-	50,076
Alupar Chile	(1,521)	-	-	-	-	(1,521)
Alupar Peru	96,064	-	15,534	(27,542)	-	84,056
Apaete	36,227	2,448	-	5,073	-	43,748
EAP I	(42)	-	-	2	-	(40)
EAP II	(42)	-	-	4	-	(38)
EATE	490,542	-	-	65,303	(111,449)	444,396
ECTE	106,101	-	-	6,997	-	113,098
ELTE	15,079	-	-	(13)	-	15,066
ENTE	271,312	-	-	23,322	(69,266)	225,368
ERTE	35,264	-	-	2,020	-	37,284
ETAP	188,890	-	-	32,966	-	221,856
ETC	78,502	-	-	2,174	-	80,676
ETEM	55,849	-	-	1,601	-	57,450
ETEP	145,743	-	-	7,743	(25,190)	128,296
ETES	53,945	-	-	2,026	-	55,971
ETVG	64,771	-	-	1,980	-	66,751
Ferreira Gomes	892,360	-	-	6,833	226	899,419
Foz	160,561	-	-	5,134	-	165,695
GET	(548)	-	-	-	-	(548)
Ijuí	285,056	-	-	4,184	-	289,240
La Virgen (i)	21,970	-	3,720	(802)	-	24,888
Lavrinhas	99,189	-	-	7,161	-	106,350
Lumitrans	15,907	-	-	806	(1,461)	15,252
Queluz	128,251	-	-	8,052	-	136,303
Risaralda	63	-	(2)	(8)	-	53
STC	44,731	-	-	987	(2,675)	43,043
STN	230,659	-	-	11,774	-	242,433
TCC	80,444	-	-	14,665	21,474	116,583
TPE	114,102	-	-	26,953	30,396	171,451
Transminas	88,381	-	-	5,171	5,517	99,069
Transmissoras Reunidas	(2)	-	-	-	-	(2)
TSM	27,961	-	-	2,924	2,622	33,507
Verde 8	86,367	-	-	1,290	-	87,657
Windepar	133,799	-	-	(3,116)	-	130,683
TME	194,710	-	-	6,238	(255)	200,693
ETB (ii)	107,397	-	-	11,703	13,347	132,447
Subtotal	4,403,112	2,448	24,873	232,245	(136,714)	4,525,964
Joint ventures						
TNE	136,958	-	-	646	-	137,604
Total Consolidated	136,958	-	-	646	-	137,604
Total Company	4,540,070	2,448	24,873	232,891	(136,714)	4,663,568

(i) La Virgen recognized intangible assets of R\$6,164 reclassified to intangible assets for purposes of consolidation. (ii) ETB recognized intangible assets of R\$28,400 reclassified to intangible assets for purposes of consolidation. (iii) The positive values refer to the uncovered transfer of the mandatory minimum dividends declared in 2019 to the unrealized profit reserve of the subsidiaries.

Notes to the interim financial information

Changes in investments are demonstrated as follows:

Companies	Information on subsidiaries				3/31/2021			12/31/2020		
	3/31/2021				Number of total common shares or quotas	Interest (%)		Number of total common shares or quotas	Interest (%)	
	Assets	Liabilities	Equity	Profit or loss		Voting	Total		Voting	Total
Subsidiaries:										
ACE	11	-	11	(3)	3,420,644	100.00	100.00	3,420,644	100.00	100.00
AF Energia	8,643	5,065	3,578	712	7,370,000	100.00	100.00	7,370,000	100.00	100.00
Agua Limpa	7,973	114	7,859	-	7,947,090	99.99	99.99	7,947,090	99.99	99.99
Alupar Chile	1,329	2,850	(1,521)	-	5,000,000	100.00	100.00	5,000,000	100.00	100.00
Alupar Colombia	187,075	106,278	80,797	(7,294)	58,596,603,000	100.00	100.00	55,801,860,000	100.00	100.00
Alupar Peru	572,039	305,171	266,868	(28,582)	254,466,812	100.00	100.00	152,231,612	100.00	100.00
APAETE	182,511	889	181,622	11,539	76,297,851	51.00	36.96	71,497,851	51.00	25.50
EAP I	3,422	3,512	(90)	(2)	1,000	99.90	99.90	1,000	99.90	99.90
EAP II	2,292	2,377	(85)	(2)	1,000	99.90	99.90	1,000	99.90	99.90
EAP III	60	59	1	(1)	1,000	99.90	99.90	-	-	-
EAP IV	60	59	1	(1)	1,000	99.90	99.90	-	-	-
EAP V	58	57	1	(1)	1,000	99.90	99.90	-	-	-
EAP VI	60	59	1	(1)	1,000	99.90	99.90	-	-	-
EAP VII	60	59	1	(1)	1,000	99.90	99.90	-	-	-
EATE	2,426,724	1,096,026	1,330,698	172,906	92,000,000	50.02	50.02	92,000,000	50.02	50.02
ECTE	556,001	324,178	231,823	24,929	42,095,000	50.02	50.02	42,095,000	50.02	50.02
ELTE	122,734	10,580	112,154	(2,739)	15,467,000	100.00	100.00	15,467,000	100.00	100.00
ENTE	1,001,955	391,909	610,046	60,509	100,840,000	50.01	50.01	100,840,000	50.01	50.01
ERTE	183,118	23,480	159,638	13,367	84,133,970	21.96	21.96	84,133,970	21.96	21.96
ETAP	604,973	348,033	256,940	13,345	10,481,000	100.00	100.00	10,481,000	100.00	100.00
ETC	308,294	194,572	113,722	10,083	6,151,000	100.00	100.00	6,151,000	100.00	100.00
ETEM	151,828	53,143	98,685	2,846	43,000,000	62.79	62.79	43,000,000	62.79	62.79
ETEP	519,062	260,672	258,390	26,568	27,000,000	50.02	50.02	27,000,000	50.02	50.02
ETES	146,140	84,660	61,480	(119)	29,064,000	100.00	100.00	29,064,000	100.00	100.00
ETVG	135,301	60,833	74,468	3,036	34,847,722	100.00	100.00	34,847,722	100.00	100.00
Ferreira Gomes	1,552,128	633,879	918,249	6,811	807,080,529	100.00	100.00	807,080,529	100.00	100.00
Foz	383,173	163,899	219,274	8,919	67,717,178	100.00	69.83	67,717,178	100.00	69.83
GET	30	1,104	(1,074)	-	1,200	51.00	51.00	1,200	51.00	51.00
Ijui	455,227	114,822	340,405	4,695	273,064,862	100.00	86.66	273,064,862	100.00	86.66
La Virgen	1,070,610	447,285	623,325	(15,029)	384,236,203	3.67	3.67	384,236,203	3.67	3.67
Lavrinhas	237,583	72,329	165,254	5,984	70,910,870	61.00	61.00	70,910,870	61.00	61.00
Lumitrans	139,805	21,012	118,793	9,650	72,012,095	15.00	15.00	72,012,095	15.00	15.00
Queluz	285,231	96,643	188,588	5,842	96,782,146	68.83	68.83	96,782,146	68.83	68.83
Risaralda	228,935	165,910	63,025	2,682	29,093	0.34	0.34	29,093	0.34	0.34
STC	233,420	30,866	202,554	9,990	211,003,246	20.00	20.00	211,003,246	20.00	20.00
STN	732,096	164,524	567,572	38,913	198,000,000	51.00	51.00	198,000,000	51.00	51.00
TCC	1,821,351	1,284,496	536,855	120,223	22,728,926	51.00	51.00	22,728,926	51.00	51.00
TPE	2,748,363	1,965,953	782,410	33,286	31,553,107	51.00	51.00	31,553,107	51.00	51.00
Transminas	183,353	10,116	173,237	15,629	44,860,000	70.02	70.02	44,860,000	70.02	70.02
Transmissoras Reunidas	10	23	(13)	(1)	25,780	100.00	100.00	25,780	100.00	100.00
TSM	960,832	754,211	206,621	37,236	37,631,994	51.00	51.00	37,631,994	51.00	51.00
Verde 8	300,932	197,815	103,117	3,455	107,660,380	85.00	85.00	107,660,380	85.00	85.00
Windepar	309,351	158,660	150,691	(3,933)	164,832,956	100.00	100.00	164,832,956	100.00	100.00
TME	591,758	375,303	216,455	10,925	109,793,590	60.00	60.00	109,793,590	60.00	60.00
ETB	1,496,752	1,139,688	357,064	45,163	222,958	51.00	51.00	222,958	51.00	51.00
Joint venture:										
TNE	299,682	46,422	253,260	2,875	298,705,100	51.00	51.00	298,705,100	51.00	51.00

Notes to the interim financial information

a) TNE – Transnorte Energia S.A.

TNE is a project formed by the partnership between Alupar (51%) and Eletronorte (49%), for the implementation of the transmission system that will connect the State of Roraima to the National Interconnected System (SIN), at the Lechuga substation in the State of Amazonas, covering approximately 715 km of 500 kV line, with 2 new substations, SE Ecuador – 500 kV, to be installed in the Municipality of Rorainópolis (RR) and SE Boa Vista – 500/230 kV – 800 MVA, located in the Municipality of Boa Vista (RR).

Due to environmental licensing issues, the TNE registered with ANEEL, on September 2, 2015, the request for amicable termination of the Concession Agreement 003/2012 – ANEEL, due to the absence of any comment by FUNAI on the indigenous matter.

On December 19, 2016, ANEEL Order 3265 was published, based on the decision undertaken by the executive board, at the meeting held on December 13, 2016, which addresses the amicable termination of the concession agreement entered into by TNE, including the recommendations to: (i) accept the TNE's request and, in the merit, partially recognize the elements for termination of the Concession Agreement 003/2012 - ANEEL; and (ii) submit the court records of the Administrative Proceeding to the Ministry of Mines and Energy, including the recommendations to: (a) terminate such Concession Agreement, under the terms of article 472 of the Civil Code, or through another means deemed appropriate; (b) in the event of termination of the Concession Agreement, indicate the federal administration body or entity, in this case, Eletronorte, to provide the public transmission service relating to the CER of SE Boa Vista, until the subsequent decision determines the reversal of the assets in use, and the Granting Authority may grant the concession without the previous reversal of the assets bound to the respective public service; and (c) in the event of termination of the Agreement, consider as a reference for the indemnity of assets in use the new replacement value, less depreciation for the period, in the accounting report to be monitored by ANEEL; the assets not in use are not subject to indemnity.

On September 13, 2017, TNE filed, before the Federal Justice, the request for termination of the Concession Agreement 003/2012 - ANEEL, Proceeding 1012027-22.2017.4.01.3400, by virtue of the unfeasible implementation of the project. In turn, the Ministry of Mines and Energy (MME), upon receipt and analysis of the court records, on February 22, 2018, addressed to ANEEL the Official Letter 66/2018/SPE-MME to inform about the non-acceptance of the recommendation referred to in Order 3.265/2016 and returned to ANEEL the proceeding for reconsideration.

In September 2018, after the meeting with the indigenous community, TNE was authorized to develop studies in the damaged area for preparation of the Basic Environmental Plan (PBA-CI), considering the indigenous issues. The work defined in such study was performed between October 2018 and April 2019, and the final document was registered with IBAMA, in conjunction with the request for Installation License, in June 2019. Currently, IBAMA is waiting for the comments by the indigenous community and FUNAI on the PBA-CI to continue with the analysis process of the Installation License of the project.

On September 10, 2019, the 33th Meeting of ANEEL's Executive Board resolved the following: (i) authorize the amendment to the Concession Agreement 003/2012, which must provide for the economic and financial balance and the CER value of SE Boa Vista, an integral part of the scope of the Invitation to Bid, totaling APR of R\$275,561, as at October 31, 2019; (ii) redefine the implementation term for 36 months, counted as from the signature of the Contractual Amendment; and (iii) request the contracted party to sign the amendment through October 31, 2019. This decision is included in ANEEL Order 2502/2019.

On September 23, 2019, taking into consideration that the proposal for economic and financial balance of the Concession Agreement presented by ANEEL was not feasible as, since among the requests made by the Company, the recomposition of the concession termination period, among other items, did not was granted, TNE filed with ANEEL the request for reconsideration of ANEEL Order 2502/2019. ANEEL Order 2.951/2019, published on October 31, 2019 in the Federal Official Gazette, partially accepted the TNE's request for reconsideration and suspended the signature of the Contractual Amendment by TNE, originally scheduled for October 31, 2019, until such appeal is decided by ANEEL.

In March 2021, within the scope of Legal Process 1012027-22.2017.4.01.3400, a sentence was issued partially accepting the proposed lawsuit to determine the termination of Concession Contract 003/2012-ANEEL and to sentence the Federal Government to indemnify TNE for material losses in the amount to be determined for the settlement of the ruling.

Notes to the interim financial information

Additionally, on March 25, 2021, TNE filed an official request at ANEEL for the settlement of arbitration disputes, which should soon be submitted for analysis by the Agency's Board of Directors. The object of this arbitration dispute is to define the right for TNE to receive a possible economic and financial rebalancing for Concession Contract 003/2012, with a total Annual Permitted Revenue (RAP) of up to R\$395,660.

The following step by the ANEEL Board will be the acknowledgement of the request submitted on March 25, 2021, and the drawing of a new director to analyze the request and submit it for resolution at a Board meeting, which should take place 60 prior to the aforementioned dates.

On April 27, 2021, the ANEEL Board Meeting decided to maintain, in part, the content of ANEEL Order 2,502/2019, especially for the purposes of: (i) authorizing the signing of an Addendum to Concession Contract 3/2012-ANEEL, to include the economic and financial rebalancing and the amount associated with the Static Reactive Compensator - CER of the Boa Vista Substation, which is part of the scope of the Public Auction Notice 4/2011-ANEEL, with a total Annual Permitted Revenue (RAP) of R\$329,061,673.66, updated as of June 30, 2021; (ii) redefine the deadline of the matter to 36 (thirty-six) months from the date the Addendum was signed; and (iii) convene TNE to sign the respective Addendum by June 30, 2021.

SE Boa Vista began its operations in May 2015, generating revenues equivalent to 4% of the total Annual Permitted Revenue of the project.

Based on the opinion of the Company's legal counsel, the likelihood of a favorable outcome in the concession recovery, as described above, is possible.

In view of the uncertainties relating to the abovementioned proceedings, TNE and the Company have not recorded in the interim financial information any gain or loss on the termination of the Concession Agreement 003/2012 – ANEEL, which is in progress.

b) Empresa Litorânea de Transmissão de Energia S.A. - ELTE

ELTE is a project to explore the concession of the public electricity transmission service through the Domênico Rangoni 345/138 kV and Manoel da Nóbrega 230/88kV substations, also covering 40 km of transmission line. The project will be connected to the National Interconnected System and will reinforce the distributors' networks, in addition to meeting the increased demand for electricity in the Baixada Santos region, comprising nine municipalities (Bertioga, Cubatão, Guarujá, Itanhaém, Mongaguá, Peruíbe, Praia Grande, Santos and São Vicente).

This project has a justifiable shift in the schedule, with regard to environmental licensing. Although ELTE has been making its best efforts to obtain Environmental Licenses from the environmental agency of the State of São Paulo - Companhia Ambiental do Estado de São Paulo ("CETESB"), the environmental licensing process has been prolonged due to issues that cannot be managed by part of ELTE, resulting in the displacement of the schedule originally foreseen in Concession Contract No. 016/2014.

The issuance of the Preliminary License ("LP") for the Domênico Rangoni 345/138 kV substation and its respective transmission lines was scheduled for October 2015, however, due to the unfavorable manifestation of the São Paulo Regional Flight Protection Service (SRPV- SP), responsible for the Airport Zoning Plan of the Santos Air Base, and unfavorable manifestation of the Forestry Foundation, responsible for the Serra do Mar State Park, CETESB rejected the Prior License application for this section, and, consequently, filed the process, due to the environmental infeasibility of that part of the enterprise. Additionally, the issuance of the Prior License for the Manoel da Nóbrega 230/88 kV substation, and its respective transmission line, also scheduled for October 2015, was issued only on March 31, 2017.

Given the impossibility of carrying out the project due to environmental infeasibility, on June 13, 2018, ELTE filed with ANEEL the request for amicable termination of Concession Contract No. 016/2014. On March 7, 2019, ANEEL proposed to ELTE the reduction of the scope of the Concession Contract by 48%, excluding the unviable stretch (Domênico Rangoni) and consequently the financial and economic rebalancing of the concession contract, with the signature of the respective amendment for June 2019. ELTE agreed with the proposal submitted and was awaiting the availability, by

Notes to the interim financial information

ANEEL, of the addendum to the concession contract. This initial term was postponed to November 5, 2019, with new agreement by ELTE.

Upon ANEEL's failure to respond, on January 22, 2020, ELTE filed a security mandate No. 1003014-91.2020.4.01.3400, so that ANEEL could provide the addendum to the concession contract or the full termination of the contract. At an extraordinary meeting held on February 27, 2020, ANEEL announced that a new project, prepared by the Energy Research Company - EPE and presented to the Regional Flight Protection Service of São Paulo - SRPV-SP, could make the northern section - Domenico Rangoni. Thus, ANEEL suspended for 90 days or until the manifestation of SRPV-SP, whichever comes first, the decision for the request submitted by ELTE, for amicable termination of the concession contract or celebration of the addendum term for the implementation of the southern section - Manoel da Nóbrega. Then, ELTE filed an appeal against ANEEL against this decision, requesting a manifestation within 30 days. At a board meeting held on May 5, 2020, ANEEL denied ELTE's appeal and maintained the previous order, that is, suspension for 90 days (counted from the extraordinary meeting held on February 27, 2020) or until the manifestation of SRPV-SP (whichever comes first), to return to analyze the theme.

At an ANEEL board meeting, held on May 26, 2020, it was decided to dismiss the Administrative Request filed by ELTE claiming the economic and financial rebalancing of Concession Agreement No. 16/2014, with reduction of the object, referring to the works of the set Domenico Rangoni Substation, with 345/138 kV, maintaining the Manoel da Nóbrega Substation, with 230/138-88 kV. Upon this decision, on June 10, 2020, ELTE filed an appeal for reconsideration with ANEEL Order No. 1485/2020 to the Agency.

At ANEEL's board meeting, held on December 15, 2020, the total exclusion of responsibility for the delay in the implementation of the project due to environmental infeasibility was recognized and the economic-financial rebalancing for the resumption of the transmission assets was approved, having been the addendum signed on January 8, 2021.

c) **Transmissora Caminho do Café S.A. - TCC**

On March 26, 2020, the direct subsidiary of Company TCC, received from the National Electric System Operator - ONS, the Definitive Release Term - TLD, which authorizes the receipt of revenue from March 19, 2021, anticipating in its energization is expected to take approximately 11 months, according to the schedule of the National Electric Energy Agency - ANEEL, for February 9, 2022. With the release of the ONS, this project started to receive a RAP of R\$165,300 per year. The total investment of the facilities to be unitized is approximately R\$891,600.

Notes to the interim financial information

11. Interests of non-controlling shareholders

The following table summarizes information regarding each of the Company's subsidiaries, which has non-controlling shareholders:

Non-controlling interest in subsidiaries	3/31/2021			12/31/2020		
	Non-controlling interest (%)	Non-controlling interest (carrying amount)	Income (loss) from non-controlling interest	Non-controlling interest (%)	Non-controlling interest (carrying amount)	Income (loss) from non-controlling interest
Subsidiaries						
Transminas	29.98	51,940	4,686	29.98	47,254	17,937
EATE	49.98	665,114	86,423	49.98	578,693	259,408
ENTE	49.99	304,956	30,248	49.99	274,708	92,883
ECTE	49.98	115,860	12,459	49.98	103,402	41,820
ERTE	21.95	35,041	2,934	21.95	35,399	152
ETEP	49.98	129,155	13,280	49.98	124,873	32,945
STN	49.00	278,110	19,067	49.00	259,043	66,363
EBTE	49.00	175,687	5,420	49.00	170,267	37,212
EDTE	49.90	98,508	6,166	49.90	105,815	46,495
Lumitrans	5.00	5,940	483	5.00	5,457	1,431
Ijuí	13.34	45,417	626	13.34	44,791	1,566
Foz	30.17	66,147	2,691	30.17	75,522	8,084
Lavrinhas	39.00	64,449	2,334	39.00	62,115	(603)
Queluz	31.17	58,783	1,821	31.17	56,962	(581)
ETEM	37.21	36,720	1,059	37.21	35,662	3,093
GET	49.00	(526)	-	49.00	(526)	-
Risaralda	0.03	22	1	0.03	8	1
Verde 08	15.00	15,468	518	15.00	14,965	(314)
La Virgen	10.26	49,146	(312)	15.42	49,635	85
TPE	49.00	383,381	16,310	49.00	356,781	185,587
TCC	49.00	263,059	58,909	49.00	166,175	68,254
TSM	49.00	101,244	18,246	49.00	82,998	53,614
Apaete	63.04	114,503	7,275	74.50	107,228	29,641
AETE	13.25	15,803	1,715	13.25	14,087	6,989
Transleste	49.00	46,687	5,128	49.00	41,558	16,550
Transudeste	49.00	35,578	3,877	49.00	34,151	16,079
Transirapé	49.00	101,023	9,607	49.00	91,418	38,839
TME	40.00	86,582	4,370	40.00	90,212	12,135
ETB	49.00	174,961	22,130	49.00	165,911	77,752
		3,518,758	337,471		3,194,564	1,113,417

In the three-month period ended March 31, 2021, non-controlling shareholders increased their capital by R\$48,265 in the subsidiaries TCC and TPE. There was also the distribution of dividends to non-controlling shareholders in the total amount of R\$61,360.

Notes to the interim financial information

12. Property, plant and equipment

Consolidated property, plant and equipment is demonstrated, as follows:

Consolidated						
Annual average depreciation rate	12/31/2020	Additions	Write-offs	Gain (loss) on conversion of balances	Other	3/31/2021
In service						
Historical cost						
Land	89,031	-	-	121	-	89,152
Reservoirs, dams and feeders	1,584,010	-	-	-	-	1,584,010
Buildings, civil construction and improvements	561,142	40	-	2,993	(43)	564,132
Machinery and equipment	1,889,740	475	(1)	1,141	(188)	1,891,167
Vehicles	3,015	-	(381)	30	-	2,664
Furniture and fixtures	7,781	5	(99)	56	-	7,743
Lease use right	38,858	1	-	23	5,316	44,198
Total	4,173,577	521	(481)	4,364	5,085	4,183,066
Depreciation						
Reservoirs, dams and feeders	2.16%	(242,442)	(8,476)	-	-	(250,918)
Buildings, civil construction and improvement	2.05%	(84,643)	(2,853)	-	(163)	(87,659)
Machinery and equipment	3.19%	(370,402)	(14,912)	2	(200)	(385,512)
Vehicles	6.80%	(1,783)	(50)	133	(7)	(1,707)
Furniture and fixtures	8.43%	(3,814)	(159)	65	(20)	(3,928)
Lease use right	23.57%	(9,401)	(2,111)	-	(3)	(11,515)
Total depreciation		(712,485)	(28,561)	200	(393)	(741,239)
Total in service		3,461,092	(28,040)	(281)	3,971	3,441,827
In progress						
		1,211,064	49,316	(103)	55,192	(508)
Total property, plant and equipment		4,672,156	21,276	(384)	59,163	4,577

Consolidated						
Annual average depreciation rate	12/31/2019	Additions	Write-offs	Gain (loss) on conversion of balances	Other	3/31/2020
In service						
Historical cost						
Land	88,062	-	-	312	-	88,374
Reservoirs, dams and feeders	1,577,606	11	-	-	-	1,577,617
Buildings, civil construction and improvements	478,998	198	-	5,933	48	485,177
Machinery and equipment	1,858,764	310	(15)	2,305	78	1,861,442
Vehicles	3,225	-	-	77	(178)	3,124
Furniture and fixtures	7,843	52	(105)	146	20	7,956
Lease use right	34,327	209	(323)	75	(369)	33,919
Total	4,048,825	780	(443)	8,848	(401)	4,057,609
Depreciation						
Reservoirs, dams and feeders	2.16%	(205,046)	(8,446)	-	(1)	(213,493)
Buildings, civil construction and improvement	2.13%	(60,688)	(2,532)	-	(238)	(62,705)
Machinery and equipment	3.21%	(304,901)	(14,722)	7	(887)	(320,850)
Vehicles	5.18%	(1,749)	(41)	-	(37)	(1,998)
Furniture and fixtures	8.20%	(4,005)	(156)	85	(108)	(4,218)
Lease use right	15.89%	(3,353)	(1,289)	-	(17)	(4,265)
Total depreciation		(579,742)	(27,186)	92	(747)	(607,529)
Total in service		3,469,083	(26,406)	(351)	8,101	3,450,080
In progress						
		956,943	64,013	(26)	184,586	(2,742)
Total property, plant and equipment		4,426,026	37,607	(377)	192,687	(3,089)

Notes to the interim financial information

- a) The balance of construction in progress refers to costs incurred for construction of hydroelectric power plants and transmission lines, mainly subsidiaries La Virgen (R\$1,013,169), TCE (R\$227,088), Foz (R\$36,657), EDVs (R\$11,718) and Água Limpa (R\$7,851), Ijuí (R\$ 4,270) and Ferreira Gomes (R\$ 3,885).
- b) Capitalization of charges
The subsidiaries in pre-operating stage capitalize interest on loans, financing and debentures at the construction cost of construction in progress. As at March 31, 2021, net capitalized financial charges totaled R\$9,964 (R\$23,892 as at December 31, 2020). The interest rate adopted to determine the loan costs subject to capitalization represents the effective rate of loans, financing and debentures of such subsidiaries in pre-operating stage, as described in notes 19 and 20.
- c) The Company did not identify any indications through internal or external sources that could affect the evaluation of the recovery of the book value of property, plant and equipment carried out on December 31, 2020.
- d) Collaterals or guarantees
The Company and its subsidiaries have not pledged any PP&E items as collateral or guarantee, with the exception of the assets of subsidiary La Virgen which provided them as collateral for its loan agreement.

13. Intangible assets

Intangible assets are demonstrated as follows:

		Company			
	Annual average amortization rate	12/31/2020	Additions	Write-offs	3/31/2021
Cost					
Other intangible concession assets		990	6	-	996
Exploration rights		8,156	-	-	8,156
		9,146	6	-	9,152
Amortization					
Other intangible concession assets	20.00%	(731)	(19)	-	(750)
Exploration rights	3.33%	(3,104)	(90)	-	(3,194)
		(3,835)	(109)	-	(3,944)
Projects in progress					
		48,983	300	-	49,283
Total intangible assets		54,294	197	-	54,491

Company				
Annual average amortization rate	12/31/2019	Additions	Write-offs	3/31/2020

Cost

Other intangible concession assets	813	7	-	820
Exploration rights	8,156	-	-	8,156
	8,969	7	-	8,976

Amortization

Other intangible concession assets	20.00%	(676)	(12)	-	(688)
Exploration rights	3.33%	(2,743)	(90)	-	(2,833)
		(3,419)	(102)	-	(3,521)

Projects in progress

		66,144	158	-	66,302
Total intangible assets		71,694	63	-	71,757

Consolidated						
Annual average amortization rate	12/31/2020	Additions	Write-offs	Transfers	Gain (loss) on conversion of balances	3/31/2021

Cost

Other intangible concession assets	80,149	1,920	(582)	-	1,051	82,538
Use of public asset	16,608	-	-	-	-	16,608
Exploration rights	88,072	-	-	-	-	88,072
	184,829	1,920	(582)	-	1,051	187,218

Amortization

Other concession intangible assets	1.29%	(11,776)	(257)	-	-	106	(11,927)
Use of public assets	3.22%	(4,885)	(132)	-	-	1	(5,016)
Exploration rights	3.60%	(19,849)	(782)	-	-	-	(20,631)
		(36,510)	(1,171)	-	-	107	(37,574)

Project in progress

		49,681	1,245	-	-	-	50,926
Total intangible assets		198,000	1,994	(582)	-	1,158	200,570

Consolidated						
Annual average amortization rate	12/31/2019	Additions	Write-offs	Transfers	Gain (loss) on conversion of balances	3/31/2020

Cost

Other intangible concession assets	39,531	8,596	-	6,827	1,127	56,081
Use of public asset	16,348	-	-	-	-	16,348
Exploration rights	88,081	-	-	-	-	88,081
	143,960	8,596	-	6,827	1,127	160,510

Amortization

Other concession intangible assets	3.14%	(13,692)	(307)	-	-	(72)	(14,071)
Use of public assets	3.22%	(4,362)	(130)	-	-	-	(4,492)
Exploration rights	2.41%	(15,774)	(525)	-	-	-	(16,299)
		(33,828)	(962)	-	-	(72)	(34,862)

Project in progress

		74,040	178	(7)	(6,827)	(99)	67,285
Total intangible assets		184,172	7,812	(7)	-	956	192,933

Notes to the interim financial information

- a) Exploration rights: The exploration rights generated in the acquisition of shares are amortized on a straight-line basis over the service concession arrangement period. The amounts recorded by the Company derived from investments performed in the following projects:

	Annual average amortization rate	Concession period		Company		Consolidated	
		Start	End	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Cost							
Queluz	4.58%	4/6/2004	4/6/2034	2,665	2,665	2,665	2,665
Lavrinhas	4.55%	4/6/2004	4/6/2034	5,245	5,245	5,245	5,245
ETB	3.69%	9/29/2016	9/29/2046	-	-	28,400	28,400
La Virgen	-	-	-	-	-	6,164	6,164
EDV I (**)	3.33%	7/17/2012	7/17/2047	-	-	3,006	3,006
EDV II (**)	3.33%	7/16/2012	7/16/2047	-	-	1,847	1,847
EDV III (**)	3.33%	7/19/2012	7/19/2047	-	-	2,714	2,714
EDV IV (**)	3.33%	7/24/2012	7/24/2047	-	-	3,933	3,933
EDV X (**)	3.33%	7/19/2012	7/19/2047	-	-	2,420	2,420
STC (*)	3.47%	4/27/2006	4/27/2036	-	-	8,942	8,942
Lumitrans (*)	4.10%	2/18/2004	2/18/2034	-	-	9,766	9,766
Transleste (*)	4.92%	2/18/2004	2/18/2034	-	-	3,814	3,814
Transudeste (*)	4.88%	3/4/2005	3/4/2035	-	-	2,767	2,767
Transirapé (*)	4.67%	3/15/2005	3/15/2035	-	-	4,391	4,391
EDTE (***)	2.87%	12/1/2016	12/1/2046	-	-	1,752	1,752
Other	-	-	-	246	246	246	246
				<u>8,156</u>	<u>8,156</u>	<u>88,072</u>	<u>88,072</u>
Amortization							
Queluz				(1,271)	(1,211)	(1,271)	(1,211)
Lavrinhas				(1,923)	(1,893)	(1,923)	(1,893)
ETB				-	-	(2,231)	(1,973)
EDV I (**)				-	-	(480)	(456)
EDV II (**)				-	-	(291)	(276)
EDV III (**)				-	-	(456)	(434)
EDV IV (**)				-	-	(626)	(595)
EDV X (**)				-	-	(385)	(366)
STC (*)				-	-	(3,873)	(3,796)
Lumitrans (*)				-	-	(5,003)	(4,903)
Transleste (*)				-	-	(1,391)	(1,344)
Transudeste (*)				-	-	(998)	(965)
Transirapé (*)				-	-	(1,520)	(1,469)
EDTE (***)				-	-	(183)	(168)
				<u>(3,194)</u>	<u>(3,104)</u>	<u>(20,631)</u>	<u>(19,849)</u>
Total net				<u>4,962</u>	<u>5,052</u>	<u>67,441</u>	<u>68,223</u>

(*) Exploration right generated by the acquisition of shares by the subsidiary EATE. (**) Exploration right generated by the acquisition of shares by the subsidiary Windepar. (***) Exploration right generated by the acquisition of shares by the subsidiary ENTE.

- b) Project under development: For developing an energy generation or transmission project, the Company incurs costs relating to hiring of services, travels and other costs inherent to the project development process. After authorization/permission/grant of the permits to implement the developed projects, these costs are allocated to the respective Special Partnership Companies ("SPCs"). Expenses incurred on a project, which might not be implemented, are reverted to the Company's profit or loss. These reversals are based on assessments made on a quarterly basis by Management.
- c) Collaterals or guarantees: The Company and subsidiaries have not pledged any intangible asset items as collateral or guarantee.
- d) The Company did not identify any indications through internal or external sources that could affect the evaluation of the recovery of the carry amount of intangible assets carried out on December 31, 2020.

14. Trade payables

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Transmission use charges	-	-	2,605	2,649
Electric energy supply (a)	3,081	8,495	16,817	171,958
Materials and services	8,656	8,671	177,154	210,520
Related parties	5,999	9,576	-	-
Total	17,736	26,742	196,576	385,127

The balance of transmission service use charges, materials and services and electric energy supply, except for item (a) are payable within three months, on average, as at March 31, 2021 and December 31, 2020.

- (a) On March 9, 2021, the subsidiaries Queluz and Lavrinhas made a financial settlement at CCEE of the outstanding amounts referring to the GSF, in the amount of R\$182,111 (R\$162,711 on December 31, 2020), as disclosed in the note 1.2.

15. Provisions for environmental compensations

The Company's subsidiaries invest in programs in such a way as to compensate for the environmental impact that arises from the activities of implementation and construction of power plants and transmission lines, in addition to the social programs aimed at assisting the development of the communities. The recognition of these provisions is made only at the moment of the construction and implementation of the developments and are recorded against fixed assets or infrastructure cost. The realization of these provisions is affected during the implementation of these programs.

Changes in provision for environmental compensations	Consolidated	
	3/31/2021	12/31/2020
Opening balance	32,933	20,672
Realization	(415)	(668)
Write-offs	-	(1,199)
Additions	78	12,513
Adjustment	203	1,615
Closing balance	32,799	32,933
Current	13,619	13,720
Non-current	19,180	19,213

Notes to the interim financial information

16. Provisions for assets

The provisions for the constitution of assets arise from the costs of property, plant and infrastructure construction, incurred and not billed, referring to their implementation phase, recognized in accounting for the property, plant and equipment in progress or contractual asset, which have not yet been disbursed financial, they will be financially disbursed according to the construction schedule, and in accordance with the evolution of these events, these provisions will be replaced by billing from suppliers.

Changes in the provision for the constitution of assets	Consolidated	
	3/31/2021	12/31/2020
Opening balance	190,185	80,271
Realization	(15,744)	(65,345)
Write-offs	(1,666)	(11,055)
Additions	132,931	186,314
Closing balance	305,706	190,185
Current	296,479	180,958
Non-current	9,227	9,227

17. Regulatory charges

	Consolidated	
	3/31/2021	12/31/2020
ANEEL inspection fee (TFSEE)	4,159	3,666
Quota for Global Reversal Reserve (RGR)	5,727	4,832
Financial Compensation for the Use of Water Resources (CFURH)	2,010	860
Research and Development (R&D)	49,573	47,915
National Fund for Scientific and Technological Development (FNDCT)	1,118	1,008
Ministry of Mines and Energy (MME)	559	500
	63,146	58,781

18. Deferred social contributions and regulatory charges

Deferred social contributions and regulatory charges refer to the temporary differences of infrastructure revenues and concession asset compensation on contractual asset registered on the accrual basis.

	Consolidated	
	3/31/2021	12/31/2020
Deferred TFSEE and RGR	201,200	194,158
Deferred PIS and COFINS	1,155,455	1,061,684
	1,356,655	1,255,842
Current	118,567	100,012
Non-current	1,238,088	1,155,830

Notes to the interim financial information

19. Loans and financing

The Company has not entered into loan and financing agreements. The main characteristics and the balance of the subsidiaries' loans and financing are demonstrated as follows:

Financing agents	Companies	Contractual conditions of loans and financing							Consolidated				
		Contracting date	Maturity	Principal	Financial charges p.a.		Amortization frequency	3/31/2021				12/31/2020	
					Index	Interest (%)		Unamortized costs	Charges	Principal	Total	Total	
Domestic currency - Brazilian reais													
Operating													
BNDES - A - nº 11.2.1030.1	ETEM	Dec-11	Apr-26	44,700	TJLP	2.44	Monthly	-	50	17,171	17,221	17,787	
BNDES - B - nº 11.2.1030.1	ETEM	Dec-11	Apr-26	2,100	TJLP	2.04	Monthly	-	2	559	561	871	
BNDES - A - nº 13.2.1413.1	ETSE	Dec-13	Nov-28	27,446	TJLP	2.02	Monthly	-	85	24,857	24,942	25,755	
BNDES (FINAME) - B - nº 13.2.1413.1	ETSE	Dec-13	Nov-23	34,254	-	3.50	Monthly	-	18	11,835	11,853	12,965	
BNDES - A - nº 12.2.1390.1	FGE	Dec-12	Apr-31	198,420	TJLP	2.34	Monthly	-	471	162,764	163,235	167,293	
BNDES - B - nº 12.2.1390.1	FGE	Dec-12	Apr-31	78,540	TJLP	2.34	Monthly	-	187	64,421	64,608	66,212	
BNDES - C - nº 12.2.1390.1	FGE	Dec-12	Apr-31	9,500	TJLP	2.34	Monthly	-	21	7,269	7,290	7,472	
BNDES - D - nº 12.2.1390.1	FGE	Dec-12	Dec-22	181,850	-	2.50	Monthly	(2,403)	48	43,232	40,877	46,999	
BNDES - E - nº 12.2.1390.1	FGE	Dec-12	Apr-31	2,300	TJLP	-	Monthly	-	3	1,928	1,931	1,981	
BNDES - nº 08.2.0070.1	Foz	Apr-08	Mar-27	201,630	TJLP	2.44	Monthly	-	308	104,711	105,019	109,401	
BNDES - nº 08.2.0071.1	Ijuí	Apr-08	Sep-27	168,200	TJLP	3.17	Monthly	-	313	96,430	96,743	100,471	
BNDES - nº 08.2.0976.1	Lavrinhas	Mar-09	Apr-25	111,185	TJLP	1.93	Monthly	-	106	38,955	39,061	41,456	
BNDES - nº 10.2.0477.1	Lavrinhas	Aug-10	Apr-25	16,875	TJLP	2.22	Monthly	-	15	5,291	5,306	5,630	
BNDES - nº 08.2.0975.1	Queluz	Mar-09	Jan-25	114,647	TJLP	1.93	Monthly	-	101	37,136	37,237	39,668	
BNDES - nº 10.2.0478.1	Queluz	Aug-10	Jan-25	27,716	TJLP	2.22	Monthly	-	23	8,133	8,156	8,689	
BNDES - nº 15.2.0778.1	EDV I	Mar-16	Oct-32	57,990	TJLP	2.18	Monthly	(62)	139	52,278	52,355	53,208	
BNDES - nº 19.2.0598.1	EDV I	Dec-19	Oct-32	11,145	IPCA	1.68 +1.99	Monthly	-	26	15,060	15,086	14,940	
BNDES - nº 15.2.0778.1	EDV II	Mar-16	Oct-32	32,220	TJLP	2.18	Monthly	(39)	78	29,509	29,548	29,981	
BNDES - nº 19.2.0598.1	EDV II	Dec-19	Oct-32	4,850	IPCA	1.68 +1.99	Monthly	-	15	8,597	8,612	8,578	
BNDES - nº 15.2.0778.1	EDV III	Mar-16	Oct-32	49,007	TJLP	2.18	Monthly	(46)	120	45,107	45,181	45,836	
BNDES - nº 19.2.0598.1	EDV III	Dec-19	Oct-32	9,067	IPCA	1.68 +1.99	Monthly	-	19	10,648	10,667	10,631	
BNDES - nº 15.2.0778.1	EDV IV	Mar-16	Oct-32	81,041	TJLP	2.18	Monthly	(53)	184	69,202	69,333	70,338	
BNDES - nº 19.2.0598.1	EDV IV	Dec-19	Oct-32	7,857	IPCA	1.68 +1.99	Monthly	-	20	11,788	11,808	11,768	
BNDES - nº 15.2.0778.1	EDV X	Mar-16	Oct-32	41,042	TJLP	2.18	Monthly	(51)	100	37,824	37,873	38,420	
BNDES - nº 19.2.0598.1	EDV X	Dec-19	Oct-32	11,206	IPCA	1.68 +1.99	Monthly	-	23	13,207	13,230	13,186	
BDMG (FINAME PSI) - nº 177906	Transirapé	Dec-13	Jan-24	19,761	-	3.50	Monthly	-	10	6,750	6,760	7,358	
BDMG (FINEM) - nº 193.292	Transirapé	Oct-14	Oct-29	5,893	TJLP	3.50	Monthly	-	154	3,613	3,767	3,877	
BDMG - nº 215.411/16	Transirapé	Apr-16	Apr-26	4,000	TJLP	6.00	Monthly	-	163	2,756	2,919	3,061	
BDMG - nº 215.485/16	Transirapé	Apr-16	Apr-21	4,469	TJLP	4.50	Monthly	-	12	237	249	995	
BDMG - nº 127.315	Transleste	Mar-05	Mar-25	47,029	-	9.50	Monthly	-	51	9,640	9,691	10,309	
BNB - nº 05974828-A	Transleste	Mar-05	Mar-25	15,000	-	9.50	Monthly	-	222	2,722	2,944	3,130	
Santander - CCB	TME	May-20	May-22	200,000	DI	3.30	Single installment	(464)	9,116	200,000	208,652	205,925	
Santander - CCB	ETEP	Jul-20	Jul-25	90,000	CDI	2.90	Monthly	(632)	388	91,835	91,591	91,503	
Santander - CCB	ECTE	Jul-20	Jul-25	80,000	CDI	2.90	Monthly	(576)	345	81,631	81,400	81,323	
Santander - CCB	ENTE	Jul-20	Jul-25	100,000	CDI	2.90	Monthly	(700)	431	102,039	101,770	101,671	
Itaú Unibanco S.A.	ETES	Sep-20	Sep-23	10,000	CDI	2.68	Semiannual	-	236	10,000	10,236	10,119	
Subtotal								(5,026)	13,603	1,429,135	1,437,712	1,468,807	
Current								(1,417)	4,486	146,182	149,251	147,320	
Non-current								(3,609)	9,117	1,282,953	1,288,461	1,321,487	

Notes to the interim financial information

Financing agents	Companies	Contractual conditions of loans and financing						Consolidated				
		Contracting date	Maturity	Principal	Financial charges p.a.		Amortization frequency	3/31/2021				12/31/2020
					Index	Interest (%)		Unamortized costs	Charges	Principal	Total	Total
Foreign currency												
Operating												
Itau Corpbanca	Risaralda	May-18	May-25	COP 120,000,000	IBR(**)	4.93	Quarterly	(1,628)	878	165,646	164,896	164,872
Itau Corpbanca Colombia S.A. - Leasing	Risaralda	Oct-20	Oct-23	COP 121,000	-	4.37	Monthly	-	1	168	169	-
Banco Itau	Risaralda	Jun-20	Jul-20	COP 163,657	-	24.05	Monthly	-	-	-	-	177
Itau Coprbanca New York Branch	Alupar Peru	Jun-20	Jul-20	USD 18,000	-	4.15	Quarterly	-	-	103,854	103,854	93,856
Banco Santander Brasil	Alupar Peru	Nov-19	Jan-20	USD 17,500	Libor (*)	3.42	Annual	-	-	101,347	101,347	91,249
Banco Santander Brasil	Alupar Peru	Dec-18	Dec-22	USD 17,500	Libor (*)	3.42	Annual	-	-	99,713	99,713	94,163
Santanter Luxemburgo	Alupar Colombia	Nov-20	Nov-23	USD 11,000	-	3.40	Annual	-	789	63,755	64,544	57,728
Santanter Luxemburgo	Alupar Colômbia	Jan-21	Nov-23	USD 7,000	-	3.40	Annual	-	268	40,572	40,840	-
Pre-operating												
Itau Coprbanca Colombia Prenda	TCE	Jul-17	Jul-20	COP 200,000	IBR(**)	4.44	Monthly	-	-	-	-	-
Itau Coprbanca Colombia Leasing	TCE	Jul-17	Jul-20	COP 330,000	-	10.32	Monthly	-	-	-	-	-
Santander Brasil - Capital de trabajo	TCE	May-18	Apr-21	USD 30,000	Libor (*)	3.70	Annual	(54)	6,862	173,879	180,687	162,361
Itau Corpbanca Colombia S.A.	TCE	Sep-20	Oct-20	COP 209.251	-	24.05	Monthly	-	-	-	-	-
Corporacion Andina de Fomento CAF	La Virgen	Mar-17	Mar-32	USD 50,000	Libor (*)	Float: up to five years 3.9%/after 5.7%; Fixed: up to five years 5%/after 10.27%	Semiannual	-	-	253,313	253,313	241,466
Deg Deutsche Investitions	La Virgen	Mar-17	Mar-32	USD 30,000	Libor (*)	Up to five years 3.70; after five years 4.50	Semiannual	-	-	150,684	150,684	144,771
Subtotal								(1,682)	8,798	1,152,931	1,160,047	1,050,643
Current								(483)	8,798	418,869	427,184	216,479
Non-current								(1,199)	-	734,062	732,863	834,164
Total								(6,708)	22,401	2,582,066	2,597,759	2,519,450
Current								(1,900)	13,284	565,051	576,435	363,798
Non-current								(4,808)	9,117	2,017,015	2,021,324	2,155,652

(*) The Libor rate is a reference interest rate adopted by several banks operating in the London market. (**) Reference Bank Indicator (IBR). The IBR rate is calculated on a monthly basis.

All funds raised by subsidiaries with the National Bank for Economic and Social Development (BNDES) are collateralized by the pledge of the shares held by the Company. Funds obtained from loans and financing were used for the purpose provided for in the agreements, i.e., the contractual use limits were observed.

The Management of the Company, its subsidiaries and joint ventures monitors the financial ratios established in the agreements. Non-compliance with the financing agreement terms not resolved or waived could result in accelerated maturity of the related debt and of other financing agreements, in addition to interest and fines. As at December 31, 2020 these ratios, which are required to be measured annually, were being met, in line with the provisions in the debt agreements entered into by its subsidiaries and joint ventures.

Notes to the interim financial information

As at March 31, 2021, certain subsidiaries' loans and financing have guarantees deposited in reserve accounts, in the amount of R\$107,920 (R\$103,619 as at December 31, 2020), as described in note 7.

Variation in loans and financing	Consolidated					
	Domestic currency		Foreign currency		Total	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Opening balance	1,468,807	1,212,192	1,050,643	811,665	2,519,450	2,023,857
Debts (unamortized cost)	-	492,097	37,773	153,312	37,773	645,409
Accrued charges	21,036	86,232	16,229	56,452	37,265	142,684
Adjustment for inflation and exchange rate changes	1,471	1,494	48,301	68,331	49,772	69,825
Gain (loss) on conversion	-	-	43,626	165,703	43,626	165,703
Principal paid	(35,547)	(274,919)	(18,000)	(133,135)	(53,547)	(408,054)
Charges paid	(18,055)	(48,289)	(18,525)	(71,685)	(36,580)	(119,974)
Closing balance	1,437,712	1,468,807	1,160,047	1,050,643	2,597,759	2,519,450

The maturities loans and financing, by currency and index, as follows:

Maturities by currency and index	3/31/2021							
	Consolidated							
	R\$							
	2021	2022	2023	2024	2025	2026	After 2026	Total
Foreign currency								
US dollar	304,253	129,005	242,827	36,768	32,378	28,591	221,214	995,036
Colombian peso	11,536	16,431	19,423	22,334	96,969	-	-	166,693
(-) Unamortized costs	(343)	(416)	(384)	(319)	(220)	-	-	(1,682)
	<u>315,446</u>	<u>145,020</u>	<u>261,866</u>	<u>58,783</u>	<u>129,127</u>	<u>28,591</u>	<u>221,214</u>	<u>1,160,047</u>
Domestic currency								
CDI	5,144	219,321	66,438	107,625	97,493	-	-	496,021
TJLP	78,240	100,521	101,506	102,541	85,596	79,852	261,611	809,867
Fixed rate	28,806	34,421	9,070	3,859	1,111	180	-	77,447
IPCA	3,863	5,187	5,187	5,188	5,187	5,187	29,604	59,403
(-) Unamortized costs	(987)	(1,116)	(761)	(578)	(319)	(240)	(1,025)	(5,026)
	<u>115,066</u>	<u>358,334</u>	<u>181,440</u>	<u>218,635</u>	<u>189,068</u>	<u>84,979</u>	<u>290,190</u>	<u>1,437,712</u>
	430,512	503,354	443,306	277,418	318,195	113,570	511,404	2,597,759

Notes to the interim financial information

20. Debentures

The main characteristics and balance of debentures are demonstrated as follows:

Financing agents	Companies	Consolidated							Company					Consolidated				
		Contractual conditions of debentures							3/31/2021				12/31/2020	3/31/2021				12/31/2020
		Contracting date	Maturity	Principal	Effective rate p.a.		Amortization		Unamortized costs	Charges	Principal	Total	Total	Unamortized costs	Charges	Principal	Total	Total
Index	Interest (%)				Principal	Charges												
Operating																		
6th Issuance	Alupar	Apr-15	Apr-21	250,000	IPCA	7.33	Annual	Semiannual	(122)	5,445	167,509	172,832	165,475	(122)	5,445	167,509	172,832	165,475
7th Issuance	Alupar	Dec-19	Oct-25	648,500	CDI	1.40	Single installment	Semiannual	(1,527)	9,844	648,500	656,817	651,366	(1,527)	9,844	648,500	656,817	651,366
1st Issuance	Windepar	Dec-16	Dec-28	67,500	IPCA	7.63	Semiannual	Semiannual	-	-	-	-	-	(4,048)	1,591	74,946	72,489	69,239
3rd Issuance	EATE	Mar-14	Mar-19	270,000	CDI	1.15	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
4th Issuance	EATE	Aug-14	Aug-20	159,000	CDI	109.75	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
5th Issuance - I	EATE	Sep-16	Sep-19	126,000	CDI	113.00	Monthly	Monthly	-	-	-	-	-	-	-	-	-	-
5th Issuance - II	EATE	Sep-16	Sep-21	54,000	CDI	116.00	Monthly	Monthly	-	-	-	-	-	(17)	96	54,000	54,079	54,055
6th Issuance	EATE	Sep-17	Sep-22	70,000	CDI	107.75	Monthly	Monthly	-	-	-	-	-	(54)	8	22,909	22,863	26,660
7th Issuance	EATE	Jun-18	Jun-23	85,000	CDI	112.00	Monthly	Monthly	-	-	-	-	-	(122)	15	41,727	41,620	46,227
8th Issuance	EATE	Jul-19	Jul-24	270,000	CDI	108.60	Single installment	Semiannual	-	-	-	-	-	(523)	1,174	270,000	270,651	272,013
3rd Issuance	ECTE	May-15	Feb-20	70,000	CDI	2.15	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
4th Issuance	ECTE	Sep-17	Sep-22	75,000	CDI	107.75	Monthly	Monthly	-	-	-	-	-	(80)	16	46,552	46,488	54,217
5th Issuance	ECTE	Jul-19	Jul-24	50,000	CDI	108.60	Single installment	Semiannual	-	-	-	-	-	(170)	217	50,000	50,047	50,295
2nd Issuance	ENTE	Aug-14	Aug-20	248,000	CDI	109.75	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
3rd Issuance - I	ENTE	Sep-16	Sep-19	28,000	CDI	113.00	Monthly	Monthly	-	-	-	-	-	-	-	-	-	-
3rd Issuance - II	ENTE	Sep-16	Sep-21	12,000	CDI	116.00	Monthly	Monthly	-	-	-	-	-	-	-	-	-	-
4th Issuance	ENTE	Jul-19	Jul-24	50,000	CDI	108.60	Single installment	Semiannual	-	-	-	-	-	(177)	217	50,000	50,040	50,287
2nd Issuance	ETEP	Aug-14	Aug-20	69,000	CDI	109.75	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
3rd Issuance	ETEP	Jun-18	Jun-23	45,000	CDI	112.00	Monthly	Monthly	-	-	-	-	-	(75)	9	24,796	24,730	27,466
3rd Issuance	Ferreira Gomes	Jun-14	Dec-27	210,900	IPCA	6.47	Semiannual	Semiannual	-	-	-	-	-	(8,902)	5,530	306,035	302,663	290,418
1st Issuance	STN	Aug-14	Aug-20	101,000	CDI	109.75	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
2nd Issuance	Transirapé	Sep-17	Sep-22	30,000	CDI	107.75	Monthly	Monthly	-	-	-	-	-	(31)	5	14,595	14,569	16,990
1st Issuance	Transleste	Aug-14	Aug-20	55,000	CDI	109.75	Quarterly	Quarterly	-	-	-	-	-	-	-	-	-	-
2nd Issuance	Transleste	Sep-17	Jun-22	30,000	CDI	107.75	Monthly	Monthly	-	-	-	-	-	(41)	7	21,600	21,566	25,150
2nd Issuance	Transudeste	Sep-17	Sep-22	50,000	CDI	107.75	Monthly	Monthly	-	-	-	-	-	(39)	6	18,368	18,335	21,383
1st Issuance	EBTE	Jun-18	Jun-23	110,000	CDI	112.00	Monthly	Monthly	-	-	-	-	-	(151)	17	49,502	49,368	54,831
1st Issuance	ETES	Jun-18	Jun-23	40,000	CDI	112.00	Monthly	Monthly	-	-	-	-	-	(110)	6	18,001	17,897	19,884
2nd Issuance - I	ETAP	Sep-18	Sep-23	41,300	CDI	112.00	Single installment	Semiannual	-	-	-	-	-	(608)	53	41,300	40,745	40,887
2nd Issuance - II	ETAP	Sep-18	Sep-25	114,700	IPCA	6.17	Annual	Semiannual	-	-	-	-	-	(2,185)	1,087	127,472	126,374	125,088
1st Issuance	ETVG	Jun-18	Jun-23	38,000	CDI	112.00	Monthly	Monthly	-	-	-	-	-	(92)	6	17,101	17,015	18,904
2nd Issuance	Verde08	Jul-18	Jul-25	140,000	IPCA	5.96	Single installment	Semiannual	-	-	-	-	-	(2,038)	1,847	156,853	156,662	155,177
2nd Issuance - I	ETC	Sep-18	Sep-23	30,700	CDI	113.50	Single installment	Semiannual	-	-	-	-	-	(447)	40	30,700	30,293	30,400
2nd Issuance - II	ETC	Sep-18	Sep-25	85,300	IPCA	6.17	Annual	Semiannual	-	-	-	-	-	(1,610)	808	94,798	93,996	93,042
2nd Issuance	EDTE	Dec-18	Dec-28	315,000	IPCA	NTN-B + 0,5%	Semiannual	Semiannual	-	-	-	-	-	(8,508)	39,740	315,000	346,232	333,300
1st Issuance	ETB	Dec-18	Feb-29	715,000	IPCA	5.34	Semiannual	Semiannual	-	-	-	-	-	(18,897)	83,286	715,000	779,389	770,373
1st Issuance	AETE	Sep-20	Sep-26	130,000	CDI	2.70	Semiannual	Semiannual	-	-	-	-	-	(1,321)	367	123,630	122,676	130,019
Pre-operating																		
1st Issuance	TCC	Sep-18	Sep-28	680,000	IPCA	6.53	Semiannual	Semiannual	-	-	-	-	-	(18,579)	78,718	680,000	740,139	733,293
1st Issuance	TPE	Sep-18	Sep-28	1,070,000	IPCA	6.53	Semiannual	Semiannual	-	-	-	-	-	(29,169)	123,866	1,070,000	1,164,697	1,153,925
1st Issuance	TSM	Dec-19	Dec-44	530,000	IPCA	4.50	Semiannual	Semiannual	-	-	-	-	-	(32,270)	69,573	530,000	567,303	546,649
1st Issuance	ESTE	Dec-19	Dec-44	415,000	IPCA	4.50	Semiannual	Semiannual	-	-	-	-	-	(24,340)	54,474	415,000	445,134	428,993
TOTAL									(1,649)	15,289	816,009	829,649	816,841	(156,253)	478,068	6,195,894	6,517,709	6,456,006
Current									(487)	15,289	167,509	182,311	169,588	(16,433)	43,143	407,013	433,723	459,821
Non-current									(1,162)	-	648,500	647,338	647,253	(139,820)	434,925	5,788,881	6,083,986	5,996,185

Notes to the interim financial information

The Management of the Company, its subsidiaries and joint ventures monitors the financial ratios defined in the indentures of debentures.

For debentures issued by the Company, the calculations are performed on a quarterly basis according to the following ratios:

- Company – Net Debt/(Dividends + Interest on Capital + EBITDA) and (Dividends + Interest on Capital + EBITDA)/Net Finance Costs; and
- Consolidated – Net Debt/Adjusted EBITDA; Adjusted EBITDA/Net Finance Costs and Gross Debt/(Gross Debt + Equity + Non-controlling Interest).

For debentures issued by the Company's subsidiaries, the financial ratios calculated refer to EBITDA, such as the Debt Service Coverage Ratio ("DSCR") and the Debt-to-Equity ratio, which are calculated on an annual basis, except for the debenture agreement entered into by subsidiary Ferreira Gomes, which is calculated on a quarterly basis. The non-performance of the abovementioned covenants implies the advanced maturity of debentures.

As at March 31, 2021 and December 31, 2020, all covenants were met and these ratios were within the limits established in the debt agreements of the Company, its subsidiaries and joint ventures.

Debentures of the Company and its subsidiaries are nonconvertible.

Changes in debentures	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Opening balance	816,841	964,630	6,456,006	6,490,298
Debts (unamortized cost)	-	-	-	128,394
Accrued charges	5,467	25,776	185,185	523,901
Adjustment for inflation and exchange rate changes	7,341	26,807	21,620	46,038
Principal paid	-	(158,605)	(48,395)	(433,377)
Charges paid	-	(41,767)	(96,707)	(299,248)
Closing balance	829,649	816,841	6,517,709	6,456,006

The maturities of debentures, by index, as follows:

Maturities by index	3/31/2021							
	Company							
	2021	2022	2023	2024	2025	2026	After 2026	Total
CDI	9,844	-	-	324,250	324,250	-	-	658,344
IPCA	172,954	-	-	-	-	-	-	172,954
(-) unamortized costs	(375)	(365)	(337)	(337)	(235)	-	-	(1,649)
	182,423	(365)	(337)	323,913	324,015	-	-	829,649

Maturities by index	3/31/2021							
	Consolidated							
	2021	2022	2023	2024	2025	2026	After 2026	Total
CDI	112,824	205,911	118,213	660,401	388,550	69,485	-	1,555,384
IPCA	219,771	69,030	214,710	497,084	519,178	571,508	3,027,297	5,118,578
(-) unamortized costs	(12,375)	(17,228)	(16,921)	(16,418)	(15,464)	(15,658)	(62,189)	(156,253)
	320,220	257,713	316,002	1,141,067	892,264	625,335	2,965,108	6,517,709

Notes to the interim financial information

21. Provision for contingencies

- a) The Management of the Company and its subsidiaries, based on the legal counsel's opinion and the analysis of pending lawsuits, recognized a provision in an amount considered sufficient to cover the probable losses from the lawsuits in progress, as follows:

Company				Consolidated			
Liabilities		Assets		Liabilities		Assets	
Provisions		Escrow deposits		Provisions		Escrow deposits	
3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Lawsuits							
Tax	-	-	-	1,535	1,477	3,953	3,953
Civil	6	6	5	5,229	8,537	8,461	8,461
Severance	-	-	-	-	-	810	718
Labor	5,108	5,108	784	773	8,291	8,448	2,431
Administrative proceedings							
Regulatory (ANEEL)	-	-	-	-	-	27	27
	5,114	5,114	789	778	15,055	18,462	15,717
Current	-	-	-	-	-	2,712	384
Non-current	5,114	5,114	789	778	15,055	15,750	15,333

- b) Changes in the provision for contingencies:

There was no change in the Company's contingency provisions in the period from December 31, 2020 to March 31, 2021.

Consolidated					
12/31/2020	Filing	Adjustments	Reversals	3/31/2021	
Lawsuits					
Tax	1,477	-	58	-	1,535
Civil	8,537	-	2	(3,310)	5,229
Labor	8,448	10	24	(191)	8,291
	18,462	10	84	(3,501)	15,055

Consolidated					
12/31/2019	Additions	Adjustments	Reversals	12/31/2020	
Lawsuits					
Tax	1	1,476	-	-	1,477
Civil	6,122	2,515	-	(100)	8,537
Labor	9,044	1,661	475	(2,732)	8,448
	15,167	5,652	475	(2,832)	18,462

As of March 31, 2021, the Company's and its subsidiaries' lawsuits whose likelihood of loss was probable referred to the following main matters:

Tax

The Company's subsidiaries are parties to administrative lawsuits regarding the withholding of ISS on services contracted for the implementation of power plants and transmission towers.

Notes to the interim financial information

Civil

The Company's subsidiaries are parties to lawsuits arising from the collection of additional services, originating from turn-key agreements, in order to correct the supposed economic and financial unbalance of the agreements.

Labor

The Company and its subsidiaries are parties to certain labor lawsuits mostly claiming wage parity, overtime, health hazard and hazardous duty premiums, among others, involving former employees.

c) Contingent liabilities – possible likelihood of loss

The Company and its subsidiaries are parties to other lawsuits and risks, whose likelihood of unfavorable outcome is assessed as possible by the Company's outside legal counsel due to their grounding legal basis and, therefore, no provision was recorded. There are no court or other decisions on similar lawsuits whose likelihood of loss is assessed as probable or remote that would represent a judicial trend on these issues.

As at March 31, 2021, the Company's and its subsidiaries' lawsuits whose likelihood of loss is possible are demonstrated as follows:

	3/31/2021		12/31/2020	
	Quantity	Value	Quantity	Value
<u>Lawsuits</u>				
Tax	42	59,263	50	60,060
Environmental and civil	43	209,754	42	187,401
Labor	75	12,364	147	13,266
Regulatory	7	45	10	49
	167	281,426	249	260,776

The Company's Management takes into consideration, for a detailed explanation in an explanatory note, the lawsuits whose likelihood of loss is possible and whose value at risk exceeds R\$10,000 for the lawsuits related to the Company and R\$5,000 for the lawsuits related to its subsidiaries and/or are significant for the Company's business, such as public civil actions, regardless of the value at risk.

The main lawsuits whose likelihood of loss is possible are summarized below:

(i) Tax:

- Tax Enforcement nº 08094733820178230010 - filed against jointly controlled Transnorte Energia S.A. (TNE), in progress before the 2nd Public Finance Court of Boa Vista. This is a lawsuit filed for the purpose of charging the ICMS rate differential, for the period from 06/2014 to 11/2014 (CONFAZ Agreement No. 143/2012 and Decree No. 14,982/2013, whose value at risk is approximately R\$17,641 (R\$17,568 as at December 31, 2020); and
- Administrative Proceeding nº 10480729854201815 – filed against subsidiary Sistema de Transmissão do Nordeste S.A. (STN), in progress before the Federal Revenue Office of the City of Recife, State of Pernambuco. This lawsuit refers to the recognition of income tax and social contribution due to the disallowance of finance costs from the payment of interest related to the debentures issued. The value at risk is approximately R\$16,506 (R\$15,960 as at December 31, 2020).

(ii) Environmental and civil:

- Environmental Notice of Default nº 014689-A – filed by Instituto do Meio Ambiente e Ordenamento Territorial no Estado do Amapá – IMAPE, against subsidiary Ferreira Gomes Energia S.A., as such subsidiary would supposedly have caused significant changes in the environment, causing the death of aquatic fauna species in Araguari river. The value at risk is approximately R\$30,000 (R\$30,000 as at December 31, 2020);

Notes to the interim financial information

The subsidiary Ferreira Gomes signed a Conduct Adjustment Term (TAC 2), in which it suspended the administrative proceeding in progress at IMAP until its full compliance. In the end, after fulfilling the obligations assumed, the procedure will be terminated.

- Environmental Notice of Default nº 013596-A – filed by Instituto do Meio Ambiente e Ordenamento Territorial no Estado do Amapá – IMAP, against subsidiary Ferreira Gomes, as such subsidiary would supposedly have caused significant changes in the environment. The value at risk is approximately R\$20,000 (R\$20,000 as at December 31, 2020);

In September 2015, subsidiary Ferreira Gomes signed the Conduct Adjustment Term to suspend the administrative proceeding in progress in IMAP until its full implementation. Upon compliance with the obligations assumed, the administrative proceeding will be terminated.

- Execution Action nº 00002067420208030006 – filed by the State Public Prosecution Office against subsidiary Ferreira Gomes for supposed violation of Clause 2.9, items 'f' and 'g', of TAC approved in the court records of Public Civil Action nº 001385-48.2016.8.03.00006. The value at risk is approximately R\$9,018 (R\$9,018 as at December 31, 2020);
- Environmental Notice of Default nº 016154 – filed by Instituto do Meio Ambiente e Ordenamento Territorial no Estado do Amapá – IMAP, against subsidiary Ferreira Gomes Energia S.A., as such subsidiary would supposedly have caused significant changes in the environment, causing the death of aquatic fauna species in Araguari river. The value at risk is approximately R\$7,000 (R\$7,000 as at December 31, 2020);
- Public Civil Action nº 00099563820104013100 – filed by the Federal Public Prosecution Office and the Public Prosecution Office of the State of Amapá against the Company, ANEEL, CEO of IMAP (Instituto de Meio Ambiente e Ordenamento Territorial do Amapá) and SEMA/AP - Secretaria do Estado do Meio Ambiente do Estado do Amapá. The purpose of this action is to prevent environmental damages involving the environmental licensing. The value at risk was not estimated;
- Public Civil Action nº 00016274120158030006 – proposed by the Public Ministry of the State of Amapá, against subsidiary Ferreira Gomes Energia S.A., in which it claims indemnity due to alleged material and moral damages caused to the environment. With the signature of the Conduct Adjustment Term (TAC) the process was suspended, and the movement results only from the gathering of the supporting documents of compliance. The value at risk was not estimated;
- Public Civil Action nº 00184082320134013200 – filed by the Federal Public Prosecution Office against jointly controlled Trasnorte Energia S.A. for the preservation of allegedly offended indigenous rights. The value at risk is approximately R\$1,211 (R\$1,211 as at December 31, 2020);
- Public Civil Action nº 00013863320168030006 – filed by the Public Prosecution Office of the State of Amapá, against subsidiary Ferreira Gomes Energia S.A. and others, with the purpose of compelling the defendants to promote the full recovery of all environmental damages caused in the Municipality of Ferreira Gomes/AP by the flood, due to flooding caused by third parties, as well as to adopt the measures to reduce the effects from the event. This action was suspended by virtue of the Preliminary Injunction 00005352820158030006, the purpose of which is the advanced provision of proof, as requested by the Public Prosecution Office. The preliminary injunction was appealed. By virtue of this, the Public Prosecution Office filed the Criminal Action 00002968220198030006 against FGE and other companies to determine the occurrence of eventual environmental crimes of destruction/damage of permanent preservation forest. Such action is being appealed. The value at risk was not estimated; and
- Public Civil Action nº 00180326620154013200 – filed by the Federal Public Prosecution Office against subsidiary Trasnorte Energia S.A. for the preservation of allegedly offended indigenous rights. The value at risk is approximately R\$100 (R\$100 as at December 31, 2020).
- Advanced Protection Proceeding No. 10398954420208260100 filed by Grid Solutions Transmissão de Energia Ltda. against subsidiary ETB, seeking a precautionary protection to suspend the execution of the Bank Guarantee Letters

Notes to the interim financial information

provided to ETB, as a guarantee of the faithful performance of the Contract for Supply and Fixed Term Project No. ETB_JU_COM_0021-18. After the initial petition was amended, Grid Solutions seeks to extend the effects of the injunction until the judgment on the merits of the claim, in which there was a request to include the decision awarded unfavorably to ETB demanding payment of contractual fines and other contractual claims. The approximate amount at risk corresponds to R\$23,704 (R\$23,640 as at December 31, 2020); and.

- Ordinary Action No. 5013784-97.2020.8.13.0105 - proposed by the landowner, pending before the 1st Civil Court of Governador Valadares. This is an action aimed at the Revocation of a Provisional Imposition Injunction in Possession with Maintenance in Possession, Moral, Environmental Damage and Business Interruption, linked to the Administrative Servitude Institution Action nº 5007124-24.2019.8.13.0105. The approximate value at risk is R\$18,967.

(iii) Regulatory

- **Action filed by the Company's subsidiaries – CNPE n. 3:** Ordinary Actions with Preliminary Injunction nº 0076295-10.2014.4.01.3400 and nº 0003995-79.2016.4.01.3400 – filed by the Company and subsidiaries Ferreira Gomes Energia S.A., ACE Comercializadora LTDA., Energia dos Ventos I S.A., Energia dos Ventos II S.A., Energia dos Ventos III S.A., Energia dos Ventos IV S.A. and Energia dos Ventos X S.A., against the Federal Government, aiming at the nullity of the application of the effects of CNPE Resolution No. 3, which, in short, aimed at including the hydroelectric generators in the apportionment of the cost of the dispatch of the Thermolectric Power Plants outside the order of economic merit to guarantee the energy supply. Currently, the Company and subsidiaries are benefited by a preliminary injunction preventing the application of the effects of this resolution. If the ruling is unfavorable, the System Service Charges to be recognized by the Company and subsidiaries totals approximately R\$4,353 (R\$5,270 as at December 31, 2020).
- **Action proposed by the Company's subsidiaries - Injunction GSF - Writ of Mandamus with Injunction Order No. 1005189-34.2015.4.01.3400** - proposed by the subsidiaries Usina Paulista Lavrinhas de Energia SA and Usina Paulista Queluz de Energia SA, against CCEE, in order to protect the plaintiffs of the financial burdens resulting from the judicial decisions that limit the GSF factor in favor of third parties, in short, aimed at suspending payments of the GSF amounts by the plaintiffs since July 2015. Currently, the subsidiaries Queluz and Lavrinhas are beneficiaries by suspension injunction payment of the GSF, however, they have been provisioning the amounts within the accrual period (see note 14). As of March 31, 2021, the injunction was maintained and based on the opinion of its legal advisors, the expectation of loss is possible and the approximate amount at risk on this date is R\$100 (R\$100 as at December 31, 2020).

(iv) Arbitration:

- Arbitration Procedure nº 32/2020/SEC7: instituted by ICSK Brasil Construção Ltda. in face of ETB, before the Arbitration and Mediation Center of the Brazil - Canada Chamber of Commerce. This is an arbitral proceeding instituted to settle a dispute arising from the Contract at a Unit Price and Fixed Term nº ETB_JU_COM_0015-18. The approximate value at risk is R\$39,362 (R\$39,256 as at December 31, 2020); and
- Procedimento Arbitral nº CMA 652-20-JCA: instituted by Teixeira Duarte - Engenharia e Construções S.A. against the subsidiary ETC, before the CIESP/FIESP Conciliation, Mediation and Arbitration Center. This is an arbitral proceeding instituted to settle a dispute arising from the Contract at a Unit Price and Fixed Term nº ETC_JU_COM_0023-18. The approximate value at risk is R\$10,716 (R\$10,687 as at December 31, 2020).

The explanatory notes do not include legal claims whose likelihood of loss is remote, except for those that, in the opinion of Management, are important for the business of the Company and its subsidiaries, as described below:

(i) Arbitration:

- Process 10.2020 and Process 11.2020: the subsidiaries Usina Paulista Lavrinhas de Energia S.A. and Usina Paulista Queluz de Energia S.A. entered into separate energy supply contracts, through which they should supply certain amounts of energy per month. Such contracts were partially assigned to third parties, who defaulted with their payment obligations. As a result of these facts, Lavrinhas and Queluz filed enforcement actions against the assigning companies and assignees, which are jointly and severally liable for the contractual obligations.

Notes to the interim financial information

Considering that the energy supply contracts had an arbitration clause, the assignors, in order to be able to present their debtor embargoes, instituted arbitration procedures, requiring the rebalancing of the contracts or their resolutions for all purposes. In this sense, although Lavrinhas and Queluz appear in the passive pole of these arbitrations, they are also the creditors of the energy supply contracts, being certain that the chance of loss of these arbitrations is pointed out by our lawyers as remote. There is no calculable value at risk at this stage of the process.

22. Equity

a) Authorized capital

Pursuant to article 8 of the Bylaws, the Company is authorized to increase capital, subject to approval by the Board of Directors, regardless of any amendment to the Bylaws, through issue of common and/or preferred shares, up to the limit of one billion (1,000,000,000) shares. It is also incumbent upon the Board of Directors to set the issue conditions, including price, terms and form of payment. The Company's shareholders are entitled to the preemptive right in the subscription of new shares, or any securities convertible into shares, exercisable within thirty (30) days.

b) Capital

As at March 31, 2021 and December 31, 2020, the Company's subscribed and paid-in capital totaled R\$2,981,996, represented by 596,955,970 common shares and 282,155,299 preferred shares, as follows:

3/31/2021 and 12/31/2020				
Common		Preferred		
Number	%	Number	%	
Guarupart	445,995,367	74.71	5,471,128	1.94
FI - FGTS (*)	35,162,754	5.89	70,325,508	24.92
Other (*)	115,797,849	19.40	206,358,663	73.14
Total shares	596,955,970	100.00	282,155,299	100.00

Shareholders

Guarupart	445,995,367	74.71	5,471,128	1.94
FI - FGTS (*)	35,162,754	5.89	70,325,508	24.92
Other (*)	115,797,849	19.40	206,358,663	73.14
Total shares	596,955,970	100.00	282,155,299	100.00

(*) Free-float

c) Capital reserve

The capital reserves arise from the profit or loss in transaction of capital and from reserve for reinvestment, as follows:

	Company	
	3/31/2021	12/31/2020
Gain (loss) on capital transaction		
EATE	86,821	86,821
ECTE	(3,915)	(3,915)
APAETE	4,643	4,643
Lavrinhas	(4,747)	(4,747)
Queluz	(3,000)	(3,000)
Foz	(31,987)	(31,987)
TME	(27,823)	(27,823)
	19,992	19,992
Reinvestment reserve		
ENTE	466	466
ETEP	57	57
	523	523
	20,515	20,515

Notes to the interim financial information

d) Retained earnings

Refers to the amounts of: (i) Legal Reserve R\$229,790 on March 31, 2021 (R\$229,790 as at December 31, 2020), (ii) Unrealized Earnings Reserve on March 31, 2021 R\$422,029 (R\$442,029 as at December 31, 2020) and (iii) Investment Reserve R\$2,075,558 on March 31, 2020 (R\$2,075,560 as at December 31, 2020).

e) Other comprehensive income

This refers to gain and loss on translation of the interim financial information of subsidiaries domiciled abroad, as follows:

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Balance at the beginning of the period	85,453	38,526	85,155	38,526
Exchange differences from conversion of assets overseas				
Subsidiaries:				
La Virgen	2,368	6,720	2,201	6,422
Risaralda	125	11	125	11
Alupar Peru	14,232	26,179	14,232	26,179
Alupar Colombia	1,516	14,017	1,516	14,017
Balance at the end of the period	103,694	85,453	103,229	85,155

23. Earnings per share

Basic earnings per share are calculated based on profit or loss for the period attributable to the Company's owners and the weighted average number of common shares outstanding in the related period.

The table below shows the calculation of the weighted average of outstanding shares and earnings per share of the Company for the three-month periods ended March 31, 2021 and 2020:

	Consolidated	
	Period ended	
	3/31/2021	3/31/2020 (Restatement)

Numerator:

Net profit for the period attributed to controlling shareholders 323,416 211,614

Denominator (in thousands of shares)

Weighted average number of common shares (*) 596,956 596,956

Weighted average number of preferred shares (*) 282,155 282,155

Earnings per share

Basic and diluted earnings per common share (*) 0.36789 0.24071

Basic and diluted earnings per preferred shares (*) 0.36789 0.24071

(*) The Company does not have diluting instruments, such as, convertible instruments, options or subscription warrants.

24. Net operating revenue

	Company		Consolidated	
	Period ended		Period ended	
	3/31/2021	3/31/2020	3/31/2021	3/31/2020 (Restatement)
Gross operating revenue				
Power transmission system				
Operation and maintenance revenue (note 9)	-	-	94,801	63,524
Infrastructure revenue (note 9)	-	-	505,633	811,777
Concession asset payment (note 9)	-	-	976,410	379,769
	-	-	1,576,844	1,255,070
Power generation system				
Power supply (note 25)	18,638	40,753	181,526	179,039
Total gross operating revenue	18,638	40,753	1,758,370	1,434,109
Taxes on gross operating revenue				
PIS	(307)	(629)	(7,287)	(5,351)
COFINS	(1,415)	(2,895)	(33,596)	(24,689)
Deferred PIS and COFINS	-	-	(93,774)	(83,840)
ICMS	-	-	(282)	(85)
ISS	-	-	(95)	(115)
VAT	-	-	-	(97)
	(1,722)	(3,524)	(135,034)	(114,177)
Regulatory charges				
RGR	-	-	(7,973)	(7,976)
R&D	-	-	(1,911)	(1,646)
FNDCT	-	-	(1,831)	(1,587)
MME	-	-	(917)	(795)
TFSEE	-	-	(2,193)	(1,909)
Deferred TFSSE and RGR	-	-	(7,037)	(2,258)
	-	-	(21,862)	(16,171)
Total deductions on gross operating revenue	(1,722)	(3,524)	(156,896)	(130,348)
Total net operating revenue	16,916	37,229	1,601,474	1,303,761

a) Margin of transmission segment performance obligations

The following are the transmission segment margins for each performance obligation:

	Consolidated	
	Period ended	
	3/31/2021	3/31/2020
Infrastructure implementation		
Infrastructure revenue	505,633	811,777
Infrastructure cost	(393,249)	(500,082)
Margin	112,384	311,695
% Perceived margin	22.23%	38.40%
Operação & Manutenção		
Operation and maintenance revenue	94,801	63,524
Operation and maintenance cost	(29,661)	(22,593)
Margin	65,140	40,931
% Perceived margin	68.71%	64.43%

Notes to the interim financial information

25. Power supply and electric energy purchased for resale

Company						Consolidated					
Period ended						Period ended					
3/31/2021			3/31/2020			3/31/2021			3/31/2020		
MWh (*)	Average price	Value	MWh (*)	Average price	Value	MWh (*)	Average price	Value	MWh (*)	Average price	Value
Power supply											
Free market	-	-	-	-	-	72,696	322.33	23,432	102,626	297.58	30,539
Free market - trading	56,187	228.91	12,862	174,586	192.77	33,655	262,021	231.60	60,684	271,980	227.31
Free market - related parties	29,685	55.58	1,650	20,460	193.32	3,955	-	-	-	-	-
Regulated market	-	-	-	-	-	479,180	167.49	80,260	476,925	163.12	77,794
MRE and Spot (short term)	-	-	4,126	-	-	-	-	17,150	-	-	8,881
Total gross operating revenue		18,638			40,753			181,526			179,039
Power purchased for resale											
Free market	(15,996)	179.61	(2,873)	(91,728)	207.70	(19,052)	(198,732)	149.09	(29,629)	(131,040)	205.39
Free market - related parties	(88,344)	203.99	(18,021)	(119,592)	204.95	(24,510)	-	-	-	-	-
MRE and Spot (short term)	-	-	(23)	-	-	(2,661)	-	-	(1,235)	-	(12,030)
(-) PIS/COFINS credits	-	-	2,764	-	-	5,535	-	-	4,169	-	6,245
		(18,153)			(40,688)			(26,695)			(32,699)

(*) Information not reviewed by independent auditors

26. Costs and expenses

Company						
Period ended						
3/31/2021			3/31/2020			
Expenses	Cost of services	Total	Expenses	Cost of services	Total	
General and administrative			General and administrative			
Personnel	(3,319)	(293)	(3,612)	(2,326)	(134)	(2,460)
Management fees	(1,820)	-	(1,820)	(1,924)	-	(1,924)
Material	(18)	-	(18)	(28)	-	(28)
Services	(1,064)	(105)	(1,169)	(2,804)	(228)	(3,032)
Depreciation and amortization	(522)	-	(522)	(474)	-	(474)
Rentals	(46)	-	(46)	86	-	86
Insurance	(11)	-	(11)	(17)	-	(17)
Donations, contributions and grants	(35)	(40)	(75)	(117)	(77)	(194)
Taxes and rates	(259)	-	(259)	(141)	(53)	(194)
Other	(7)	-	(7)	-	-	-
Total	(7,101)	(438)	(7,539)	(7,745)	(492)	(8,237)

Consolidated								
Period ended								
3/31/2021				3/31/2020				
Cost of services		Expenses		Total	Cost of services		Expenses	
Services provided	Infrastructure cost	General and administrative	Services provided		Infrastructure cost	General and administrative	Total	
Personnel	(17,964)	(6,075)	(10,380)	(34,419)	(13,983)	(11,198)	(8,462)	(33,643)
Management fees	-	-	(4,300)	(4,300)	-	-	(5,897)	(5,897)
Material	(4,533)	(39,235)	(229)	(43,997)	(2,082)	(149,785)	(208)	(152,075)
Services	(13,448)	(278,836)	(7,066)	(299,350)	(12,292)	(238,649)	(10,881)	(261,822)
Depreciation and amortization	(27,883)	-	(1,553)	(29,436)	(26,394)	-	(1,570)	(27,964)
Provision	3,240	(1,411)	(4)	1,825	(513)	-	(1,145)	(1,658)
Rentals and leases	(1,768)	(269)	(271)	(2,308)	(1,024)	(138)	(167)	(1,329)
Insurance	(4,171)	(126)	(109)	(4,406)	(3,227)	(19)	(85)	(3,331)
Donations, contributions and grants	(181)	-	(523)	(704)	(240)	-	(397)	(637)
Taxes and rates	(1,210)	(1,228)	(623)	(3,061)	(663)	(11,641)	(930)	(13,234)
Other	(439)	(66,069)	(879)	(67,387)	(801)	(88,652)	(552)	(90,005)
Total	(68,357)	(393,249)	(25,937)	(487,543)	(61,219)	(500,082)	(30,294)	(591,595)

Notes to the interim financial information

The value of "Others" in Infrastructure cost basically refers to the cost of debt considered as construction cost, expenses with easements and other expenses.

27. Finance income (costs)

	Company		Consolidated	
	Period ended		Period ended	
	3/31/2021	3/31/2020 (Restatement)	3/31/2021	3/31/2020 (Restatement)
Finance income				
Income from short-term investments	2,160	9,182	6,965	16,369
Adjustment for inflation	152	413	1,228	1,138
Other financial income (*)	17,488	896	2,622	543
Total	19,800	10,491	10,815	18,050
Finance costs				
Debt charges	(12,807)	(19,635)	(180,878)	(85,238)
Gain (loss) on exchange rate changes	18	43	(34,291)	(21,987)
Adjustment for inflation	-	-	(2,818)	(162)
Interest on leases	(30)	(48)	(1,098)	(1,063)
Bank expenses	(321)	(163)	(984)	(339)
Other financial expense	(196)	(269)	(856)	(1,531)
Total	(13,336)	(20,072)	(220,925)	(110,320)
Total net	6,464	(9,581)	(210,110)	(92,270)

(*) The amount of R\$15,062 in Other financial income of the parent company, refers to the surety fee on loans provided by Alupar in favor of subsidiaries, see note 29, based on an agreement between the controlling shareholders and the shareholders non-controlling interests of these subsidiaries.

28. Income tax and social contribution

a) Composition of the current income tax and social contribution balance recorded in the balance sheet:

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Corporate Income Tax (IRPJ)	24,973	25,596	60,098	68,237
Social Contribution on Net Income (CSLL)	-	-	2,476	1,423
Withholding Income Tax (IRRF)	437	436	13,840	15,211
Total income tax and social contribution to be offset	25,410	26,032	76,414	84,871
Current	25,410	26,032	73,227	81,684
Non-current	-	-	3,187	3,187

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Corporate Income Tax (IRPJ)	-	-	11,258	22,594
Social Contribution on Net Income (CSLL)	-	-	14,255	41,048
Total income tax and social contribution	-	-	25,513	63,642

Notes to the interim financial information

b) Deferred income tax and social contribution recognized in assets and liabilities are demonstrated as follows:

<u>Deferred income tax and social contribution</u>	Consolidated	
	3/31/2021	12/31/2020
Deferred income tax - assets	6,875	4,243
Deferred social contribution - assets	3,260	2,445
Total assets	10,135	6,688
Deferred income tax - liabilities	1,474,784	1,349,057
Deferred social contribution - liabilities	637,205	576,767
Total liabilities	2,111,989	1,925,824

Companies under taxable income regime impacted by Law 12,973: EBTE, EATE, ETEP, ECTE, ENTE, ETES, ETEM, STN, ELTE, TME and ETVG. Companies EBTE, FOZ, FGE, ELTE and Verde 8 recorded deferred assets on the recognition of tax losses.

Deferred income tax and social contribution are demonstrated as follows:

	Consolidated			
	Balance sheet		Profit or loss	
	3/31/2021	12/31/2020	3/31/2021	3/31/2020 (Restatement)
Tax loss carryforwards	10,135	6,688	(773)	666
Concession Agreement	(2,109,164)	(1,923,319)	(178,625)	(105,022)
Deferred revenue for public bodies	(2,825)	(2,505)	(2,825)	(1,453)
Deferred income tax and social contribution	(2,101,854)	(1,919,136)	(182,223)	(105,809)

Tax credits to be offset

Under CPC 32, a deferred tax asset or liability is recognized on all deductible or taxable temporary differences, respectively. A temporary difference is the difference between the carrying amount of the asset or liability in the interim financial information and the taxable basis. This pronouncement also requires the accounting of a deferred tax asset on unused tax losses to the extent that it is probable that future taxable income will be generated to offset such deferred tax asset.

As at March 31, 2021, Alupar recorded tax loss carryforwards that would generate potential tax credits, as described below. These credits were not recognized, as the Company's operations will not generate taxable income for realization of these credits.

<u>Unrecognized tax credit</u>	Company	
	3/31/2021	12/31/2020
Tax losses	629,081	622,594
Tax loss carryforwards	652,569	645,998

Notes to the interim financial information

c) Reconciliation of the effective nominal rate for the three-month periods ended March 31, 2021 and 2020 is as follows:

	Consolidated	
	Period ended	
	3/31/2021	3/31/2020 (Restatement)
a) Composition of income taxes		
Income taxes recognized in the Statement of Income		
Current	(25,465)	(34,724)
Deferred	(182,223)	(105,809)
Total	(207,688)	(140,533)
b) Income taxes calculation - expenses:		
Income before taxation	868,575	578,460
Nominal rate	34%	34%
Expected income tax expense on the nominal tax rates	(295,316)	(196,676)
Reconciling items to determine the effective tax rate		
Tax incentive (*)	28,899	26,718
Compensation for tax loss carryforwards and negative basis	620	1,503
Non-deductible expenses and provisions	(546)	(867)
Equity pick up of subsidiaries	(498)	(219)
(-) Exclusion - Financial revenue from the concession - Art. 84 item II IN nº 1515/14	162,902	108,659
(+) Addition "AVP" - Art. 84 item II IN nº 1515/14	(55,333)	(67,904)
Reversal of deemed profit rate	22,594	13,554
Exclusion of CPC effects 47	(45,408)	3,165
Deferral of public bodies	(2,825)	(1,453)
Others	(22,777)	(27,013)
Income taxes expenses - current and deferred	(207,688)	(140,533)
c) Effective tax rate	23.9%	24.3%

(*) Federal tax benefits which guarantee a 75% income tax reduction in the region of the Superintendence Authority for the Development of the Amazon (SUDAM) and the Superintendence Authority for the Development of the Northeast (SUDENE)

Notes to the interim financial information

- d) The breakdown by company concerning income tax and social contribution calculation regime, including PIS/COFINS rates of subsidiaries is shown below:

Companies	Fiscal year 2021				Tax regime
	PIS and COFINS rate	REIDI incentive through:	Sudam/Sudene incentive through:	ICMS incentive through:	
Subsidiaries					
Alupar Peru	Not applicable	-	-	-	Not applicable
Transminas	9.25%	-	-	-	Taxable income
Alupar Chile	Not applicable	-	-	-	Not applicable
Foz	3.65%	-	-	-	Deemed profit
Ijuí	3.65%	-	-	-	Deemed profit
Lavrinhas	3.65%	-	-	-	Deemed profit
Queluz	3.65%	-	-	-	Deemed profit
Ferreira Gomes (**)	9.25%	-	2026	-	Taxable income
GET	9.25%	-	-	-	Taxable income
Risaralda	Not applicable	-	-	-	Not applicable
Alupar Colombia	Not applicable	-	-	-	Not applicable
Verde 8	9.25%	-	-	-	Taxable income
Agua Limpa	9.25%	-	-	-	Taxable income
La Virgen	Not applicable	-	-	-	Not applicable
EATE (*)	Mixed regime - Bid 3.65% and RBNI 9.25%	-	2023	-	Taxable income
STN (*)	9.25%	-	2025	-	Taxable income
ETES	9.25%	2021	-	-	Taxable income
ETEP (*)	Mixed regime - Bid 3.65% and RBNI 9.25%	-	2025	-	Taxable income
ENTE (*)	Mixed regime - Bid 3.65% and RBNI 9.25%	-	2025	-	Taxable income
ERTE (*)	3.65%	-	2024	-	Deemed profit
ECTE (*)	Mixed regime - Bid 3.65% and RBNI 9.25%	-	-	-	Taxable income
ETEM	9.25%	-	2024	-	Taxable income
ETVG	9.25%	-	2024	-	Taxable income
ELTE	9.25%	2020	-	-	Taxable income
Lumitrans	3.65%	-	-	-	Deemed profit
STC	3.65%	-	-	-	Deemed profit
ACE	9.25%	-	-	-	Taxable income
AF	9.25%	-	-	-	Taxable income
Windepar	9.25%	-	-	-	Taxable income
ETAP	9.25%	-	2029	-	Taxable income
ETC	3.65%	-	-	-	Deemed profit
TCC	9.25%	2022	-	2020	Taxable income
TPE	9.25%	2022	-	2020	Taxable income
TSM	9.25%	2022	-	-	Taxable income
Transmissoras Reunidas	9.25%	-	-	-	Taxable income
AETE	3.65%	-	-	-	Taxable income
EBTE	9.25%	-	2020	-	Taxable income
Transleste	3.65%	-	-	-	Deemed profit
Transudeste	3.65%	-	-	-	Deemed profit
Transirapé	3.65%	-	-	-	Deemed profit
ESDE	3.65%	-	-	-	Deemed profit
ETSE	3.65%	-	-	-	Deemed profit
ESTE	9.25%	-	-	-	Taxable income
EDV I	3.65%	-	-	-	Deemed profit
EDV II	3.65%	-	-	-	Deemed profit
EDV III	3.65%	-	-	-	Deemed profit
EDV IV	3.65%	-	-	-	Deemed profit
EDV X	3.65%	-	-	-	Deemed profit
TCE	Not applicable	-	-	-	Not applicable
EDTE	9.25%	-	2029	-	Taxable income
TME	9.25%	-	2024	-	Taxable income
ETB	9.25%	2022	-	2020	Taxable income
EAP I	9.25%	2022	-	-	Taxable income
EAP II	9.25%	2022	-	-	Taxable income
EAP III	9.25%	-	-	-	Taxable income
EAP IV	9.25%	-	-	-	Taxable income
EAP V	9.25%	-	-	-	Taxable income
EAP VI	9.25%	-	-	-	Taxable income
EAP VII	9.25%	-	-	-	Taxable income
Joint venture					
TNE	9.25%	-	-	-	Taxable income

(*) In accordance with Law 10,637/2002, the concession contracts of electric utilities entered into before October 31, 2003 are subject to the deduction of 3.65% PIS/COFINS. (**) On October 8, 2018, the Official Gazette published the recognition of the special taxation regime applicable to companies belonging to the Electric Energy Trading Chamber (CCEE), introduced by article 47, of Law 10,637/ 002, in which the company started to tax the revenues from these transactions at the rate of cumulative regime (3.65%) in the PIS and COFINS contributions.

29. Related parties

a) All related-party transactions are demonstrated as follows:

Related party/transaction	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Balance sheet				
Assets				
Short-term investment	259,932	258,892	273,011	327,576
Brazil's Federal Savings and Loans Bank (i)	259,932	258,892	273,011	327,576
Other assets	16,766	13,263	-	-
Verde 8 - Reembolso de despesas (ii)	13,768	13,263	-	-
TPE - guarantor commission (viii)	1,542	-	-	-
ETB - guarantor commission (viii)	1,031	-	-	-
TCC - guarantor commission (viii)	425	-	-	-
Dividends receivable (iii)	344,691	390,119	75	75
Transminas	7,074	7,073	-	-
EATE	87,826	111,335	-	-
ENTE	14,517	14,517	-	-
ECTE	10,464	10,464	-	-
ERTE	439	-	-	-
ETEP	9,638	7,137	-	-
STC	1,437	1,437	-	-
Lumitrans	1,391	1,391	-	-
ETES	13,464	12,736	-	-
Ijui	4,308	8,878	-	-
Foz	32,379	8,927	-	-
Lavrinhas	11,531	11,531	-	-
Queluz	24,192	24,192	-	-
TME	2,960	8,749	-	-
ETEM	858	1,969	-	-
ETVG	8,960	8,960	-	-
Ferreira Gomes	4,671	6,970	-	-
TNE	75	75	75	75
ETAP	15,747	51,864	-	-
ETC	27,664	26,818	-	-
TPE	45,876	45,876	-	-
ETB	19,220	19,220	-	-
Advance for future capital increase (iv)	95,465	103,600	-	-
GET	695	695	-	-
Transmissoras reunidas	22	12	-	-
Agua Limpa	95	50	-	-
ELTE	-	2,000	-	-
Alupar Chile	2,850	2,850	-	-
Windepar	86,171	86,171	-	-
ETC	-	8,500	-	-
EAP I	3,168	1,919	-	-
EAP II	2,200	1,403	-	-
EAP III	53	-	-	-
EAP IV	53	-	-	-
EAP V	53	-	-	-
EAP VI	52	-	-	-
EAP VII	53	-	-	-
Liabilities				
Trade payables	5,999	9,576	-	-
Ferreira Gomes - power purchased in free market (v)	5,999	9,576	-	-
Dividends payable (vi)	246,153	246,153	493,831	509,475
Guarupart	126,411	126,411	126,411	126,411
Non-controlling shareholders of the parent company	119,742	119,742	119,742	119,742
Non-controlling shareholders	-	-	247,678	263,322

Related party/transaction	Company	
	Period ended	
	3/31/2021	3/31/2020
Statement of profit and loss		
Revenue - power supply (vii)	1,650	3,955
Ferreira Gomes	1,650	3,374
Ijuí	-	581
Cost - power purchased for resale (v)	(18,021)	(24,510)
Ferreira Gomes	(17,416)	(24,510)
Verde 8	(605)	-
Finance income	16,302	7,809
Brazil's Federal Savings and Loans Bank (*) - short-term investments (i)	1,042	6,917
Verde 8 Energia S.A. - interest on project sold (ii)	198	324
Windepar - loan	-	568
TPE - guarantor commission (viii)	7,985	-
ETB - guarantor commission (viii)	6,652	-
TCC - guarantor commission (viii)	425	-

(*) Brazil's Federal Savings and Loans Bank (CEF) manages FI-FGTS, which is a shareholder of the Company.

- i) Refers to short-term investments performed by Caixa Econômica Federal, which manages FI-FGTS, the Company's shareholder, at market rates;
 - ii) Refers to reimbursement of rental and condominium expenses and also reimbursement of study expenses, environmental projects and licenses, between the Company and its subsidiary;
 - iii) Refers to dividends receivable for years 2020 and prior years of the Company's subsidiaries, to be settled by the end of 2021;
 - iv) Refers to advance for future capital increase (AFAC) performed by the Company on behalf of its subsidiaries for cash increase, payable through December 2021;
 - v) Refers to the purchase of electric energy from subsidiaries to meet the supply agreements entered into with other subsidiaries; the average purchase price disclosed on note 25;
 - vi) Refers to dividends payable by the Company and its subsidiaries to shareholders.
 - vii) Refers to the sale of energy from Alupar to its subsidiaries due to the necessity to purchase energy in the short-term market to fulfill its contracts, the average sale price disclosed on note 25; and
 - viii) Refers to the guarantee fee on loans, provided by Alupar in favor of the subsidiaries, whose remuneration is 1.55% per annum of the balance guaranteed by Alupar, due from the start of the venture's commercial operation until the end bail. The commercial conditions were approved by both ANEEL and the non-controlling shareholders of these subsidiaries.
- b) Guarantees
- The effective guarantees relating to loan agreements, financing, debentures, supply agreements, assembly supervision, commissioning supervision, pledge and non-residential building rental between the Company and its subsidiaries are disclosed in note 30 to the annual financial statements for the year ended December 31, 2020, issued on March 22, 2021. In the three-month period ended March 31, 2021, the guarantees were demonstrated as follows:

Notes to the interim financial information

• Guarantees terminated:

Authorization date	Authorizing body	Guaranteed company	Guarantor	Agreement	Collateral	Agreement value	Effective date	Termination date	Outstanding balance as at 3/31/2021
03/14/11	Board of Directors	Foz	Alupar	Pledge	Surety under pledge nº 100411020057200 arising from the amounts challenged in the court records of Extrajudicial Execution Action filed by Construtora Triunfo against Foz.	2,308	02/10/11	02/17/21	Pledge subject to termination after decision is rendered
03/14/11	Board of Directors	Foz	Alupar	Pledge	Surety under pledge nº 100411030052800 arising from the amounts challenged in the court records of Extrajudicial Execution Action filed by Construtora Triunfo against Foz.	2,740	03/04/11	03/08/21	Pledge subject to termination after decision is rendered
02/29/20	-	Risaralda	Alupar	Pledge Letter	Guarantor upon execution of bank guarantee (Contrato de Suministro de Energia con EMCALI)	COP \$15.217.604	02/29/20	02/28/21	-
03/15/19	-	Foz	Alupar	Pledge	Guarantee the payment of the value executed in the court records nº 0119265.58.8.09.0173, in progress before the Civil Court of the City of São Simão	1,272	03/15/19	03/15/21	Pledge subject to termination after decision is rendered

c) Key management personnel compensation

At the Extraordinary General Meeting held on April 27, 2021, the Company's shareholders approved the global compensation of the members of the Board of Directors and the Executive Board for the fiscal year 2021 in the amount of up to R\$13,146 net of social charges - INSS onus of the Company according to Circular Letter SEP 01/2021 of CVM, of which R\$928 refer to the remuneration of the members of the Board of Directors and R\$12,218 refer to the remuneration of the Executive Board members:

	Company		Consolidated	
	Period ended		Period ended	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
Board of Executive Officers (i)	1,259	1,351	3,010	4,926
Board of Directors	210	226	426	502
Board and Executive Board Social Charges	351	347	864	469
Total	1,820	1,924	4,300	5,897

- i) Refer to wages, salaries and non-monetary benefits (such as health care plan, dental care, housing, vehicles and free or subsidized services or items), other retirement benefits, profit sharing and bonuses

30. Financial instruments and risk management

30.1. General considerations

The Company and its subsidiaries have operations with financial instruments, whose limits of exposure to credit risks are approved and periodically reviewed by Management. The Company and its subsidiaries limit their credit risks by investing funds in prime financial institutions.

30.2. Fair value

Below is a summary of the book value and fair value of the financial instruments of the Company and its subsidiaries for the period ended March 31, 2021 and the year ended December 31, 2020. The Company and its subsidiaries classify and disclose the fair value of financial instruments based on the following measurement techniques:

- Level I – prices quoted in active markets for identical assets and liabilities;
- Level II– other techniques for which all data that has significant effect on the recorded fair value is observable, whether directly or indirectly; and
- Level III– techniques that use data that has significant effect on the recorded fair value that is not based on observable market data.

Notes to the interim financial information

	Consolidated				Classification	Level
	3/31/2021		12/31/2020			
	Carrying amount	Fair value	Carrying amount	Fair value		
Financial assets						
Cash and banks	36,697	36,697	44,514	44,514	Amortized cost	-
Cash equivalents	486,462	486,462	630,095	630,095	Fair value through profit or loss	2
Short-term investments	1,365,101	1,365,101	1,405,506	1,405,506	Fair value through profit or loss	2
Marketable securities	107,920	107,920	103,619	103,619	Fair value through profit or loss	2
Trade receivables	364,387	364,387	446,987	446,987	Amortized cost	-
	2,360,567	2,360,567	2,630,721	2,630,721		
Financial liabilities						
Trade payables	196,576	196,576	395,848	395,848	Amortized cost	-
Loans and financing	2,597,759	2,597,759	2,519,450	2,519,450	Amortized cost	-
Debentures	6,517,709	6,513,297	6,456,006	6,451,594	Amortized cost	-
Lease liability	38,735	38,735	35,692	35,692	Amortized cost	-
	9,350,779	9,346,367	9,406,996	9,402,584		

In the Three-month period ended March 31, 2021, there were no transfers between level I and level II fair value measurements, or transfers between level II and level III fair value measurements.

The Company and its subsidiaries classify and disclose its financial instruments as follows:

- Cash and cash equivalents, trade receivables, concession asset and trade payables approximate respective carrying amount.
- Loans, financing and debt charges (net of unamortized costs):
 - i) BNDES/BNB/FINAME/FINEM: since this is a long-term agreement, it is not included within the scope of CPC 12, which defines that this type of liability is not subject to application of the present value concept at rates other than those to which these loans and financing are already subject, due to the fact that Brazil does not have a consolidated market for this type of long-term debt, and the offer of loans is restricted to one government agency only. In view of the foregoing, the Company and its subsidiaries used the same concept for determining fair value for these loans, financing and debt charges.
 - ii) FCO Banco do Brasil: since the amounts payable are adjusted by reference to the TJLP (reference interest rate of the Federal Government), the fair value of this debt is its carrying amount, since market rates are reflected for this financial instrument.
- Debentures: the fair value of debentures with an active market does not significantly differ from the carrying amount, as the variation of the unit price value in the secondary market disclosed at www.debentures.com.br approximates the carrying amount.

For the debentures of the subsidiaries that are not priced in the active market, the Company, based on its debentures and on the debentures of its subsidiaries and joint ventures with similar characteristics, calculated the fair value and did not identify any significant differences. The financial instruments were not reclassified as at March 31, 2021.

30.3. Liquidity information

The liquidity information and policies adopted by the Company and its subsidiaries are disclosed in note 30.3 to the annual financial statements for the year ended December 31, 2020, issued on March 22, 2021.

As at March 31, 2021, the Company's consolidated capital structure is comprised of 40.8% of own funds against 59.2% of third-party capital (39.6% of own funds and 60.4% of third-party capital as at December 31, 2020).

In addition, the Company and its subsidiaries have a debt-to-equity ratio of 94.8% as at March 31, 2021 (100.3% as at December 31, 2020).

Notes to the interim financial information

30.4. Qualitative and quantitative information on financial instruments

Sensitivity analysis of short-term investments

In order to analyze the sensitivity of the short-term investment rate to which the Company and subsidiaries were exposed as at March 31, 2021, five different scenarios were defined. The SELIC/CDI projected rates were obtained based on the FOCUS report of March 26, 2021 and defined as a probable scenario, based on which the variations of 25% and 50% were calculated.

Gross finance income was calculated for each scenario, not taking into consideration the taxes levied on yield from these investments. The portfolio base date used was March 31, 2021, with a one-year projection and checking CDI sensitivity in each scenario.

Short-term investments - Consolidated	Index	Position as at 3.31.2021	Projected finance income - one year				
			Probable scenario	Reduction risk		Increase risk	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
			5.25%	2.63%	3.94%	6.56%	7.88%
Cash equivalents	CDI	486,462	25,539	12,770	19,154	31,924	38,309
Short-term investments	CDI	1,365,101	71,668	35,834	53,751	89,585	107,502
Marketable securities	CDI	107,920	5,666	2,833	4,249	7,082	8,499
Total		1,959,483	102,873	51,436	77,155	128,591	154,309

Sensitivity analysis of interest rate risk

For the purpose of assessing the sensitivity of the debt rates to which the Company and its subsidiaries were subject at base date March 31, 2021, 5 scenarios were defined. As a probable scenario, adopted by the Company, projected CDI and IPCA were obtained based on the FOCUS report of March 26, 2021. In the case of TJLP, the rate used was the last one published by the National Monetary Council (CMN), based on which scenarios I and II with 25% and 50% decrease in risk and scenarios III and IV with 25% and 50% increase in risk, respectively, were calculated.

For each scenario, gross finance costs were calculated, not taking into consideration the taxes levied, and the maturity flow of each agreement over a year. The portfolio base date used was March 31, 2021, with a one-year projection and checking sensitivity of the rates in each scenario.

Loans, financing and debentures - Consolidated	Index	Average interest rate p.a.	Position as at 3.31.2021 (*)	Projected finance costs - one year				
				Probable scenario	Reduction risk		Increase risk	
					Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
Loans and financing				4.61%	2.31%	3.46%	5.76%	6.92%
	TJLP +	2.36%	809,867	57,309	38,202	47,756	66,863	76,417
	IPCA +	1.68%	59,403	3,707	2,352	3,030	4,384	5,061
	CDI +	3.06%	496,021	38,107	26,643	32,375	43,839	49,570
Debentures				5.25%	2.63%	3.94%	6.56%	7.88%
	CDI +	110.02%	1,555,384	990,060	926,575	958,318	1,021,803	1,053,545
	IPCA +	5.51%	5,118,578	524,169	403,062	463,616	584,722	645,276
Total			8,039,253	1,613,352	1,396,835	1,505,094	1,721,611	1,829,870

(*) Refers to the principal amount of debts, excluding charges and also agreements, which are subject to fixed rate.

Notes to the interim financial information

30.5. Risk factors that may affect the Company's and its subsidiaries businesses

The main risk factors that may affect the Company's and its subsidiaries' businesses are disclosed in note 30.5 to the annual financial statements for the year ended December 31, 2020 issued on March 22, 2021.

	Company		Consolidated	
	3/31/2021	12/31/2020	3/31/2021	12/31/2020
Loans and financing	-	-	2,597,759	2,519,450
Debentures	829,649	816,841	6,517,709	6,456,006
Gross debt	829,649	816,841	9,115,468	8,975,456
(-) Cash and cash equivalents	(126,076)	(189,784)	(523,159)	(674,609)
(-) Short-term investments	(557,435)	(555,099)	(1,365,101)	(1,405,506)
(-) Securities	-	-	(107,920)	(103,619)
Net debt	146,138	71,958	7,119,288	6,791,722
Equity	6,091,773	5,750,118	9,610,531	8,944,682
Net debt ratio	0.02	0.01	0.74	0.76

31. Segment information

Alupar's main operational segments comprise the electric energy transmission and generation activities, in addition to the following segments: (a) holding engaged in investment and corporate activities not associated to the reportable operational segments; and (b) "Other", comprising sales and O&M services, which for not being relevant, were not reported separately.

The key indicators used by the Company's main decision makers are net profit and EBITDA. No adjustment is made to the EBITDA.

The information for the periods ended March 31, 2021 and 2020, by segment, in accordance with the criteria established by the Company's Management, as follows:

Notes to the interim financial information

	Period ended				Subtotal	Eliminations - shared control	Eliminations - intercompany	Total Consolidated
	3/31/2021							
	Transmission	Generation	Holding (a)	Other (b)				
Gross operating revenue	1,583,120	182,558	-	21,004	1,786,682	(6,276)	(22,036)	1,758,370
Revenue from operation and maintenance	95,199	-	-	-	95,199	(398)	-	94,801
Infrastructure revenue	506,133	-	-	-	506,133	(500)	-	505,633
Concession asset payment	981,788	-	-	-	981,788	(5,378)	-	976,410
Power supply	-	182,558	-	18,638	201,196	-	(19,670)	181,526
Operation and maintenance services	-	-	-	2,366	2,366	-	(2,366)	-
Deductions from gross operating revenue	(143,588)	(12,108)	-	(2,036)	(157,732)	836	-	(156,896)
Net operating revenue	1,439,532	170,450	-	18,968	1,628,950	(5,440)	(22,036)	1,601,474
Cost of services								
Electric energy cost								
Power purchased for resale	-	(28,212)	-	(18,153)	(46,365)	-	19,670	(26,695)
Power grid charges (CUST)	-	(7,965)	-	-	(7,965)	-	-	(7,965)
CFURH	-	(2,650)	-	-	(2,650)	-	-	(2,650)
Operational cost								
Services provided	(28,768)	(13,083)	-	(1,553)	(43,404)	564	2,366	(40,474)
Infrastructure cost	(393,730)	-	-	-	(393,730)	481	-	(393,249)
Depreciation/amortization	(1,470)	(26,397)	-	(29)	(27,896)	13	-	(27,883)
	(423,968)	(78,307)	-	(19,735)	(522,010)	1,058	22,036	(498,916)
Gross profit	1,015,564	92,143	-	(767)	1,106,940	(4,382)	-	1,102,558
Operating revenues (expenses)								
General and administrative	(12,591)	(5,548)	(7,852)	-	(25,991)	54	-	(25,937)
Equity pick up of subsidiaries	-	-	339,463	-	339,463	-	(337,997)	1,466
Other revenues	360	946	-	-	1,306	-	-	1,306
Other expenses	(596)	5	(117)	-	(708)	-	-	(708)
	(12,827)	(4,597)	331,494	-	314,070	54	(337,997)	(23,873)
EBIT	1,002,737	87,546	331,494	(767)	1,421,010	(4,328)	(337,997)	1,078,685
Depreciation/amortization	2,058	26,725	637	29	29,449	(13)	-	29,436
EBITDA	1,004,795	114,271	332,131	(738)	1,450,459	(4,341)	(337,997)	1,108,121
Finance income (costs)								
Finance costs	(136,369)	(60,679)	(39,854)	(84)	(236,986)	5	16,056	(220,925)
Debt charges	(119,239)	(41,969)	(20,714)	(83)	(182,005)	1	28	(181,976)
Exchange rate changes	(182)	(15,746)	(18,363)	-	(34,291)	-	-	(34,291)
Other	(16,948)	(2,964)	(777)	(1)	(20,690)	4	16,028	(4,658)
Finance income	4,170	1,745	20,874	95	26,884	(13)	(16,056)	10,815
Income from short-term investments	2,212	1,559	3,193	12	6,976	(11)	-	6,965
Other	1,958	186	17,681	83	19,908	(2)	(16,056)	3,850
	(132,199)	(58,934)	(18,980)	11	(210,102)	(8)	-	(210,110)
EBIT	870,538	28,612	312,514	(756)	1,210,908	(4,336)	(337,997)	868,575
Current income tax and social contribution	(20,200)	(5,003)	(65)	(210)	(25,478)	13	-	(25,465)
Deferred income tax and social contribution	(182,839)	(832)	-	-	(183,671)	1,448	-	(182,223)
	(203,039)	(5,835)	(65)	(210)	(209,149)	1,461	-	(207,688)
Consolidated net profit	667,499	22,777	312,449	(966)	1,001,759	(2,875)	(337,997)	660,887
Interest of non-controlling	-	-	-	-	-	-	(337,471)	(337,471)
Net profit controlling shareholder's	667,499	22,777	312,449	(966)	1,001,759	(2,875)	(675,468)	323,416
Operating assets	489,945	4,624,675	46,177	1,731	5,162,528	(1,190)	(32,194)	5,129,144
Operating liabilities	547,621	165,561	26,361	1,008	740,551	(743)	(40,170)	699,638

Notes to the interim financial information

	Period ended				Subtotal	Eliminations - shared control	Eliminations - intercompany	Total Consolidated
	3/31/2020 (Restatement)							
	Transmission	Generation	Holding (a)	Other (b)				
Gross operating revenue	1,483,090	166,941	-	42,996	1,693,027	(228,020)	(30,898)	1,434,109
Revenue from operation and maintenance	63,909	-	-	-	63,909	(385)	-	63,524
Infrastructure revenue	1,034,750	-	-	-	1,034,750	(222,973)	-	811,777
Concession asset payment	384,431	-	-	-	384,431	(4,662)	-	379,769
Power supply	-	166,941	-	40,753	207,694	-	(28,655)	179,039
Operation and maintenance services	-	-	-	2,243	2,243	-	(2,243)	-
Deductions from gross operating revenue	(142,630)	(11,945)	-	(3,847)	(158,422)	28,074	-	(130,348)
Net operating revenue	1,340,460	154,996	-	39,149	1,534,605	(199,946)	(30,898)	1,303,761
Cost of services								
Electric energy cost								
Power purchased for resale	-	(20,666)	-	(40,688)	(61,354)	-	28,655	(32,699)
Power grid charges (CUST)	-	(7,976)	-	-	(7,976)	-	-	(7,976)
CFURH	-	(2,064)	-	-	(2,064)	-	-	(2,064)
Operational cost								
Services provided	(21,918)	(14,160)	-	(1,673)	(37,751)	683	2,243	(34,825)
Infrastructure cost	(697,273)	-	-	-	(697,273)	197,191	-	(500,082)
Depreciation/amortization	(675)	(25,717)	-	(14)	(26,406)	12	-	(26,394)
	(719,866)	(70,583)	-	(42,375)	(832,824)	197,886	30,898	(604,040)
Gross profit	620,594	84,413	-	(3,226)	701,781	(2,060)	-	699,721
Operating revenues (expenses)								
General and administrative	(13,026)	(8,566)	(8,828)	-	(30,420)	126	-	(30,294)
Equity pick up of subsidiaries	-	-	235,393	-	235,393	-	(234,748)	645
Other revenues	140	521	-	-	661	-	-	661
Other expenses	(2)	(1)	-	-	(3)	-	-	(3)
	(12,888)	(8,046)	226,565	-	205,631	126	(234,748)	(28,991)
EBIT	607,706	76,367	226,565	(3,226)	907,412	(1,934)	(234,748)	670,730
Depreciation/amortization	1,305	25,999	658	14	27,976	(12)	-	27,964
EBITDA	609,011	102,366	227,223	(3,212)	935,388	(1,946)	(234,748)	698,694
Finance income (costs)								
Finance costs	(27,554)	(48,040)	(36,113)	(8)	(111,715)	12	1,383	(110,320)
Debt charges	(27,972)	(32,484)	(26,338)	-	(86,794)	2	491	(86,301)
Exchange rate changes	1,224	(13,955)	(9,256)	-	(21,987)	-	-	(21,987)
Other	(806)	(1,601)	(519)	(8)	(2,934)	10	892	(2,032)
Finance income	5,428	3,013	11,229	11	19,681	(248)	(1,383)	18,050
Income from short-term investments	4,009	2,946	9,425	7	16,387	(19)	-	16,368
Other	1,419	67	1,804	4	3,294	(229)	(1,383)	1,682
	(22,126)	(45,027)	(24,884)	3	(92,034)	(236)	-	(92,270)
EBIT	585,580	31,340	201,681	(3,223)	815,378	(2,170)	(234,748)	578,460
Current income tax and social contribution	(29,680)	(4,929)	(1)	(165)	(34,775)	51	-	(34,724)
Deferred income tax and social contribution	(107,329)	666	-	-	(106,663)	854	-	(105,809)
	(137,009)	(4,263)	(1)	(165)	(141,438)	905	-	(140,533)
Consolidated net profit	448,571	27,077	201,680	(3,388)	673,940	(1,265)	(234,748)	437,927
Interest of non-controlling	-	-	-	-	-	-	(226,313)	(226,313)
Net profit controlling shareholder's	448,571	27,077	201,680	(3,388)	673,940	(1,265)	(461,061)	211,614
Operating assets	309,981	4,675,846	155,105	770	5,141,702	(855)	(133,158)	5,007,689
Operating liabilities	286,348	356,857	138,417	1,158	782,780	(1,220)	(50,826)	730,734

Notes to the interim financial information

32. Employee benefits

The Company and its subsidiaries offer employee benefits that basically comprise: health care insurance plans, transportation vouchers, meal tickets, educational support and private pension plans, which, in turn, provide supplementary retirement plans. The retirement plan is a defined contribution type, subject to the financial capitalization system in the actuarial calculation of reserves.

The benefits granted to the Company's and its subsidiaries' employees are demonstrated as follows:

	Consolidated	
	Period ended	
	3/31/2021	3/31/2020 (Restatement)
Health care plan and transportation voucher	3,098	2,143
Private pension plan (*)	361	615
Education	176	32
Meal ticket	2,185	1,520
Other	800	173
Total	6,620	4,483

(*) The Company and its subsidiaries sponsor supplementary retirement plans for their employees, in the form of a defined contribution plan. A private bank is the entity responsible for managing the benefit plans sponsored by the Company and its subsidiaries. Costing of the defined contribution plan is balanced between the Company and its subsidiaries and the employees. The costing of the defined contribution installment is based on a percentage freely chosen by the participant (1% on the contribution salary not exceeding 8%, varying in accordance with the employee's age) and the Company and its subsidiaries will contribute in the amount of 100% of the contribution made by the participant.

33. Commitments

As at March 31, 2021, the subsidiaries in the pre-operational phase maintained contracts for the provision of services, environmental expenses and supply of materials for the construction of the respective projects, as follows:

Subsidiaries	Value
ELTE	9,516
ESTE	148,771
ETSE	1,017
TCC	38,742
TSM	148,100
Transirapé	3,831
Total Consolidated	349,977

34. Subsequent events

- **Secondary Distribution Public Offering**

According to the Material Facts released on April 9 and 20, 2021, the Company's shareholder, the Unemployment Compensation Fund (FGTS) Investment Fund ("FI-FGTS"), decided to carry out a secondary public offering with restricted efforts of deposit certificates of actions. The Restricted Offer consisted of the secondary distribution, with restricted efforts, of 35,162,754 Units, each representing 1 (one) common share and 2 (two) preferred registered book-entry shares, with no par value, free and clear of any liens or encumbrances, issued by the Company, in an over-the-counter market in Brazil, under the terms of Law No. 6,385, of December 7, 1976, as amended ("Securities and Exchange Market Law"), of CVM Instruction 476, of "ANBIMA Code of Regulation and Best Practices for Public Offers" in force ("ANBIMA Code") and other applicable legal and regulatory provisions, including the "Level 2 Regulation of B3 SA - Brasil, Bolsa, Balcão" ("B3") in force, and also abroad.

The amount defined for each Unit was R\$25.50, and was calculated using the following parameters: (i) the quotation of Units issued by the Company at B3; and (ii) the indications of interest due to the quality and quantity of demand (by volume and price) for the Units, collected from investors under the Bookbuilding Procedure (procedure for collecting investment intentions carried out in Brazil and abroad).

On April 26, 2021, the Restricted Offering was physically and financially settled, in the amount of R\$896,650, with the FI - FGTS, as of this date, no longer being part of the Company's ownership structure. On the same day, this Offer was finalized, upon sending the Closing Notice to CVM.

- **6th Issue of Debentures – Alupar**

As per Notice to the Market, on April 15, 2021 the Company performed according to the expected maturity date, the payment of the 6th Issue of Simple Debentures, non-convertible into shares, unsecured type, single series, the total amount of the settlement corresponding to R\$174,237. .

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José Luiz Godoy Pereira
Vice President, Chief Financial Officer
and Investor Relations Officer

Daniela Ribeiro Mendes
Accountant
CRC 1SP199348/O-0

Officers' Statement on the quarterly information

São Paulo, May 10, 2021

REPRESENTATION

FOR PURPOSES OF ARTICLE 25, PARAGRAPH 1, ITEM VI OF CVM RULE No. 480/09

As officers of Alupar Investimento S.A., a corporation headquartered in the city of São Paulo, São Paulo state, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ) under No. 08.364.948/0001-38 ("Company"), under the terms of item VI, paragraph 1, article 25 of CVM Rule No. 480, dated December 7, 2009, we hereby represent that we have reviewed, discussed and agreed with the quarterly information for the period ended March 31, 2020.

Paulo Roberto de Godoy Pereira

Chief Executive Officer

José Luiz de Godoy Pereira

Second Chief Executive Officer and Chief
Administrative and Financial Officer and Chief
Investor Relations Officer

Enio Luigi Nucci

Technical and Sales Officer

Officers' Statement on Independent Auditor's Report

São Paulo, May 10, 2021

REPRESENTATION

FOR PURPOSES OF ARTICLE 25, PARAGRAPH 1, ITEM V OF CVM RULE NO. 480/09

As officers of Alupar Investimento S.A., a corporation headquartered in the city of São Paulo, São Paulo State, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ) under No. 08.364.948/0001-38 ("Company"), under the terms of item V, paragraph 1, article 25 of CVM Rule No. 480, dated December 7, 2009, we hereby represent that we have reviewed, discussed and agreed with the conclusion expressed in the Independent Auditors' Report for the period ended March 31, 2020.

Paulo Roberto de Godoy Pereira

Chief Executive Officer

José Luiz de Godoy Pereira

Second Chief Executive Officer and Chief
Administrative and Financial Officer and Chief
Investor Relations Officer

Enio Luigi Nucci

Technical and Sales Officer