

Individual and Consolidated Interim Financial Statements

Comerc Participações S.A.

June 30, 2021
with Independent Auditor's Report

Comerc Participações S.A.

The Management of Comerc Participações S.A. ("Company") submits the Management's Report and the corresponding Individual and Consolidated Interim Financial Statements, with the Independent Auditor's Report, for the six-month period ended June 30, 2021.

The purpose of presenting these parent company and consolidated interim financial statements for the six-month period ended June 30, 2021, is to comply with CVM Instruction 480/09 due to a material change in the equity structure after the closing date of the last fiscal year.

1. Main Highlights

- Investment of R\$175 million by Perfin Administração de Recursos Ltda.¹ in Comerc Participações on April 1, 2021, now holding 19.99% in Comerc Participações. These resources create opportunities to drive current business results and new business development. This material equity change based these parent company and consolidated interim financial statements.
- Consolidated the corporate reorganization to prepare Comerc Participações for long-term growth.
- Organization design of the platform in the Trading, Customer Services and Energy Solutions business verticals in the free energy market.
- Acquisition of 32% of NewCom's shares by Comerc Participações, becoming the holder of all NewCom's shares on June 30, 2021.
- Beginning of the partnership between Comerc Participações and Base Investimentos (created by the main shareholders of SETA Engenharia Group) inaugurating the new Centralized Generation and Self-Production (Infinito) initiatives.
- Net Revenue reached R\$1,632.1 MM in 1H21, up by 310% over 1H20.
- Trading and Customer Services Verticals: EBITDA² negative by R\$34.6 MM in 1H21 due to the negative impact of the mark-to-market to futures contracts (MtM), negative by R\$63.6 MM. Energy futures prices rose significantly in a short time in 1H21. This increase was due to the water scarcity scenario confirmed after March and caused losses in the mark-to-market of future contracts with no effect on the Company's cash.
- Energy Solutions Vertical: Continued the long-term strategic vision of investing in new initiatives to offer better energy solutions for our customers.

Considering the more mature business verticals (Trading and Customer Services) and business verticals in development (Energy Solutions), Comerc Participações' EBITDA² was negative by R\$38.6 MM.

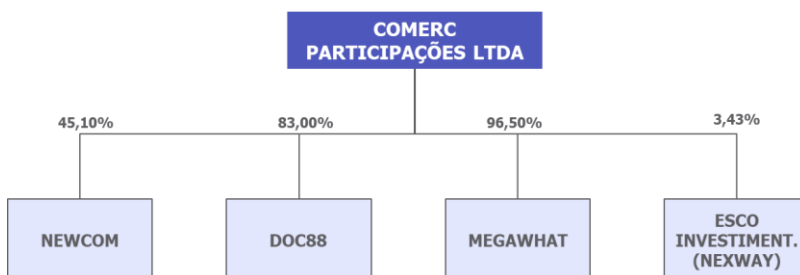
¹On July 19, 2021, fund Perfin Comercury Fundo de Investimento Multiestratégia ("FIP Comercury") acquired all the shares acquired by Perfin Administração de Recursos Ltda. At the same price as of April 1, 2021.

² Includes negative result of futures contract mark-to-market of R\$64 MM

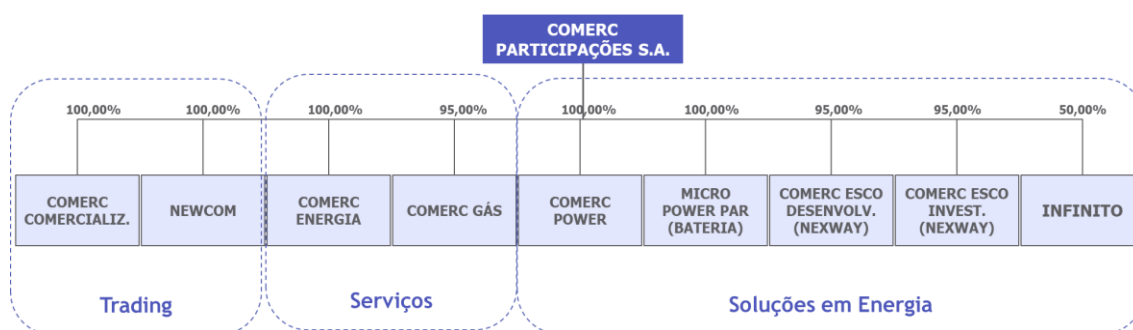
2. Corporate Restructuring

The corporate reorganization of Comerc Participações is one of the key steps to get the Group ready for long-term growth. Continuing consolidating most of the group's businesses under Comerc Participações in December 2020, we transformed Comerc Participações into a Publicly Held Company in 1H21.

Below is the corporate structure of Comerc Participações in effect until December 30, 2020, before the corporate reorganization took place:



After the corporate reorganization and NewCom's shares were acquired, the corporate structure of Comerc Participações changed to the following:



3. Comments on the Performance

3.1. Operational Highlights

Operational Highlights			
	1H 2021	1H 2020	Var. 21x20 (%)
Operational Highlights			
Customer Services (Gr. Econ.) ¹	1,240	1,073	15.6%
Average Monthly Ticket (R\$ '000/Client)	6.8	6.3	6.4%
Trading			
Gross Profit (R\$ '000)	(17,185)	30,993	-155.4%
<i>Net Revenue from Energy Sales</i>	<i>1,684,066</i>	<i>383,206</i>	<i>339.5%</i>
<i>Energy Sales Costs</i>	<i>(1,637,680)</i>	<i>(375,645)</i>	<i>-336.0%</i>
<i>Mark-to-Market of Financial Instruments</i>	<i>(63,571)</i>	<i>23,432</i>	<i>-371.3%</i>
Current Volume (GWh) ²	8,251	2,116	289.9%
Current Gross Margin (R\$/MWh) ³	5.6	3.6	57.3%
Fair Value Energy Portfolio (R\$ '000) ⁴	94,512		

1 - Proforma indices in 2020

2 - Energy consumed volume during the fiscal year. Disregards the portfolio of future energy agreements

3 - Current Gross Margin = (Net Revenue - Energy Sales Costs) / Current Volume

4 - Assets (-) Liabilities Position.

Customer Services

We had 1,240 customers at the end of 2H21, up by 15.6% over 2Q20. The average ticket per customer totaled 6,800 reais, up by 6.4% YoY.

Trading:

Trading's Gross Earnings (Loss) fell by R\$48.2 MM in 1H21 vs. 2H20, mainly due to the mark-to-market of the portfolio (energy purchase and sale futures contracts), with a negative impact on R\$63.6 MM in gross profit for the period. It should be noted that this mark-to-market does not impact cash in the period.

Volumes transacted grew by 289.9% YoY due to the corporate reorganization, adding Comerc Comercializadora to the group of companies of Comerc Participações S.A. in 2021.

Finally, the Current Gross Margin (R\$/MWh) grew 57.3% in 1H21 vs. 1H20.

3.2. Financial Highlights

Financial Highlights			
(R\$'000, except percentages)			
	1H 2021	1H 2020	Chg. 21x20 (%)
Trading e Serviços ao Cliente			
Gross Profit ¹	20,075	30,993	-35.2%
Trading	(17,185)	30,993	-155.4%
<i>Net Revenue from Energy Sales</i>	<i>1,684,066</i>	<i>383,206</i>	<i>339.5%</i>
<i>Energy Sales Costs</i>	<i>(1,637,680)</i>	<i>(375,645)</i>	<i>-336.0%</i>
<i>Mark-to-Market of Financial Instruments</i>	<i>(63,571)</i>	<i>23,432</i>	<i>-371.3%</i>
Customer Services	37,260	-	na
Energy Solutions			
Gross Profit	1,419	13,601	-89.6%
Comerc Group²			
Gross Profit ¹	21,324	44,594	-52.2%
EBITDA ^{1 (a)}	(38,053)	25,768	-247.7%
Net Income	(29,006)	15,500	-287.1%

1 - Considers a R\$63,6 MM negative impact from mark-to-market (fair value of the energy agreements portfolio) in 1H21

2 - Removes intercompany effects and parent company results not included in the Trading and Energy Solutions businesses

(a) "Earnings Before Interest, Taxes, Depreciation and Amortization or EBITDA for the Period is a non-accounting measure disclosed by the Company according to CVM Instruction 527/12. EBITDA includes Net Earnings (Loss) adjusted by the period's Net Earnings (Loss), by current and deferred income tax and social contribution, by depreciation and amortization expense."

Comerc Participações ended 1H21 with sales totaling R\$1,632.1 MM, with 310% YoY, mainly due to the higher volumes traded and revenues added to Comerc Participações from the corporate reorganization, including Comerc Comercializadora as the Company's investee in 2021.

Comerc Group's Gross Profit fell by 52.2% YoY, mainly due to the mark-to-market of the trading portfolio (purchase and future sale of energy contracts). It is worth noting that 1H21 had a big change in energy prices, growing due to the country's unfavorable hydrology scenario. This mark-to-market of energy futures contracts had no impact on cash in the period.

Comerc Group's EBITDA was negative by R\$38.1 MM, down by R\$63.8 MM, with R\$87.0 MM from the negative variation between semesters in the mark-to-market.

It should be noted that Comerc Participações' total EBITDA also reflects the long-term strategy of investing in new initiatives focused on providing better energy solutions for our customers and, as they are still in development, negatively impact this indicator for the Company.

3.3. EBITDA and Net Earnings (Loss) Reconciliation

EBITDA Reconciliation			
(R\$'000, except percentages)			
	1H 2021	1H 2020	Chg. 21x20 (%)
Comerc Group²			
Net Income	(29,006)	15,500	-287.1%
(-) Income Tax/Social Contribution	(14,906)	10,328	-244.3%
(-/+) Financial Earnings (Loss)	447	(284)	257.4%
(+) Depreciation/Amortization	5,412	224	2315.5%
EBITDA^{1 (a)}	(38,053)	25,768	-247.7%

1 - Considers a R\$63,6 MM negative impact from mark-to-market (fair value of the energy agreements portfolio) in 1H21

2 - Removes intercompany effects and parent company results not included in the Trading and Energy Solutions businesses

(a) "Earnings Before Interest, Taxes, Depreciation and Amortization or EBITDA for the Period is a non-accounting measure disclosed by the Company according to CVM Instruction 527/12. EBITDA includes Net Earnings (Loss) adjusted by the period's Net Earnings (Loss), by current and deferred income tax and social contribution, by depreciation and amortization expense."

4. Covid's Impact on our Activities

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

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

Despite the negative impact on the global economy, the Group's operations were not significantly impacted by the pandemic in 1H21. The Company's Management continues to actively monitor the global situation in its financial, liquidity, operations, suppliers, sector and workforce conditions to ensure the employees' protection and operational and business continuity.

Additionally, considering signs that the economic activity is resuming, the Company does not expect significant effects that could aggressively impact its results or compromise its operational capacity and the implementation of its projects.

5. Relationship with the Independent Auditor

The Company does not have formal policies or procedures in order to avoid conflict of interest, loss of independency (autonomy) or to objectivity of its independent auditors according to CVM Instruction 381/03. However, all the services rendered by the auditors were analyzed by the Company's Management, which concluded that the Company adopts a formal procedure when hiring independent auditors to ensure that other services are related to audit. In addition, there was no relevant transfer of services or resources between the auditors and related parties to the Company according to CVM deliberation 642 of October 07, 2010 and CPC 05. In the semester ended June 30, 2021, Ernst & Young Auditores Independentes did not provide services whose global compensation exceeded 5% (five percent) of the compensation for external audit services.

Comerc Participações S.A.

Individual and Consolidated Interim Financial Statements

June 30, 2021

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Independent Auditor's Report on the Individual and Consolidated Interim Financial Statements

To
Management and Shareholders of
Comerc Participações S.A.
São Paulo, SP

Opinion

We have audited the accompanying individual and consolidated interim financial statements of Comerc Participações S.A. ("Company"), identified as Individual and Consolidated, respectively, which comprise the statement of financial position as at June 30, 2021 and the statement of profit or loss, of comprehensive income (loss), of changes in equity and of cash flows for the six-month period then ended, and a summary of significant accounting policies.

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

Basis for opinion

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

Key audit matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the interim financial statements of the period. Such matter was addressed in the context of our audit of the individual and consolidated interim financial statements as a whole, and in forming our opinion on the individual and consolidated interim financial statements. Therefore, we do not provide a separate opinion on this matter. For the matter below, our description of how our audit addressed the matter, including any comments on the findings or outcome of our procedures, is provided in that context.

We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the individual and consolidated interim financial statements” section, of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the interim financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the Company’s interim financial statements.

Revenue recognition

For the six-month period ended June 30, 2021, the Company’s consolidated operating revenue amounts to R\$ 1,632,083 thousand, as disclosed in note 14 of the interim financial statements, the mark-to-market of energy future agreements amounts to an expense of R\$ 63,571 thousand, as disclosed in note 20 (c) of the interim financial statements, and the cost of energy purchase amounts R\$ 1,547,188 thousand, as disclosed in note 15 of the interim financial statements.

Subsidiaries’ revenues are mainly from electricity supply to consumers in the free contracting environment (ACL), generators and traders, in addition to consulting services for consumers adapting to migrate to the free contracting environment. Electricity sales revenues and associated costs are recognized when the control over goods and services is transferred to the customer for a price that reflects the payment expected by the Company in exchange for these goods or services. Energy purchase and sale forward agreements have characteristics and are classified as financial instruments, as per IFRS 09/ CPC 48. Revenue is an important performance indicator for the Company and its management, which can create an incentive to recognize revenue before the performance obligation is met, or postpone the cost recognition, especially in the year-end period (“sales cut-off”). Additionally, measuring the mark-to-market of forward energy agreements is an accounting estimate that requires management’s judgement. Monitoring such processes was considered significant for our audit, given the risks that the revenue is recognized before the transfer of risks and rewards to the client and the compliance with the performance obligation, along with the volume and specificity of energy trading agreements, processes that support such recognition and the associated internal controls.

How our audit conducted this matter

Our audit procedures included, among others:

- Assessing the adequacy of accounting policies adopted by the Company when recognizing revenues and costs from energy sales and consulting services;
- Carrying out extensive revenue cut-off procedures, with materiality allocation proportional to the test population;
- Assessing a sample of contracts to verify the data used to measure the mark-to-market calculation;
- Evaluating the subsequent settlement report issued by the Electricity Trading Chamber (CCEE) to corroborate the energy volume recognized by the Company as sales;
- Sample testing subsequent invoices received and paid;

- With the help of our specialists, recalculating the mark-to-market of forward energy agreements, discussing the assumptions used by the management and comparing them with external market information;
- Assessing the disclosures made by the Company on revenues included in notes 14, 15 and 20(c) of the interim financial statements.

Based on the result of the audit procedures on revenue and costs recognition, as well as the mark-to-market calculation, consistent with management's assessment, we consider that the criteria and assumptions used by management are acceptable and their disclosures, considering the interim financial statements taken as a whole.

Other matters

Statements of value added

The individual and consolidated interim statements of value added for the six-month period ended June 30, 2021, prepared under the responsibility of Company's management, and presented as supplementary information for purposes of IFRS, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. To form our opinion, we evaluated if these statements are reconciled to the interim financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by Accounting Pronouncement NBC TG 09 - Statement of Value Added. In our opinion, these statements of value added have been properly prepared, in all material respects, in accordance with the criteria set forth in this Accounting Pronouncement and are consistent with the overall individual and consolidated interim financial statements.

Other information accompanying the individual and consolidated interim financial statements and the auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated interim financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with our audit of the individual and consolidated interim financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the individual and consolidated interim financial statements in accordance with the accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' interim financial reporting process.

Auditor's responsibilities for the audit of individual and consolidated financial statements

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

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

- Identified and assessed the risks of material misstatement of the individual and consolidated interim financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the interim financial statements of period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, August 12, 2021.

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

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

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

Comerc Participações S.A.

Statements of Financial Position
June 30, 2021 and December 31, 2020
(In thousands of Reais)

	Notes	Individual		Consolidated	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Current assets					
Cash and cash equivalents	3	146,492	1,212	219,386	66,782
Receivables	4	-	-	301,970	319,872
Taxes and contributions recoverable	-	67	103	4,968	3,567
Derivative financial instruments	20.c	-	-	2,808,026	530,117
Related parties	5	1,025	1,600	768	22,994
Other assets	-	233	327	13,926	9,606
Total current assets		147,817	3,242	3,349,044	952,938
Receivables	4	-	-	1,153	-
Miscellaneous credits	-	-	-	4,123	-
Deferred taxes	18.2	-	-	12,424	-
Future capital contributions	-	14,613	613	-	613
Derivative financial instruments	20.c	-	-	1,147,206	260,315
Investments	6	180,320	180,290	11,813	13,645
Right-of-use assets	8	-	-	10,604	13,416
Property, plant and equipment	7	-	-	36,535	14,480
Intangible assets	-	-	537	13,556	11,683
Total noncurrent assets		194,933	181,440	1,237,414	314,152
Total Assets		342,750	184,682	4,586,458	1,267,090

	Notes	Individual		Consolidated	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Current liabilities					
Loans and financing	10	-	-	250	-
Suppliers	9	123	-	284,224	307,098
Labor and tax obligations	-	108	2	34,614	20,357
Advances from customers	-	-	-	12,805	7,935
Related parties	5	5,872	4,500	5,872	-
Derivative financial instruments	20.c	-	-	2,850,819	496,890
Lease liabilities	8	-	-	3,518	3,850
Dividends payable	11	216	-	216	22,000
Other liabilities	-	2,109	-	4,237	10,365
Total current liabilities		8,428	4,502	3,196,555	868,495
Loans and financing	10	-	-	3,762	-
Deferred taxes	18.2	-	-	32,100	46,370
Lease liabilities	8	-	-	9,427	12,491
Accounts payable	-	-	-	-	623
Labor and tax obligations	-	-	-	109	-
Related parties	5	5,045	-	5,045	-
Derivative financial instruments	20.c	-	-	1,009,901	133,820
Provision for contingencies	12	-	-	78	57
Total noncurrent liabilities		5,045	-	1,060,422	193,361
Equity					
Capital	13.1	192,009	172,065	192,009	172,065
Profit reserve	13.2	161,156	7,615	161,156	7,615
Loss for the period	-	(23,888)	-	(23,888)	-
		329,277	179,680	329,277	179,680
Future capital contributions		-	500	-	500
Total Equity of the parent Company (Individual)		329,277	180,180	329,277	180,180
Non-controlling interests	-	-	-	204	25,054
Total equity		329,277	180,180	329,481	205,234
Total liabilities and equity		342,750	184,682	4,586,458	1,267,090

See accompanying notes.

Comerc Participações S.A.

Statements of Profit or Loss

Six-month periods ended June 30, 2021, and 2020

(In thousands of Reais)

	Notes	Individual		Consolidated	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net operating revenue	14	-	-	1,632,083	397,871
Mark-to-market of financial instruments	20.c	-	-	(63,571)	23,432
Services and energy sales costs	15	-	-	(1,547,188)	(376,709)
Gross profit		-	-	21,324	44,594
Operating income (expenses)					
Selling, general and administrative expenses	16	(153)	(1)	(62,543)	(19,050)
Other operating (expenses) income, net	-	-	-	(1,326)	-
Equity pickup	6.4	(24,633)	7,864	(920)	-
Total operating income (expenses)		(24,786)	7,863	(64,789)	(19,050)
Finance income (costs)					
Finance income	17	1,315	9	2,989	448
Finance costs	17	(51)	-	(3,436)	(164)
Net Finance income (costs)		1,264	9	(447)	284
Income (loss) before income taxes		(23,522)	7,872	(43,912)	25,828
Current income and social contribution taxes	18.1	(366)	(2)	(8,419)	(2,361)
Deferred income and social contribution taxes	18.2	-	-	23,325	(7,967)
Net income (loss) for the period		(23,888)	7,870	(29,006)	15,500
Attributed to non-controlling interests		-	-	(5,118)	7,630
Attributed to equity holders of the parent		(23,888)	7,870	(23,888)	7,870
(Loss) income per share attributed to equity holders of the parent		(0,2761)	1,2178	(0,2761)	1,2178

See accompanying notes.

Comerc Participações S.A.

Statements of comprehensive income (loss)

Six-month periods ended June 30, 2021, and 2020

(In thousands of Reais)

	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net income (loss) for the period	(23,888)	7,870	(29,006)	15,500
Other comprehensive income (loss)	-	-	-	-
Total comprehensive income (loss) for the year	(23,888)	7,870	(29,006)	15,500
Attributed to Non-controlling interests	-	-	(5,118)	7,630
Attributed to equity holders of the parent	(23,888)	7,870	(23,888)	7,870

See accompanying notes.

Comerc Participações S.A.

Statements of Changes in Equity
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Notes	Capital	Future capital contributions	Units of interest held in Treasury	Capital reserve	Profit reserve	Net income (loss) for the period	Equity of the Parent Company (Individual)	Non-controlling interests	Total equity
Balance at January 1, 2020		17,420	-	-	(395)	7,112	-	24,137	24,103	48,240
Future capital contributions	-	-	500	-	-	-	-	500	-	500
Gains and losses on interests in Investments	-	-	-	-	373	-	-	373	8,742	9,115
Net income for the period	-	-	-	-	-	-	7,870	7,870	7,630	15,500
Balances at June 30, 2020		17,420	500	-	(22)	7,112	7,870	32,880	40,475	73,355
Balance at January 1, 2021		172,065	500	(175)	(1,138)	8,928	-	180,180	25,054	205,234
Capital increase	13.1	19,944	(500)	-	170,000	-	-	189,444	(8,624)	180,820
Dividends distributed	-	-	-	-	-	(1,816)	-	(1,816)	(5,217)	(7,033)
Gains and losses on interests in investments	-	-	-	-	(3,247)	-	-	(3,247)	1,024	(2,223)
Loss due to disproportionate distribution of dividends	-	-	-	-	-	(1,177)	-	(1,177)	1,177	-
Transactions with shareholders	-	-	-	-	(11,224)	-	-	(11,224)	(8,092)	(19,316)
Capital reserve recognized	-	-	-	-	1,005	-	-	1,005	-	1,005
Loss for the period	-	-	-	-	-	-	(23,888)	(23,888)	(5,118)	(29,006)
Balances at June 30, 2021		192,009	-	(175)	155,396	5,935	(23,888)	329,277	204	329,481

See accompanying notes.

Comerc Participações S.A.

Statements of Cash Flows

Six-month periods ended June 30, 2021, and 2020

(In thousands of Reais)

	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Operating activities				
Net income (loss) for the period	(23,888)	7,870	(29,006)	15,500
Adjustments to reconcile the net income (loss) to net cash flows:				
Depreciation and amortization	-	-	5,412	224
Interest on lease liabilities	-	-	638	-
Interest on loans and financing	-	-	3	-
Equity pickup	24,633	(7,864)	920	-
Mark-to-market of energy agreements	-	-	65,210	(24,320)
Deferred PIS and COFINS over future electricity agreements	-	-	(1,639)	888
Deferred taxes	-	-	(23,325)	7,967
Allowance for expected losses on receivables	-	-	11	-
Provision for contingencies	-	-	21	-
Assets written-off	-	-	1,369	103
Increase (decrease) in assets				
Receivables	-	-	19,411	16,879
Taxes recoverable	36	-	(1,143)	(510)
Miscellaneous credits	94	-	(1,636)	3,738
Transactions with related parties	-	-	1,751	(111)
Increase (decrease) in liabilities				
Trade payables	123	-	(24,749)	(14,790)
Labor obligations	106	1	22,234	4,332
Advances from customers	-	-	4,828	124
Accounts payable	2,109	(7)	(7,094)	3,368
Transactions with related parties	-	-	(307)	766
Income and social contribution taxes paid	-	-	(7,912)	(2,523)
Net cash flows from operating activities	3,213	-	24,997	11,635
Investing activities				
Future capital contributions	(16,717)	-	-	-
Acquisition of property, plant and equipment	-	-	(4,836)	(1,497)
Addition to investments	(12,502)	(1,001)	(2,462)	-
Acquisition of intangible assets	(23)	(61)	(3,872)	(61)
Dividends received	2,141	2,477	-	-
Proceeds from sale of investments	-	1,015	-	-
Transactions with related parties	(1,025)	-	-	-
Cash from corporate reorganization	-	-	1,775	-

Comerc Participações S.A.

Statements of Cash Flows --Continued
Six-month periods ended June 30, 2021, and 2020
(In thousands of Reais)

	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net cash flows used in investing activities	(28,126)	2,430	(9,395)	(1,558)
Financing activities				
Lease payments	-	-	(2,525)	-
Transactions with related parties	(4,807)	-	-	-
Capital paid-up	175,000	-	175,000	-
Future capital contributions	-	500	-	500
Dividends paid	-	(2,594)	(28,816)	(2,594)
Non-controlling interest change	-	-	(6,657)	9,117
Net cash flows used in financing activities	170,193	(2,094)	137,002	7,023
Increase in cash and cash equivalents	145,280	336	152,604	17,100
Cash and cash equivalents				
At beginning of period	1,212	3	66,782	23,967
At end of period	146,492	339	219,386	41,067

See accompanying notes.

Comerc Participações S.A.

Statements of Value Added
Periods ended June 30, 2021
(In thousands of Reais)

	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenues				
Sales of goods, products, and services	-	-	1,666,868	406,718
Other revenues	-	-	(63,539)	23,432
Allowance for doubtful accounts - reversal (recognition)	-	-	(121)	-
	-	-	1,603,208	430,150
Inputs acquired from third parties (includes taxes - ICMS, IPI, PIS and COFINS)	-	-	(1,546,478)	(376,566)
Costs of products, goods, and services sold	(49)	-	(12,902)	(5,496)
Materials, energy, third-party services, and others	(49)	-	(1,559,380)	(382,062)
Gross value added	(49)	-	43,828	48,088
Depreciation, amortization, and depletion	-	-	(5,413)	(224)
Depreciation	-	-	(5,413)	(224)
Net value added from the Company	(49)	-	38,415	47,864
Value added received on transfers				
Equity pickup	(24,633)	7,864	(920)	-
Finance income	1,253	9	2,768	427
Others	(50)	(1)	(1,134)	(88)
	(23,430)	7,872	714	339
Total value added for distribution	(23,479)	7,872	39,129	48,203
Value added distribution				
Personnel				
Direct compensation	-	-	(38,766)	(10,512)
Benefits	(35)	-	(5,285)	(1,521)
Unemployment Compensation Fund (FGTS)	-	-	(1,053)	(396)
	(35)	-	(45,104)	(12,429)
Taxes, fees, and contributions				
Federal	(366)	(2)	9,004	(11,230)
State	(3)	-	(27,476)	(7,563)
Local	(5)	-	(2,697)	(485)
	(374)	(2)	(21,169)	(19,278)
Debt remuneration				
Rents	-	-	(749)	(82)
Others	-	-	(1,113)	(914)
	-	-	(1,862)	(996)
Equity remuneration				
Retained earnings (loss) for the year	23,888	(7,870)	29,006	(15,500)
	23,888	(7,870)	29,006	(15,500)

See accompanying notes.

Comerc Participações S.A.

Notes to the individual and consolidated interim financial statements

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations

Comerc Participações S.A. ("Company" or "Individual" or "Group" when including its subsidiaries), incorporated on August 3, 2016, is primarily engaged in holding equity interest in other civil, commercial companies, domestic or foreign, as a member or shareholder. Domiciled in Brazil, headquartered at Av. Presidente Juscelino Kubitschek, nº 1909 - 21º andar - Torre Norte, in the State of São Paulo, City of São Paulo.

The Group trades electricity (purchase and sale), provides energy consumption management and representation services for its customers with the Electricity Trading Chamber (CCEE), provides energy consumption management services to consumers who can choose a supplier (free consumer), trades gas (purchase and sale), provides gas consumption management services, leases equipment generate better efficiency in the energy consumption for their customers and provides services that help the company reduce this consumption.

1.1. Corporate Restructuring

Restructuring operations in the Six-Month Period ended June 30, 2021

On March 31, 2021, the Company increased its capital from R\$172,065 to R\$178,385 by issuing 6,320,079 new shares, with a par value of R\$1.00 (one real), an increase totaling R\$6,320. Of this amount, R\$500 was paid with an advance balance for future capital increase and R\$5,820 with 5,820,079 (five million, eight hundred and twenty thousand, seventy-nine) units of interest of the company Comerc Esco Comércio e Prestação de Serviços em Energia Ltda. ("Comerc Esco"), with the Company's interest in Comerc Esco increasing from 3.43% to 95% on that date. Due to the increased interest, the Company became the parent company of Comerc Esco Comércio e Prestação de Serviços em Energia Ltda., becoming part of the consolidated financial statements on March 31, 2021. Since the Company's controlling shareholders were already Comerc Esco's controlling shareholders, this transaction was treated as a transaction between members.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations --Continued

1.1. Corporate Restructuring --Continued

Restructuring operations in the Six-Month Period ended June 30, 2021 --Continued

On the transaction date, Comerc Esco's main financial information is as follows:

	Assets
Current Assets	
Cash and Cash Equivalents	1,775
Receivables	1,333
Taxes Recoverable	258
Other Current Assets	2,739
Total Current Assets	6,105
Noncurrent Assets	
Receivables	1,340
Deferred Taxes	1,729
Property, Plant and Equipment	21,257
Intangible Assets	1
Other Noncurrent Assets	4,069
Total Noncurrent Assets	28,396
Total Assets	34,501
	Liabilities
Current Liabilities	
Suppliers	1,875
Loans and Financing	134
Related Parties	20,475
Advances from Customers	42
Labor Obligations	44
Other Current Liabilities	343
Total Current Liabilities	22,913
Noncurrent Liabilities	
Future Capital Contributions	613
Loans and Financing	3,875
Total Noncurrent Liabilities	4,488
Total Net Assets Incorporated	7,100

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations --Continued

1.1. Corporate Restructuring --Continued

Restructuring operations in the Six-Month Period ended June 30, 2021 --Continued

Also on March 31, 2021, the Company increased its capital from R\$178,385 to R\$187,009 by issuing 8,014,995 new shares, with a par value of R\$1.0759 (one real and seven hundred and fifty-nine hundredths of cents of real), with the increase totaling R\$8,623, paid through 8,014,995 (eight million, fourteen thousand, nine hundred and ninety-five) units of interest of the company NewCom Comercializadora de Energia Elétrica Ltda. ("NewCom"), with the Company's interest in NewCom increasing from 45.10% to 68% on that date. Since the Company's controlling shareholders were the holders of the remaining interest in NewCom, this transaction was treated as a transaction between partners.

On April 1, 2021, the Company capitalized 2,427,106 shares in Infinito Energy Investimentos e Participações S.A. ("Infinito Energy"), becoming the holder of 50% of the shares of Infinito Energy. Through the capitalization, the Company paid R\$2,427 (R\$1,778 in cash and R\$649 after two months) in cash and did not pay the operating assets. Through the acquisition, the Company acquired a joint control, evaluating the investment using the equity method.

Also on April 1, 2021, Perfin Administradora de Recursos Ltda. invested R\$175,000 in the Company through a capital increase fully paid in cash. Of this amount, R\$5,000 was allocated to increase the capital, corresponding to the subscription of 52,031,593 new shares; and the difference IOF R\$170,000 was allocated to the capital reserve. These shares were subscribed and paid in by the company Perfin Administração de Recursos Ltda. On the same date, due to this investment, the Company's controlling shareholders signed a shareholders' agreement with Perfin Administração de Recursos Ltda.

Restructuring on December 31, 2020

Due to the corporate restructuring of December 31, 2020, the companies Comerc Comercializadora de Energia Elétrica Ltda., Comerc Energia Ltda., Comerc Power Trading Ltda., Comerc Gás Comercializadora Ltda. and Micropower Comerc Participações Ltda. became subsidiaries of the Company, and as of January 1, 2021, they contributed with net operating revenue of R\$1,377,138 and loss of R\$13,142 to the earnings (loss) for the six-month period ended June 30, 2021.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

1. Operations --Continued

1.2. Acquisition of Full Control of a Subsidiary

At June 30, 2021, the Company acquired 11,200,005 of NewCom's units of interest, becoming the holder of all NewCom's units of interest. For the acquisition, the Company will pay to other NewCom's members in cash totaling R\$17,597 (R\$10,545 in cash and R\$7,052 within 24 months adjusted by SELIC) plus the contingent price linked to NewCom's future performance after four years, estimated by the Company on the transaction date at R\$1,665. Since the Company's controlling shareholders held the remaining interest in NewCom, this transaction was treated as a transaction between partners.

1.3. Coronavirus ("COVID-19")

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

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

Despite the negative impact on the global economy, the Group's operations were not significantly impacted by the pandemic in the six-month period ended June 30, 2021. The Company's management continues to actively monitor the global situation in its financial, liquidity, operations, suppliers, sector and workforce conditions to ensure the employees' protection and operational and business continuity.

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.1. Statement of compliance

The Company's individual and consolidated interim financial statements were prepared in accordance with the accounting practices adopted in Brazil, including the rules from the Brazilian Securities and Exchange Commission (CVM); the pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by Brazil's National Association of State Boards of Accountancy (CFC), and in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

The individual and consolidated interim financial statements were prepared under the assumption of normal continuity of business. Management assesses the capacity of the Company and its subsidiaries to continue operations as a going concern during the preparation of the interim financial statements. Management is not aware of any material uncertainty that could generate significant doubts as to the Company's ability to continue operating.

All relevant information of the financial statements, and only that information, is being evidenced and corresponds to that used by management in running the Company's activities, according to Accounting Guidance OCPC 07 - Disclosure of General Purpose Accounting and Financial Reports.

The members of the Company's management examined the set of the individual and consolidated interim financial statements for the six-month period ended June 30, 2021, and concluded that these financial statements properly reflect its equity and financial position on that date and approve them on August 12, 2021.

The purpose of presenting these individual and consolidated interim financial statements for the six-month period ended June 30, 2021, is to comply with CVM Instruction No. 480/09 due to a material change in the equity structure after the closing date of the last year.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.2. Basis of Measurement

The individual and consolidated interim financial statements were prepared based on historical cost, except for the valuation of certain assets and liabilities as financial instruments, measured at fair value.

Historical cost is usually based on the fair value of the price paid in exchange for goods and services.

2.3. Functional and Presentation Currency

These individual and consolidated interim financial statements are presented in reais, the functional currency of the Company and its subsidiaries. All financial information is presented in thousands of reais unless otherwise stated.

2.4. Use of Estimates and Judgments

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

2.5. Significant Accounting Policies

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

2.5.1. Financial Instruments

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.1. Financial Instruments --Continued

The Company carried out a detailed impact assessment on the adoption of the new standard and identified the following aspects:

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

Measurement

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

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.1. Financial Instruments --Continued

Recognition

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

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

Other Financial Liabilities

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

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

Impairment

This new Company's approach requires significant judgment about how changes in economic factors affect expected credit losses, determined based on weighted probabilities.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.1. Financial Instruments --Continued

Impairment --Continued

The “Allowance for expected credit losses” is set up in an amount considered sufficient by Management to cover possible risks on the customer portfolio and other receivables existing at the reporting date. The criterion for setting up the provision considers the assessment of the risk associated with operations and securities overdue for more than 60 days.

Cash and Cash Equivalents

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

Receivables

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

Future Energy Agreements (Purchase and Sale)

The Company has a portfolio of future energy agreements, encompassing the purchase and sale of energy to meet energy consumption or supply offers. The Company has the flexibility to manage these agreements to obtain gains from variations in market prices, considering its internal policies and risk limits.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.1. Financial Instruments --Continued

Future Energy Agreements (Purchase and Sale) --Continued

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

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

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

Energy Suppliers

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.2. Investments

In the individual financial statements, the Company's investments in its subsidiaries are accounted for using the equity method.

Based on the equity method, the investment is initially recognized at cost. The book value of the investment is adjusted to recognize changes in the Company's interest in equity from the acquisition date. The relative goodwill is in the investment's book value. However, it is not amortized or separately tested for impairment purposes.

The statement of profit or loss reflects the Company's interest in operating results. Any variation in other comprehensive income ((losses) of these investees is presented as part of the Group's other comprehensive income ((losses). Additionally, when there is a change recognized directly in equity, the Company will recognize its participation in any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses from transactions between the Company and the subsidiary are eliminated in proportion to the interest.

The sum of the Company's profit sharing is presented in the statement of profit or loss, representing the result after taxes and non-controlling interests in subsidiaries.

The subsidiaries' financial statements are prepared for the same reporting period as those of the Company. When necessary, adjustments are made so that accounting policies are in line with those of the Company.

After applying the equity method, the Company determines whether it is necessary to recognize an additional loss on the recoverable amount of the subsidiaries' investment. At each reporting date, the Company ascertains whether there is objective evidence that the investment has suffered impairment. If so, the Company calculates the impairment loss as the difference between the recoverable amount and the book value and recognizes the loss in the statement of profit or loss.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.2. Investments --Continued

Upon losing significant influence over the investment, the Company measures and recognizes any investment held at fair value. Any difference between the book value at the time of loss of significant influence and the fair value of the investment retained and the proceeds from the sale are recognized in profit or loss.

2.5.3. Leases

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

Lessees must also reassess the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments due to a change in an index or rate used to determine such payments). In general, the Lessee recognizes the revaluation amount of the lease liability as an adjustment to the right-of-use asset. There was no material change in the lessor's accounting under IFRS 16/CPC 06-(R2) from the current accounting under IAS 17/CPC 06(R1). Lessors continue to classify all leases into two types: operating and finance leases.

The Company as a Lessee

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.3. Leases --Continued

The Company as a Lessee --Continued

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

Right-of-Use Assets

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.3. Leases --Continued

Lease Liabilities

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.3. Leases --Continued

Lease Liabilities --Continued

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

2.5.4. Property, Plant and Equipment

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

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

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

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

(*) Average Rate.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.4. Property, Plant and Equipment --Continued

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

2.5.5. Intangible Assets

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.5. Intangible Assets --Continued

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

2.5.6. Provisions

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

2.5.7. Statement of profit or loss

Revenue Recognition

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.7. Statement of profit or loss --Continued

Revenue Recognition --Continued

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

Energy Sales Costs

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

Costs of sales and services are recognized and measured:

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

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

2.5.8. Taxes

a) *Current Income and Social Contribution Taxes*

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.8. Taxes --Continued

a) *Current Income and Social Contribution Taxes* --Continued

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

b) *Deferred Income and Social Contribution Taxes*

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.8. Taxes --Continued

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

- The Company accounts for current tax assets and liabilities net if, and only if, the above entities have the legally enforceable right to make or receive a single net payment and the entities intend to make or receive such net payment or recover the asset and settle the passive simultaneously. The accounting of net deferred tax assets and liabilities, in turn, is carried out if, and only if, the entity has the legally enforceable right to offset current tax assets against current tax liabilities and if the deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax authority.

2.5.9. Fair Value Base and Measurement

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

In the preparation of the individual and consolidated interim financial statements, in accordance with the practices adopted in Brazil and international financial reporting standards, the Company's management is required to be based on estimates for recording certain transactions that affect assets, liabilities, revenues and expenses. The results of these transactions and information, upon their effective recognition in subsequent years, may differ from these estimates due to inaccuracies inherent in the process of their determination. The Company regularly reviews estimates and assumptions at least quarterly.

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.10. Impairment Test of Non-Financial Assets

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

2.5.11. Adjustment to Present Value - Assets and Liabilities

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

2.5.12. Profit-Sharing

The Company recognizes a liability for paying dividends when this distribution is authorized and is no longer an option of the Company or even when provided for by Law. Under current corporate law, a distribution is authorized when approved by the shareholders, and the corresponding amount is directly recognized in equity. Pursuant to the Company's Articles of Incorporation, the profits and results will be allocated as decided by the partners, by a vote of the partner(s) representing more than half of the capital.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(In thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment

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

- Trading;
- Services; and
- Energy Solutions.

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment --Continued

a) *Statement of profit or loss for the six-month period ended June 30, 2021*

	June 30, 2021					
	Individual	Trading	Services	Solutions	Eliminations	Total
Net operating revenue	-	1,684,066	41,638	11,051	(104,672)	1,632,083
Mark-to-market of financial instruments	-	(63,571)	-	-	-	(63,571)
Services and energy sales costs	-	(1,637,680)	(4,378)	(9,632)	104,502	(1,547,188)
Gross (loss) profit	-	(17,185)	37,260	1,419	(170)	21,324
Selling, general, and administrative expenses	(153)	(28,729)	(30,008)	(3,653)	-	(62,543)
Other operating (expenses) income, net	-	(1,341)	-	15	-	(1,326)
Equity pickup	(24,633)	-	-	(903)	24,616	(920)
Finance costs	(51)	(1,857)	(748)	(780)	-	(3,436)
Finance income	1,315	1,095	478	101	-	2,989
Income (loss) by segment before income taxes	(23,522)	(48,017)	6,982	(3,801)	24,446	(43,912)
Income and social contribution taxes - Current	(366)	(3,740)	(4,291)	(22)	-	(8,419)
Income and social contribution taxes - Deferred	-	20,299	1,995	1,031	-	23,325
Net income (loss) for the period	(23,888)	(31,458)	4,686	(2,792)	24,446	(29,006)

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment --Continued

b) *Assets and Liabilities Information at June 30, 2021*

	June 30, 2021					
	Individual	Trading	Services	Solutions	Eliminations	Total
Assets by Segment	342,750	4,364,034	50,728	59,594	(230,648)	4,586,458
Liabilities by Segment	13,472	4,234,974	24,967	36,725	(53,161)	4,256,977

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment --Continued

c) *Statement of profit or loss for the six-month period ended at June 30, 2020*

	June 30, 2020					
	Individual	Trading	Services	Solutions	Eliminations	Total
Net operating revenue	-	383,206	-	14,665	-	397,871
Mark-to-market of financial instruments	-	23,432	-	-	-	23,432
Services and energy sales costs	-	(375,645)	-	(1,064)	-	(376,709)
Gross profit	-	30,993	-	13,601	-	44,594
Selling, general and administrative expenses	(1)	(1,365)	-	(17,684)	-	(19,050)
Other operating (expenses) income, net	-	-	-	-	-	-
Equity pickup	7,864	-	-	(212)	(7,652)	-
Finance costs	-	(46)	-	(118)	-	(164)
Finance income	9	425	-	14	-	448
Income (loss) by segment before income taxes	7,872	30,007	-	(4,399)	(7,652)	25,828
Income and social contribution taxes - Current	(2)	(2,258)	-	(101)	-	(2,361)
Income and social contribution taxes - Deferred	-	(7,967)	-	-	-	(7,967)
Net income (loss) for the period	7,870	19,782	-	(4,500)	(7,652)	15,500

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment --Continued

d) *Assets and Liabilities Information at December 31, 2020*

	December 31, 2020					
	Individual	Trading	Services	Solutions	Eliminations	Total
Assets by Segment	184,682	1,237,306	46,119	15,393	(216,410)	1,267,090
Liabilities by Segment	4,502	1,070,852	25,044	1,512	(40,054)	1,061,856

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.13. Information by Segment --Continued

Comerc Energia Ltda. is the entity providing electricity consumption management services to free-market consumers. Since this Company became part of Comerc Participações on December 31, 2020 (see Note 1.1), it started to contribute results to the Company as of January 1, 2021. For this reason, the services segment does not report results for the six-month period ended June 30, 2020.

2.5.14. Statements of Cash Flows

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

2.5.15. Statement of Value Added ("SVA")

Prepared based on accounting records and following Accounting Pronouncement CPC 09 - Statement of Value Added, approved by CVM through Resolution No. 557/08. This demonstrates the wealth generated by the Company and its distribution, as required by Brazilian Corporation Law for open companies as part of its individual and consolidated interim financial statements. As IFRS does not require them, this statement is treated as supplementary accounting information.

2.5.16. Consolidation Principles

The following accounting policies are adopted in preparing the consolidated financial statements.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.16. Consolidation Principles --Continued

Subsidiaries

Subsidiaries are all entities directly or indirectly controlled by the Company. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. Consolidation is interrupted from the date on which the Company no longer has control.

The Company has the following equity interest for the periods presented:

Company	% of Interest in the Capital		Type of Investment	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Comerc Comercializadora de Energia Elétrica Ltda. (a)	100%	100%	Subsidiary	Subsidiary
Comerc Energia Ltda. (b)	100%	100%	Subsidiary	Subsidiary
Comerc Gás Comercializadora de Energia Ltda. (c)	95%	95%	Subsidiary	Subsidiary
Comerc Power Trade Ltda. (d)	100%	100%	Subsidiary	Subsidiary
Micropower Comerc Participações Ltda. (e)	100%	100%	Subsidiary	Subsidiary
NewCom Comercializadora de Energia Elétrica Ltda. (f)	100%	45.10%	Subsidiary	Subsidiary
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda. (g)	95%	3.43%	Subsidiary	Affiliate
Comerc Esco Desenvolvimento Prest. Serviços em Energia Ltda. (h)	95%	95%	Subsidiary	Subsidiary
Comerc Energy Trading Ltda. (h)	100%	100%	Subsidiary	Subsidiary
Comerc Financial Trading Ltda. (h)	100%	100%	Subsidiary	Subsidiary
NewCom Financial Trading Comercializadora de Energia Elétrica Ltda. (h)	100%	100%	Subsidiary	Subsidiary
NewCom EnergyTrading Comercializadora de Energia Elétrica Ltda. (h)	100%	100%	Subsidiary	Subsidiary

(a) The main purpose of Comerc Comercializadora de Energia Elétrica Ltda. is trading electricity (purchase and sale), providing energy consumption management services and representing its clients before the Electricity Trading Chamber (CCEE);

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.16. Consolidation Principles --Continued

Subsidiaries --Continued

- (b) Comerc Energia Ltda's corporate purpose is to provide electricity consumption management services to consumers who can choose their supplier (free consumer). By developing positioning strategies and energy management structures, Comerc Energia seeks to maximize cost reduction for its customers and fully meet their needs in the short, medium and long term;
- (c) Comerc Gás Comercializadora Ltda's main purpose is to sell gas (purchase and sale) and provide gas consumption management services. The company is pre-operational;
- (d) The main purpose of Comerc Power Trading Ltda. is trading electricity (purchase and sale) in the retail and wholesale markets, providing energy consumption management services and representing its clients before the Electricity Trading Chamber (CCEE);
- (e) Micropower Comerc Participações Ltda. has as the main purpose holding an equity interest in other civil, commercial companies, domestic or foreign, as a partner or shareholder.
- (f) NewCom Comercializadora de Energia Elétrica Ltda. sells electricity in the wholesale market (purchase and sale). The Company has power over the investee through its majority interest as a shareholder is exposed to, or has rights to, variable returns from its interest in the investee and can use this power to affect those returns.
- (g) Comerc Esco Comércio e Prestação de Serviços em Energia Ltda. ("Esco Comércio") is primarily engaged in selling and leasing equipment to generate better efficiency in the energy consumption for customers and providing services to help the company reduce this consumption.
- (h) Company is pre-operational.

The consolidation process of the statement of financial position accounts and the result follow its nature, complemented by the elimination of the following:

- Parent company interest in the capital, reserves and retained earnings/accumulated losses of the consolidated companies;
- Asset and liability account balances held between consolidated companies;
- Revenue and expense balances from transactions carried out between consolidated companies.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

2.5. Significant Accounting Policies --Continued

2.5.17. New or Amended, Current and Non-Current Pronouncements

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

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

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

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

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

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

3. Cash and Cash Equivalents

Description	Individual		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Cash and Banks	287	6	6,564	3,277
Marketable securities	146,205	1,206	212,822	63,505
	146,492	1,212	219,386	66,782

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

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

4. Receivables - Consolidated

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

Description	Consolidated	
	June 30, 2021	December 31, 2020
Receivables - Measured and Unbilled (a)	306,093	320,114
Other Receivables from Services	1,153	3,770
(-) Allowance for Expected Losses on Receivables	(4,123)	(4,012)
	303,123	319,872
Current	301,970	319,872
Noncurrent	1,153	-
	303,123	319,872

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

4. Receivables - Consolidated --Continued

Opening by the maturity of amounts overdue and to fall due:

Description	Consolidated	
	June 30, 2021	December 31, 2020
Falling due	302,989	318,952
Overdue up to 30 days	87	711
Overdue from 31 to 90 days	47	209
Overdue for more than 90 days	4,123	4,012
(-) Allowance for expected Loss	(4,123)	(4,012)
	303,123	319,872

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

Description	Consolidated	
	June 30, 2021	December 31, 2020
Opening Balances	(4,012)	(568)
(-) Balance from the restructuring (a)	-	(4,012)
(-) Additions to the provision	(11)	-
(+) Reversals	-	568
Overdue for more than 90 days	(4,123)	(4,012)

(a) The allowance for expected losses presented belongs to the companies Comerc Comercializadora de Energia (R\$3,512) and Comerc Energia (R\$500).

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

5. Related Parties

The main transactions and balances are presented below:

Assets Description	Individual		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Comerc Esco Com. e Prest. de Serv. em Energia Ltda. (c)	-	-	-	20,368
Comerc Participações S.A. (b)	-	1,600	-	1,600
DOC 88 Desenvolvimento e Serviços Ltda (a)	-	-	429	480
MegaWhat Desenvolvimento e Serviços Ltda. (a)	-	-	329	344
YAM Tecnologia e Desenvolvimento Humano SPE - Ltda. (a)	-	-	-	41
MPC Energia S.A. (a)	-	-	10	106
Comerc Esco Desenvolvimento (c)	1,025	-	-	-
Comerc Esco Com. e Prest. de Serv. em Energia Ltda. (a)	-	-	-	55
	1,025	1,600	768	22,994

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

5. Related Parties --Continued

Liabilities		Individual		Consolidated	
Description	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020	
Comerc Energia Ltda. (c)	-	4,500	-	-	
Individual Shareholders (f)	2,200	-	2,200	-	
Former Shareholders NewCom Comercializadora de Energia Elétrica Ltda. (g)	8,717	-	8,717	-	
	10,917	4,500	10,917	-	
Current	5,872	4,500	5,872	-	
Noncurrent	5,045	-	5,045	-	
	10,917	4,500	10,917	-	

Revenues		Individual		Consolidated	
Description	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	
Comerc Comercializadora de Energia Elétrica Ltda. (d)	-	-	-	57,053	
Comerc Energia Ltda. (e)	-	-	-	14,427	
DOC 88 Desenvolvimento e Serviços Ltda (a)	-	-	7,374	-	
MegaWhat Desenvolvimento e Serviços Ltda. (a)	-	-	2,867	-	
	-	-	10,241	71,480	

Costs		Individual		Consolidated	
Description	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	
Comerc Comercializadora de Energia Elétrica Ltda. (d)	-	-	-	(77,235)	
DOC 88 Desenvolvimento e Serviços Ltda (e)	-	-	(7,452)	-	
MegaWhat Desenvolvimento e Serviços Ltda. (e)	-	-	(96)	-	
	-	-	(7,548)	-	

Expenses		Individual		Consolidated	
Description	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	
Comerc Comercializadora de Energia Elétrica Ltda. (d)	-	-	-	(2,887)	
	-	-	-	(2,887)	

(a) Operating expenses common to all companies allocated to Comerc Comercializadora and pending reimbursement by Group companies;

(b) Advance of dividends to executives;

(c) Loan operations with companies of the same group remunerated at 100% of the CDI.

(d) Energy purchase and sale transactions between companies of the same Group.

(e) Services between companies of the same Group.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

5. Related Parties --Continued

(f) Loan of Comerc Participações with its shareholders remunerated at 100% of CDI.

(g) Amounts payable for the acquisition of units of interest in the company NewCom as described in Note 1.2.

The Company considers that all related-party transactions reflect market conditions.

Management's Compensation

The overall compensation to key management personnel for the period ended June 30, 2021, and 2020 and the year ended December 31, 2020, is shown below:

Description	Consolidated		
	June 30, 2021	December 31, 2020	June 30, 2020
Fixed Annual Compensation	4,786	5,042	1,912

6. Investments

6.1. The table below shows the breakdown of investments:

Description	Individual		Consolidated	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Comerc Comercializadora de Energia Elétrica Ltda	103,941	120,685	-	-
Comerc Energia Ltda	25,760	21,075	-	-
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda	8,891	3,934	-	3,934
NewCom Comercializadora de Energia Elétrica Ltda	25,120	20,721	-	-
Comerc Esco Desenvolvimento Comércio e Prestação de Serviços em Energia Ltda.	(1,970)	-	-	-
Comerc Power Trading Ltda	4,770	5,134	-	-
Comerc Gás Comercializadora Ltda	1,073	106	-	-
MicroPower Comerc Participações Ltda	7,727	8,635	-	-
Interest MPC Serviços Energéticos 1B S.A. (*)	-	-	3,173	3,200
Interest MPC Serviços Energéticos 1C S.A. (*)	-	-	4,462	4,462
Interest MPC Serviços Energéticos 1A S.A. (*)	-	-	901	887
Comerc Financeira Comercializadora de Energia Elétrica Ltda.	1,001	-	-	-
Comerc Energy Comercializadora de Energia Elétrica Ltda.	1,001	-	-	-
Infinito Energy Investimentos e Participações S.A.	3,006	-	3,006	-
Micropower S.A.	-	-	(891)	-
BBCE - Balcão Brasileiro de Comercialização de Energia S.A.	-	-	1,162	1,162
	180,320	180,290	11,813	13,645

(*) Interests held indirectly through MicroPower Comerc Participações Ltda.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

6. Investments --Continued

6.2. The main information about the investees is presented below:

Description	Relationship	June 30, 2021		
		Number of Shares/Units of Interest held by the Company	Total Shares/Units of Interest	Company Interest
Comerc Comercializadora de Energia Elétrica Ltda	Control	120,685	120,685	100.00%
Comerc Energia Ltda	Control	21,075	21,075	100.00%
NewCom Comercializadora de Energia Elétrica Ltda	Control	35,000	35,000	100%
Comerc Financial Trading Ltda	Control	1,000	1,000	99.99%
NewCom Energy Trading Comercializadora de Energia Ltda	Control	1,000	1,000	99.99%
Comerc Esco Desenvolvimento, Comércio e Prestação de Serviços em Energia Ltda	Control	95	100	95.00%
Comerc Power Trading Ltda	Control	5,134	5,134	100.00%
Comerc Gás Comercializadora Ltda	Control	114	120	95.00%
MicroPower Comerc Participações Ltda	Control	8,631	8,631	100.00%
Comerc Energy Trading Ltda	Control	1,000	1,000	99.99%
NewCom Financial Trading Comercializadora de Energia Elétrica Ltda	Control	1,000	1,000	99.99%
Infinito Energy Investimentos e Participações S.A.	Joint Control	2,427,106	4,854,212	50%
BBCE - Balcão Brasileiro de Comercialização de Energia S.A.	Investee	4,000	96,796	4.13%
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda	Control Indirect	171	4,972	95%
Interest MPC Serviços Energéticos 1B S.A. (*)	Affiliate Indirect	156	5,200	3%
Interest MPC Serviços Energéticos 1C S.A. (*)	Affiliate Indirect	9.99	10	99.9%
Interest MPC Serviços Energéticos 1A S.A. (*)	Affiliate	806	26,874	2.88825%

(*) Interests held indirectly through MicroPower Comerc Participações Ltda.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

6. Investments --Continued

6.3. Summarized Financial Information of Subsidiaries

Description	Individual			
	June 30, 2021		December 31, 2020	
	Equity	Income (Loss)	Equity	Income (Loss)
Comerc Comercializadora de Energia Elétrica Ltda (*)	103,942	(17,553)	120,685	-
Comerc Energia Ltda (*)	25,761	4,685	21,075	-
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda	9,358	725	5,256	(2,797)
NewCom Comercializadora de Energia Elétrica Ltda	25,120	(13,902)	45,576	8,731
Comerc Esco Desenvolvimento Comércio e Prestação de Serviços em Energia Ltda.	(2,073)	(2,074)	-	-
Comerc Power Trading Ltda (*)	4,770	(364)	5,134	-
Comerc Gás Comercializadora Ltda (*)	1,083	91	112	-
MicroPower Comerc Participações Ltda (*)	7,726	(1)	8,635	-
Comerc Energy Trading Comercializadora de Energia Ltda.	1,002	2	-	-
Comerc Financial Trading Comercializadora de Energia Ltda.	1,002	2	-	-
MegaWhat Desenvolvimento e Serviços Ltda	-	-	-	(3,385)
Doc88 Desenvolvimento e Serviços Ltda	-	-	-	(6,906)

(*) Companies invested on December 31, 2020.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

6. Investments --Continued

6.4. Changes in Investments

a) Changes for the Six-month Period ended June 30, 2021

Company	Balance on December 31, 2020	Equity Pickup	Capital Allocatio n	AFAC	Acquisitions	Dividends and Interest on Equity Received	Capital Reserve	Gain/ Loss of Interest	Loss due to Disproportionate Distribution	Balance at June 30, 2021
Comerc Comercializadora de Energia Elétrica Ltda	120,685	(17,553)	-	-	-	-	809	-	-	103,941
Comerc Energia Ltda	21,075	4,685	-	-	-	-	-	-	-	25,760
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda	3,934	865	5,820	1,837	-	-	-	(3,565)	-	8,891
NewCom Comercializadora de Energia Elétrica Ltda	20,720	(9,460)	8,624	-	8,039	(2,141)	196	319	(1,177)	25,120
Comerc Power Trading Ltda	5,134	(364)	-	-	-	-	-	-	-	4,770
Comerc Gás Comercializadora Ltda	106	87	-	880	-	-	-	-	-	1,073
MicroPower Comerc Participações Ltda	8,636	(909)	-	-	-	-	-	-	-	7,727
Comerc Esco Desenvolvimento Comércio e Prestação de Serviços em Energia Ltda.	-	(1,970)	-	-	-	-	-	-	-	(1,970)
Comerc Energy Comercializadora de Energia Elétrica Ltda.	-	1	1,000	-	-	-	-	-	-	1,001
Comerc Financial Comercializadora de Energia Elétrica Ltda.	-	1	1,000	-	-	-	-	-	-	1,001
Infinito Energy Investimentos e Participações S.A.	-	(16)	-	-	3,022	-	-	-	-	3,006
Total	180,290	(24,633)	16,444	2,717	11,061	(2,141)	1,005	(3,246)	(1,177)	180,320

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

6. Investments --Continued

6.4. Changes in Investments --Continued

b) Moves in the Year ended December 31, 2020

Company	Balance on December 31, 2019	Equity Pickup	Capital Allocatio n	AFAC	Investment Sale	Incorporation of Investees	Dividends and Interest on Equity Received	Capital Reserve	Gain/ Loss of Interest	Loss due to Disproportionat e Distribution	Balance on December 31, 2020
Comerc Comercializadora de Energia Elétrica Ltda	-	-	120,685	-	-	-	-	-	-	-	120,685
Comerc Energia Ltda	-	-	21,075	-	-	-	-	-	-	-	21,075
Comerc Esco Comércio e Prestação de Serviços em Energia Ltda	-	(20)	-	3,887	-	170	-	-	-	(103)	3,934
NewCom Comercializadora de Energia Elétrica Ltda	22,404	3,745	-	-	(1,015)	-	(3,869)	843	(96)	(1,291)	20,720
Comerc Esco Instalações e Serviços Ltda	1,293	618	-	-	-	(170)	-	-	-	(1,741)	-
Comerc Power Trading Ltda	-	-	5,134	-	-	-	-	-	-	-	5,134
Comerc Gás Comercializadora Ltda	-	(8)	120	-	(6)	-	-	-	-	-	106
MicroPower Comerc Participações Ltda	-	4	8,631	-	-	-	-	-	-	-	8,635
MegaWhat Desenvolvimento e Serviços Ltda	227	(1,037)	-	-	-	-	-	-	-	-	-
Doc88 Desenvolvimento e Serviços Ltda	177	(400)	-	-	-	-	-	-	-	-	-
Total	24,101	2,902	155,645	3,887	(1,021)	-	(3,869)	843	(96)	(3,135)	180,290

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

7. Property, Plant and Equipment

7.1. Breakdown of Property, Plant and Equipment

Description	Annual Rate %	Consolidated	
		June 30, 2021 (net)	December 31, 2020 (net)
Furniture and Fixtures	10	2,127	2,298
Data Processing Equipment	20	3,878	3,840
Leasehold Improvements	4 to 10	4,141	6,508
Machinery and Equipment	10	21,452	1,163
Property, Plant and Equipment in Progress	-	4,937	671
		36,535	14,480

7.2. Changes in Property, Plant and Equipment

a) Changes for the six-month period ended June 30, 2021

Description	December 31, 2020	Additions	Write-Off	Transfer	Corporate Reorganization	June 30, 2021
Furniture and Fixtures	3,613	-	-	-	-	3,613
Data Processing Equipment	9,777	134	-	741	47	10,699
Leasehold Improvements	13,539	-	(2,577)	-	-	10,962
Machinery and Equipment	1,625	-	-	5,561	18,486	25,672
Property, Plant and Equipment in Progress	671	4,702	-	(6,302)	5,879	4,950
(-) Depreciation	(14,745)	(2,669)	1,208	-	(3,155)	(19,361)
	14,480	2,167	(1,369)	-	21,257	36,535

b) Changes in the Fiscal year ended December 31, 2020

Description	December 31, 2019	Additions	Capital Allocation (Note 1.1)	Write-Off (*)	Transfer (*)	Write-off from Selling Equity Interest	December 31, 2020
Furniture and Fixtures	-	3	3,556	-	63	(9)	3,613
Data Processing Equipment	137	15	9,618	-	256	(249)	9,777
Leasehold Improvements	-	-	13,141	-	398	-	13,539
Machinery and Equipment	4,136	-	1,601	-	1,235	(5,347)	1,625
Property, Plant and Equipment in Progress	282	2,768	670	(103)	(2,067)	(879)	671
(-) Depreciation	(335)	(359)	(14,703)	-	-	652	(14,745)
	4,220	2,427	13,883	(103)	(115)	(5,832)	14,480

(*) R\$103 was written off to income.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

8. Right-of-Use Assets and Lease Liabilities

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

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

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

Description	Consolidated			
	Right of Use (*) (assets)		Lease Payable (*) (Liabilities)	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Comerc Comercializadora de Energia Elétrica Ltda.	2,952	13,299	5,409	16,224
NewCom Comercializadora de Energia Elétrica Ltda	93	117	95	117
Comerc Energia Ltda	7,559	-	7,441	-
	10,604	13,416	12,945	16,341
Current			3,518	3,850
Noncurrent			9,427	12,491
			12,945	16,341

(*) The balances of the right-of-use assets and lease liabilities were incorporated at December 31, 2020, from the corporate restructuring. Therefore, in 2020 there are no effects of updates, amortizations and payments of principal/interest.

Description	Consolidated			
	Right of Use (assets)		Lease Payable (Liabilities)	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Opening Balance	13,416	-	16,341	-
Initial Registration	-	168	-	168
Value from the Corporate Restructuring	-	13,298	-	16,224
(-) Depreciation	(1,303)	(50)	-	-
(+) Interest	-	-	638	19
(-) Payments	-	-	(2,525)	(70)
(+/-) Update	(1,509)	-	(1,509)	-
Closing Balance	10,604	13,416	12,945	16,341

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

Additional Information

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

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

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

9. Suppliers

Description	Consolidated	
	June 30, 2021	December 31, 2020
Energy Suppliers - Provision by Competence (a)	278,880	306,184
Other Suppliers	5,344	914
	284,224	307,098

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

10. Loans and Financing

The financing was obtained mainly to acquire property, plant and equipment by Comerc Esco, becoming a subsidiary of Comerc Participações as of March 31, 2021, as detailed in Note 1.1.

The main information on Loans and Financing follows:

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

10. Loans and Financing --Continued

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

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

11. Dividends Payable

Expenses	Individual		Consolidated	
Description	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Dividends Payable (a)	216	-	216	22,000

- (a) At December 31, 2020, R\$22,000 refers to dividends payable by Comerc Energia Ltda. to its former shareholders since it became controlled by Comerc on December 31, 2020.

12. Estimate for Contingent Losses

12.1. Provision for Contingencies

The Company is subject to tax, social security, labor, and civil lawsuits in the normal course of its activities. Supported by the opinion of its legal counsel, management set up a provision considered sufficient to cover the probable losses expected on the outcome of the actions in progress. The amount provisioned, totaling R\$78 (R\$57 at December 31, 2020), referring to labor and social security claims and reflects the best current estimate of the Company's management.

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

12. Estimate for Contingent Losses --Continued

12.1. Provision for Contingencies --Continued

Classification of Contingencies to Possible Losses

As at June 30, 2021, contingencies classified as a possible loss (the chance of one or more future events occurring is less than probable and greater than remote) and, therefore, were not accounted for in the individual and consolidated interim financial statements are presented as follows:

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

(a) In 2020, it refers to the notification of the issuance of an isolated fine on non-approved PER/DCOMPS.

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

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

12.2. Tax Calculation Review

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

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

13. Equity

13.1. Capital

As at June 30, 2021, the Company's paid-in capital totals R\$192,009 (R\$172,065 at December 31, 2020), with 260,157,968 shares (172,065 units of interest at December 31, 2020), with a par value of R\$0.7380 (seventy-three cents) each.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

13. Equity --Continued

13.1. Capital --Continued

On March 31, 2021, the Company increased its capital from R\$172,065 to R\$178,385 by issuing 6,320,079 new shares, with a par value of R\$1.00 (one real), an increase totaling R\$6,320.

On March 31, 2021, the Company increased its capital from R\$178,385 to R\$187,009 by issuing 8,014,995 new shares, with a par value of R\$1.0759 (one real and seven hundred and fifty-nine hundredths of cents of a real), increasing a total of R\$8,624.

On April 1, 2021, the Company capitalized 2,427,106 shares in Infinito Energy Investimentos e Participações S.A. ("Infinito Energy"), becoming the holder of 50% of the shares of Infinito Energy. For the capitalization, the Company paid R\$2,427 in cash (R\$1,778 in cash and R\$649 after two months).

On April 1, 2021, Perfin Administradora de Recursos Ltda. invested R\$175,000 in the Company through a capital increase fully paid in cash. Of this amount, R\$5,000 was allocated to increase the capital, corresponding to the subscription of 52,031,593 new shares; and the difference IOF R\$170,000 was allocated to the capital reserve. These shares were subscribed and paid in by the company Perfin Administração de Recursos Ltda.

13.2. Distribution of Dividends and Interest on Equity

As resolved by the Executive Board, the Company may draw up semiannual, quarterly or monthly statements of financial position and declare dividends from profit account calculated in these statements of financial position, in compliance with the provisions of Article 204 of the Brazilian Corporation Law.

As resolved by the Executive Board, the Company may also declare interim dividends from the retained profit account or profit reserves in the annual, semi-annual, quarterly or monthly statements of financial position.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

13. Equity --Continued

13.2. Distribution of Dividends and Interest on Equity --Continued

Subject to the legal limits, the Executive Board, approved by the Shareholders' Meeting, may declare the payment of equity interest based on the last annual or semi-annual statements of financial position drawn up by the Company.

Interim dividends and interest on equity distributed will always be deducted from the minimum mandatory dividend provided in Article 30 of the Company's Bylaws.

The accumulated losses and provisions for Income and Social Contribution Taxes will be initially deducted from results before any interest. The remaining profit will have the following destination:

- (i) 5% (five percent) for a legal reserve, which will not exceed 20% (twenty percent) of the capital;
- (ii) 25% (twenty-five percent) of the adjusted net income under Article 202, of the Brazilian Corporation Law, to be distributed shareholders as a mandatory minimum dividend; and
- (iii) Retained Profit, Profit Reserve Recognized, or Dividends Distribution besides mandatory dividends under the applicable law, as resolved by the Shareholders' Meeting.

The dividend will not be mandatory in the year in which the Management informs the Shareholders' Meeting incompatible with the Company's financial situation. Profits not distributed under this paragraph will be recorded as a special reserve and, if not absorbed by losses in subsequent years, must be paid as dividends as soon as the Company's financial situation allows.

The Company will keep a statutory reserve entitled "investment reserve" which may be set up, subject to Article 30 of the Company's Bylaws, up to 100% (one hundred percent) of the Net Income for the Year.

The investment reserve is intended to ensure funds to maintain, develop, and expand corporate activities and may also be used in operations to redeem, reimburse or acquire shares in the Company's capital. The Shareholders' Meeting may, at any time, distribute dividends to the investment reserve account or allocate its balance, in whole or in part, to a capital increase, including a bonus in new shares.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

13. Equity --Continued

13.2. Distribution of Dividends and Interest on Equity --Continued

The maximum limit of the investment reserve will be up to 100% (one hundred percent) of the capital, observing that the balance of this reserve, added to the balances of the other profit reserves, except for the unrealized profit reserves, the reserves for contingencies and the tax incentive reserve may not exceed 100% (one hundred percent) of the capital.

Unless otherwise provided by the shareholders' meeting, dividends will be paid within 60 (sixty) days when they are declared and, in any case, within the year.

13.3. Earnings (Loss) per Share

The basic and diluted net income per unit of interest is calculated by dividing the Company's net income by the weighted average number of shares existing in the period. The table below shows the basic/diluted calculation per share for the periods:

	Individual/Consolidated					
	June 30, 2021		December 31, 2020 (*)		June 30, 2020	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
Net Income (Loss) for the Period						
Attributed to Controlling Shareholders	(23,888)	(23,888)	2,693	2,693	7,870	7,870
Weighted Average Number of Shares Issued (in thousands)	86,527	86,527	6,672	6,672	6,462	6,462
Profit (Loss) per Share/Unit of interest - Basic and Diluted (in R\$ per unit of interest)	(0.2761)	(0.2761)	0.4036	0.4036	1.2178	1.2178

(*) Presentation of Earnings per Share for the year ended December 31, 2020, and the six-month period ended June 30, 2020, considering the reverse stock split approved on August 6, 2021.

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

14. Net Operating Revenue

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

Description	Consolidated	
	June 30, 2021	June 30, 2020
Energy Sales Revenue	1,613,988	390,865
(-) Deduction from Energy Sales - Taxes Levied and Others (i)	(26,561)	(7,659)
	1,587,427	383,206
Description		
Revenue from Services	53,636	15,852
(-) Deduction for Services - Taxes Levied and Others (i)	(8,980)	(1,187)
	44,656	14,665
Net Operating Revenue	1,632,083	397,871

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

15. Services and Energy Sales Costs

Description	Consolidated	
	June 30, 2021	June 30, 2020
Energy Purchase	(1,542,108)	(375,148)
Other Costs	(5,080)	(1,561)
	(1,547,188)	(376,709)

16. Selling, General and Administrative Expenses

Description	Consolidated	
	June 30, 2021	June 30, 2020
Personnel Expenses	(44,992)	(12,336)
Outsourced Services	(7,090)	(4,259)
Depreciation and Amortization	(5,412)	(224)
Other Administrative Expenses	(5,049)	(22,231)
	(62,543)	(19,050)

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

17. Finance Income (Costs)

	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Finance Income				
Income from Financial Investments	1,307	9	2,288	446
Loan Agreement Updates	-	-	406	-
CCEE Updates	-	-	192	-
Other Finance Income	8	-	103	2
	1,315	9	2,989	448
Finance Costs				
Warranties	-	-	(1,002)	(52)
Interest on Lease Liability	-	-	(654)	-
CCEE Financial Charges	-	-	(451)	-
Contracts Cash Restatements	(51)	-	(426)	(112)
Loan Agreement Updates	-	-	(295)	-
Cash Restatements	-	-	(173)	-
Taxes and Contributions on Finance Income	-	-	(145)	-
Bank Expenses	-	-	(122)	-
Other Finance Costs	-	-	(168)	-
	(51)	-	(3,436)	(164)
Finance Income (Costs)				
	1,264	9	(447)	284

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

18.1. Current Income and Social Contribution Taxes

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

18.1. Current Income and Social Contribution Taxes --Continued

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

Description	Individual		Consolidated	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Income (Loss) before Income Tax	(23,522)	7,872	(43,912)	25,828
(-) Income before Income and Social Contribution Taxes - Companies in the "Deemed Profit" Taxation Regime	-	-	(101)	(512)
Income (Loss) before Income Tax - "Companies under the Taxable Profit" Taxation Regime	(23,622)	7,871	(44,013)	25,316
<i>Current combined rate of 34%</i>	7,998	(2,676)	14,964	(8,607)
Interest on Equity (Received)/Paid	-	-	-	-
Equity Pickup	(8,375)	2,674	(313)	-
Other Non-Deductible Additions/Exclusions for Tax Purposes	-	-	106	(164)
Deferred Income Tax/Social Contribution Not Recognized, Net	-	-	(26)	(1,469)
	(378)	(2)	14,731	(10,240)
Tax Incentives	12	-	185	12
	(366)	(2)	14,916	(10,228)
Effective Income and Social Contribution Taxes - Current	366	2	8,409	2,260
Effective Income and Social Contribution Taxes - Deferred	-	-	(23,325)	7,967
Deemed Income and Social Contribution Taxes - Current	-	-	9	101
	366	2	(14,907)	10,328
<i>Effective Tax Rate</i>	-2%	0%	34%	40%

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

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

18.2. Deferred Taxes

Impact on Income (Loss) in the Period	Consolidated	
	June 30, 2021	June 30, 2020
Changes in Income (Loss) from Income Tax/Social Contribution in Future Energy Agreements	(21,614)	7,967
Variation Tax loss / Calculation Base in the Previous Years	1,637	-
Variation Tax loss / Calculation Base in the Period	(191)	-
Changes in the Income (Loss) from Other Temporary Expenses	(3,157)	-
	<u>(23,325)</u>	<u>7,967</u>

Changes in Deferred Tax Asset (Liability)	Consolidated	
	June 30, 2021	December 31, 2020
Opening Balance of the Year	(46,370)	(3,000)
Impact on Income (Loss) from Income and Social Contribution Taxes in Future Energy Agreements	21,614	(49,251)
Impact on Deferred Temporary Differences	2,559	4,228
Impact on IRPJ and CSLL Tax Loss	882	7,140
Impact on Deferred PIS and COFINS Taxes	1,639	(5,487)
	<u>(19,676)</u>	<u>(46,370)</u>
Deferred Tax Assets	12,424	-
Deferred Tax Liabilities	<u>(32,100)</u>	<u>(46,370)</u>

Deferred Tax Assets/(Liabilities)	Consolidated	
	June 30, 2021	December 31, 2020
Liability Income (Loss) from Income and Social Contribution Taxes in Future Energy Agreements	(37,616)	(52,323)
Asset Income (Loss) from Income Tax/Social Contribution in Future Energy Agreements	6,907	-
Income (Loss) from Other Temporary Expenses	7,203	4,644
IRPJ/CSLL Tax Loss	8,021	7,140
Subtotal Deferred Income Tax/Social Contribution	<u>(15,485)</u>	<u>(40,540)</u>
Income (Loss) from deferred PIS and COFINS Future Electricity Agreements	(4,191)	(5,830)
	<u>(19,676)</u>	<u>(46,370)</u>

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

19. Insurance Coverage

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

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

Type	Principal	Term	
		Start	End
Liability Insurance	1,000	October 1, 2020	September 17, 2021
Guarantee Insurance	835	February 1, 2021	January 31, 2022
Guarantee Insurance	35,428	January 1, 2021	January 31, 2022
Guarantee Insurance	28	January 21, 2021	January 21, 2022
Safety Deposit Insurance	14	January 20, 2021	January 20, 2022
Safety Deposit Insurance	28	January 21, 2021	January 21, 2022
Safety Deposit Insurance	507	February 1, 2021	August 19, 2021

20. Financial Instruments

Risk Management

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

Financial Instruments through Fair Value

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

Measured at Fair Value through Income (Expenses)	Measurement	Consolidated	
	At Fair Value	June 30, 2021	December 31, 2020
Fair Value of Energy Agreements (Assets)	Level 2	3,955,232	790,432
Fair Value of Energy Agreements (Liabilities)	Level 2	3,860,720	630,710
Amortized Costs (Financial Assets)			
Cash and Cash Equivalents	Level 1	219,386	66,782
Receivables	Level 2	301,970	319,872
Related Parties	Level 2	768	22,994
Amortized Costs (Financial Liabilities)			
Suppliers	Level 2	284,224	307,098
Loans and Financing	Level 1	4,012	-
Related Parties	Level 2	10,917	-

a) *Risk Considerations*

Hierarchy

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

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

a) Risk Considerations --Continued

i) Credit Risk

The Company restricts exposure to credit risks associated with cash and cash equivalents, making its investments in financial institutions rated as first-class, without concentration of investments in a single economic group.

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

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

ii) Interest Rate Risk

This arises from the possibility of the Company incurring gains or losses from fluctuations in interest rates on its financial assets and liabilities. The Group does not have transactions with derivatives to protect against interest rate variation. Contracted interest rates on financial investments (bonds and securities) are mentioned in Note 3.

iii) Exchange Rate Risk

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

a) Risk Considerations --Continued

iv) Capital Structure Risk (or Financial Risk)

This results from the choice between own capital (capital contributions and profit retention) and third-party capital that the Company makes to finance its transactions. Management permanently monitors indebtedness levels following its internal policy to mitigate liquidity risks and optimize the weighted average capital cost.

b) *Valuation of Financial Instruments*

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

i) Cash and Cash Equivalents

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

ii) Receivables

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

c) *Future Energy Trade Agreements*

Fair Value Future Energy Trade Agreements	Consolidated	
	June 30, 2021	December 31, 2020
Current Assets	2,808,026	530,117
Noncurrent Assets	1,147,206	260,315
Current Liabilities	(2,850,819)	(496,890)
Noncurrent Liabilities	(1,009,901)	(133,820)
	94,512	159,722
(-) Deferred PIS and COFINS	(4,191)	(5,830)
Total	90,321	153,892
Additions from Corporate Reorganization	-	153,202
Fair value futures agreements excluding additions from corporate reorganization	-	690
Effect on Statement of Profit or (Loss) for the period	(63,571)	(8,347)

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

c) *Future Energy Trade Agreements --Continued*

The Company has future energy agreements expiring until 2038. The actual result of the financial instruments (futures agreements) may vary since the markings of these agreements were carried out considering the base date of December 31, 2020.

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

d) *Sensitivity Analysis on Financial Instruments*

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

Sensitivity Analysis on Energy Purchase and Sale Operations

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

Sensitivity analyses were prepared considering, for scenarios 1 and 2, the increase or decrease of 25% and 50% in futures prices adopted to market prices at June 30, 2021. The Company understands that the probable scenario is reflected in the amounts recorded since these contracts are marked to market based on available prices. The results are shown below:

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

d) *Sensitivity Analysis on Financial Instruments --Continued*

Sensitivity Analysis on Energy Purchase and Sale Operations --Continued

Description	Price Changes	Base June 30, 2021	Projected Scenarios	
			Scenario 1	Scenario 2
Unrealized gains on energy purchase	Increase	90,321	151,796	213,271
and sale operations in an active market	Decrease	90,321	28,847	(32,618)

Sensitivity Analysis of Interest Rate and Cash Variations Risk

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

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

For scenarios I and II, deteriorations of 25% and 50% were considered, respectively, in the main risk indicator of the financial instrument for the level used in the probable scenario; in scenarios III and IV, increases of 25% and 50% were considered, respectively, on the same base.

Base	Risk	Position at June 30, 2021	Scenario I (50%)	Scenario II (25%)	Probable Scenario	Scenario III 25%	Scenario IV 50%
Assets							
Cash and Cash Equivalents	CDI	219,386	7,526	11,289	15,052	18,814	22,577
(-) Loans and financing	CDI	4,012	(130)	(196)	(261)	(326)	(391)
Estimated Net Effect on							
Statement of Profit or (Loss)			7,396	11,093	14,791	18,488	22,186

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

20. Financial Instruments --Continued

Financial Instruments by Fair Value Category --Continued

d) *Sensitivity Analysis on Financial Instruments* --Continued

Liquidity Risk

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

As at December 31, 2020, 2019 and 2018, the Company does not have liabilities with liquidity risk.

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

Capital Management

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

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

Comerc Participações S.A.

Notes to the Individual and Consolidated Interim Financial Statements --Continued

June 30, 2021

(All figures in thousands of reais, unless otherwise stated)

21. Subsequent Events

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

Grouping of all Company's shares

Grouping all Company's shares so that every 2.99999998846854 common shares will correspond to 1 common share, with the same capital and the number of shares divided going from 260,157,968 to 86,719,323 common shares, distributed among shareholders in the same proportion before the reverse split of shares, so as not to change the proportional interest of the shareholders in the Company's capital and will not affect the equity or political rights and advantages of the Company's shares.

Creation of the Stock Granting Plan

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

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

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