VTRM ENERGIA PARTICIPAÇÕES S.A.

Assessment of Shareholders' Equity at Market Prices:
- VTRM Energia Participações S.A. (VTRM) and
- Companhia Energética de São Paulo

(CESP) Base date: September 30, 2021.

Strictly confidential

January 19, 2022

Building a better working world

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January 19, 2022

Assessment of Shareholders' Equity at market prices of VTRM Energia Participações S.A. and Companhia Energética de São Paulo S.A.

As requested by you, Ernst & Young Assessoria Empresarial Ltda. ("EY") presents the assessment report ("Report") of the Shareholders' Equity at market prices ("PLA") of Companhia Energética de São Paulo ("CESP") and VTRM Energia Participações S.A. ("VTRM") – including among its subsidiary Votorantim Geração de Energia S.A. ("VGE"), (CESP and VTRM collectively hereinafter referred to as "Companies"), on the base date of September 30, 2021 ("base date").

We understand that the Management of VTRM ("Management") will use this Report as a subsidy to the Companies' shareholders in the approval of the Corporate Reorganization Proposal, described in a Material Fact published by CESP on October 18, 2021 ("Material Fact"), regarding the Merger of around 60% of the shares issued by CESP currently not belonging to VTRM, by VTRM ("Transaction CESP").

As described in the Material Fact, the exchange ratio of the merged shares issued by CESP for new shares issued by VTRM will be freely negotiated between VTRM and the special independent committee ("Independent Committee") set by CESP as per and for the purposes of CVM Guidance Opinion 35, of September 1, 2008 ("Opinion 35"). Besides the other information provided to the Independent Committee and the shareholders of the Companies, and as provided for in Articles 252 and 264 of Law 6404/76 ("Corporate Law"), this Report will be presented to calculate the replacement ratio compared to that proposed by the Management.

We emphasize that our work should not be considered as a fairness opinion, or as an advice or recommendation for carrying out any transaction involving the capital of CESP or VTRM, or on the conditions that an eventual transaction may occur, or even used to financing or fundraising, or for any other purpose, except compliance with the Brazilian Corporate Law. We understand that the final decision on the occurrence and conditions of an eventual restructuring of the Companies is the exclusive responsibility of the Management and shareholders of VTRM and CESP.

It should be noted that the data provided by the Management were considered and assumed as reliable. We did not investigate independently, and no audit process was applied to the financial information of CESP and VTRM provided to us. EY had access to the information it deemed necessary, besides carrying out the analyzes it deemed appropriate, and considers that the information and analyzes used to prepare this Report are consistent. As mentioned in our agreement, our analysis is subject to the general limitations described in this Report.

We assume that Management has consistently analyzed the factors that may affect the results presented, as well as has not omitted any relevant information, which could significantly impact the conclusions of our work.

We appreciate the opportunity and make ourselves available for any questions or additional clarification. Kind Regards,

Andréa B.
Fuga Partner

Rafael Max Senior
Manager

Control Panel

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1 Executive Summary
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1

Executive Summary

1 Executive Summary

Shareholders' Equity at Market

Summarized Figures

R$7.49 bn

CESP's Accounting Shareholders' Equity on September 30, 2021

R$7.02 bn

VTRM's Accounting Shareholders' Equity on September 30, 2021, including the contributions provided for in the Material Fact

R$(1.12) bn

Net Balance - Fair Value Adjustments

R$1.38 bn

Net Balance - Fair Value Adjustments

R$6.37 bn

CESP Shareholders' Equity at market prices

R$8.40 bn

VTRM Shareholders' Equity at market prices

This Report presents the calculation of the value of Shareholders' Equity valued at market prices ("PLA") of VTRM and CESP, on the base date of September 30, 2021.

The calculation was based on CVM Instruction 436 Exhibit III, in its following paragraphs:

XV. The value of shareholders' equity valued at market prices must be determined based on the sale or liquidation of assets and liabilities separately under the following conditions:

a. market value must correspond to the balance expressed in cash or cash equivalents at which the property (or any other asset or liability) could be exchanged between a willing buyer and a willing seller, with reasonable knowledge of both and there is no compulsion to buy or sell by one or both; and

b. the value of the assets must be evaluated by reference to market prices under orderly liquidation conditions, or "current cash equivalents", i.e., the liquidation value under forced sale conditions, at any cost, must not be considered.

XVI. The report will itemize the asset and liability items calculated under negotiation with debtors and creditors and will contain the justification and calculation memories for each tangible and intangible, monetary and non-monetary item, which may be grouped only under conditions of similarity and relevance of the item.

1 Executive Summary
Shareholders' Equity at Market

CESP

R$6,367 mm

Value of CESP's shareholders' equity at market prices on September 30, 2021.

This balance considers individual assets and liabilities of CESP ("CESP G") and its wholly owned subsidiary CESP Comercializadora de Energia S.A. ("CESP C").

Details on page 7

VTRM

R$8,404 mm

Shareholders' equity value of VTRM's controlling shareholders at market prices as of September 30, 2021.

This balance considers the capital contributions of the controlling shareholders of VTRM ("VTRM Operation"), made through the merger of Votorantim Geração de Energia S.A. ("VGE"), including Consórcio Machadinho, and the cash contribution of R$1.5 billion, as described in the Material Fact.

Details on page 8

1 Executive Summary

CESP balance sheet

The table below shows the Consolidated Balance Sheet of CESP, on the base date provided by Management ("Book Value") and the Adjusted Balance Sheet used to calculate the value of Shareholders' Equity at market prices. More details on the adjustments can be obtained in Section 3 - CESP of this Report.

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
ASSETS				
Cash and Cash Equivalents	397,465	-	397,465	3.1%
Trade Receivables	262,969	-	262,969	2.0%
Taxes Recoverable	74,339	(59,390)	14,949	0.1%
Prepaid Expenses	7,163	(7,163)	-	0.0%
Other Assets	60,740	(59,010)	1,730	0.0%
Order of Projects - R&D	59,010	(59,010)	-	0.0%
Others	1,730	-	1,730	0.0%
Assets held for Sale	8,487	-	8,487	0.1%
Current Assets	**811,163**	**(125,563)**	**685,600**	**5.3%**
Long-Term Receivables				
Bonds and Court Deposits	213,684	-	213,684	1.6%
Deferred Income Tax and Social Contribution	3,647,114	(3,647,114)	-	0.0%
Warehouse	5,967	-	5,967	0.0%
Asset Subject to Indemnification	1,739,161	1,411,359	3,150,520	24.3%
Property, Plant and Equipment	5,705,829	3,213,862	8,919,691	68.7%
Intangible Assets	1,932,147	(1,922,336)	9,811	0.1%
Regarding Concession Assets	1,922,347	(1,922,347)	-	0.0%
Software	9,800	11	9,811	0.1%
Right of Use on Lease Agreements	5,622	-	5,622	0.0%
Noncurrent Assets	**13,249,524**	**(944,230)**	**12,305,294**	**94.7%**
Total Assets	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
LIABILITIES				
Suppliers	180,803	-	180,803	1.4%
Debentures	8,807	-	8,807	0.1%
Leases	1,792	-	1,792	0.0%
Derivative Financial Instruments	45,944	-	45,944	0.4%
Future Energy Agreements	23,877	-	23,877	0.2%
Estimated Liabilities and Payroll	20,703	-	20,703	0.2%
Taxes Payable	14,949	-	14,949	0.1%
Sector Charges	75,955	(68,075)	7,880	0.1%
Dividends Payable and Interest on Equity	290	-	290	0.0%
UBP - Use of the Public Asset	40,421	-	40,421	0.3%
Social and Environmental Obligations	34,389	-	34,389	0.3%
Other Liabilities	74,430	-	74,430	0.6%
Current Liabilities	**522,360**	**(68,075)**	**454,285**	**3.5%**
Debentures	1,914,585	-	1,914,585	14.7%
Leases	4,024	-	4,024	0.0%
Future Energy Agreements	1,166	-	1,166	0.0%
Sector Charges	1,240	(1,240)	-	0.0%
UBP - Use of the Public Asset	88,738	-	88,738	0.7%
Provision for Lawsuits	1,324,841	711,991	2,036,832	15.7%
Social and Environmental Obligations	139,753	-	139,753	1.1%
Post-Employment Benefits	2,531,841	(594,467)	1,937,374	14.9%
Other Liabilities	46,871	-	46,871	0.4%
Noncurrent Liabilities	**6,053,059**	**116,284**	**6,169,343**	**47.5%**
Shareholders' Equity	**7,485,268**	**(1,118,001)**	**6,367,267**	**49.0%**
Total Liabilities and Shareholders' Equity	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**

Source: EY /

1 Executive Summary

VTRM balance sheet

The table below shows the Consolidated Balance Sheet of VTRM, on the base date provided by Management ("Book Value") and the Adjusted Balance Sheet used to calculate the value of Shareholders' Equity at market prices. We note that the balance sheet below considers: (i) the incorporation of VGE's assets and liabilities, (ii) the cash provided by CPP, (iii) the investment in Pinheiro Machado based on the future interest reported to VGE, and (iv) balance of the post-employment benefit published by VTRM and already adjusted based on a report from a company specialized in actuarial assessment. More details on the adjustments can be found in Section 4 - VTRM of this Report.

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
ASSETS				
Cash and Cash Equivalents	3,056,091	-	3,056,091	12.8%
Liquidity Fund - Reserve Account	2,402	-	2,402	0.0%
Trade Receivables from Clients	780,657	-	780,657	3.3%
Taxes Recoverable	111,334	(80,670)	30,664	0.1%
Related Parties	3,649	-	3,649	0.0%
Dividends Receivable	57,445	-	57,445	0.2%
Future Energy Agreements	50,301	-	50,301	0.2%
Order of Projects - R&D	59,010	(59,010)	-	0.0%
Other Assets	26,901	(7,163)	19,738	0.1%
Trade Receivables from Indemnity	-	174,090	174,090	0.7%
Assets held for Sale	8,487	-	8,487	0.0%
Current Assets	**4,156,277**	**27,247**	**4,183,524**	**17.5%**
Long-Term Receivables				
Liquidity Fund - Reserve Account	97,983	-	97,983	0.4%
Taxes Recoverable	815	(815)	-	0.0%
Future Energy Agreements	2,550	-	2,550	0.0%
Related Parties	64,036	-	64,036	0.3%
Bonds and Court Deposits	213,684	-	213,684	0.9%
Deferred Income Tax and Social Contribution	3,444,995	(3,444,995)	-	0.0%
Warehouse	5,974	-	5,974	0.0%
Asset Subject to Indemnification	1,739,161	1,411,359	3,150,520	13.2%
Other Assets	535	-	535	0.0%
				0.0%
Investments	967,910	1,164,398	2,132,308	8.9%
CBA Energia Participações S.A.	495,341	303,100	798,441	3.3%
Pollarix S.A.	460,716	738,605	1,199,321	5.0%
Companhia de Cimento Pinheiro Machado	11,853	122,693	134,545	0.6%
Property, Plant and Equipment	8,923,638	3,377,298	12,300,936	51.3%
Intangible Assets	2,187,741	(393,001)	1,794,740	7.5%
Intangible Assets - Assets related to the VdP I Concession	37,713	560,338	598,051	2.5%
Intangible Assets - Assets related to the VdP II and III Concession	120,326	507,003	627,329	2.6%
Intangible Assets - Assets related to the VdA III Concession	94,482	461,994	556,476	2.3%
Other Intangible Assets	3,073	-	3,073	0.0%
Regarding Concession Assets	1,922,347	(1,922,347)	-	0.0%
Software	9,800	11	9,811	0.0%
Right of Use on Lease Agreements	8,763	-	8,763	0.0%
Noncurrent Assets	**17,657,785**	**2,114,243**	**19,772,028**	**82.5%**
Total Assets	**21,814,062**	**2,141,490**	**23,955,551**	**100.0%**

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
LIABILITIES				
Loans and Financing	112,867	-	112,867	0.5%
Suppliers	760,416	-	760,416	3.2%
Leases	4,417	-	4,417	0.0%
Derivative Financial Instruments	45,944	-	45,944	0.2%
Future Energy Agreements	23,877	-	23,877	0.1%
Estimated Liabilities and Payroll	42,417	-	42,417	0.2%
Taxes Payable	37,651	-	37,651	0.2%
Sector Charges	75,955	(68,075)	7,880	0.0%
Dividends Payable and Interest on Equity	100,290	-	100,290	0.4%
UBP - Use of the Public Asset	40,421	-	40,421	0.2%
Social and environmental obligations and demobilization of assets	40,441	-	40,441	0.2%
Provision for Reimbursement	307,779	-	307,779	1.3%
Other Liabilities	85,720	-	85,720	0.4%
Current Liabilities	**1,678,195**	**(68,075)**	**1,610,120**	**6.7%**
Loans and Financing	4,209,506	-	4,209,506	17.6%
Suppliers	42,462	-	42,462	0.2%
Leases	4,707	-	4,707	0.0%
Future Energy Agreements	1,166	-	1,166	0.0%
Taxes Payable	11,242	-	11,242	0.0%
Sector Charges	1,240	(1,240)	-	0.0%
Related Parties	61,937	-	61,937	0.3%
Deferred Income Tax and Social Contribution	355,919	1,030,628	1,386,547	5.8%
UBP - Use of the Public Asset	88,738	-	88,738	0.4%
Social and environmental obligations and demobilization of assets	220,696	23,447	244,143	1.0%
Provision for Reimbursement	9,818	-	9,818	0.0%
Provisions	1,326,576	711,991	2,038,567	8.5%
Post-Employment Benefits	1,937,374	-	1,937,374	8.1%
Other Liabilities	75,667	-	75,667	0.3%
Noncurrent Liabilities	**8,347,048**	**1,764,826**	**10,111,874**	**42.2%**
Shareholders' Equity	**11,788,820**	**444,739**	**12,233,559**	**51.1%**
Non-Controlling Shareholders' Equity	4,768,398	(939,097)	3,829,301	
Shareholders' Equity	**7,020,422**	**1,383,836**	**8,404,257**	
Total Liabilities and Shareholders' Equity	**21,814,063**	**2,141,490**	**23,955,552**	**100.0%**

Source: EY /

2

Context

2 Context
Transaction Context

Transaction history

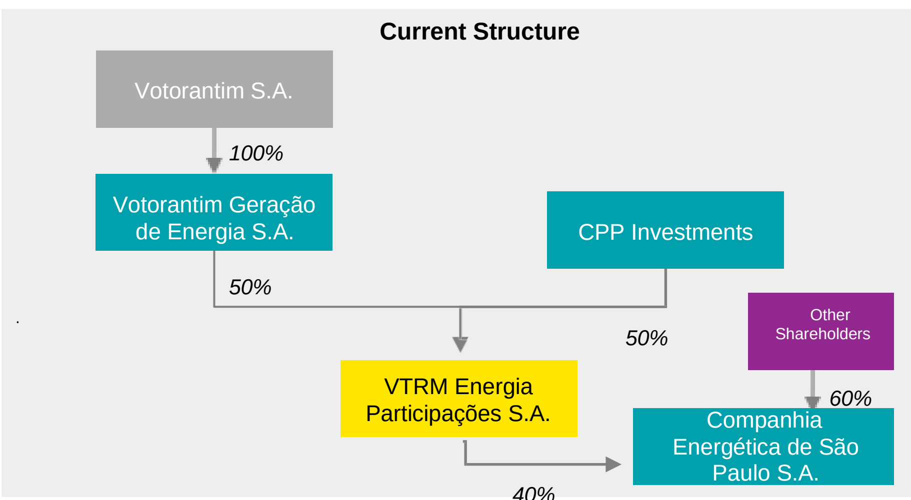
On October 18, 2021, Votorantim S.A ("VSA"). and CPP Investments ("CPP") announced their intention to consolidate energy assets in Brazil, creating one of the leading companies in the sector, which will have shares listed on the Novo Mercado, a category with the highest governance standard of B3.

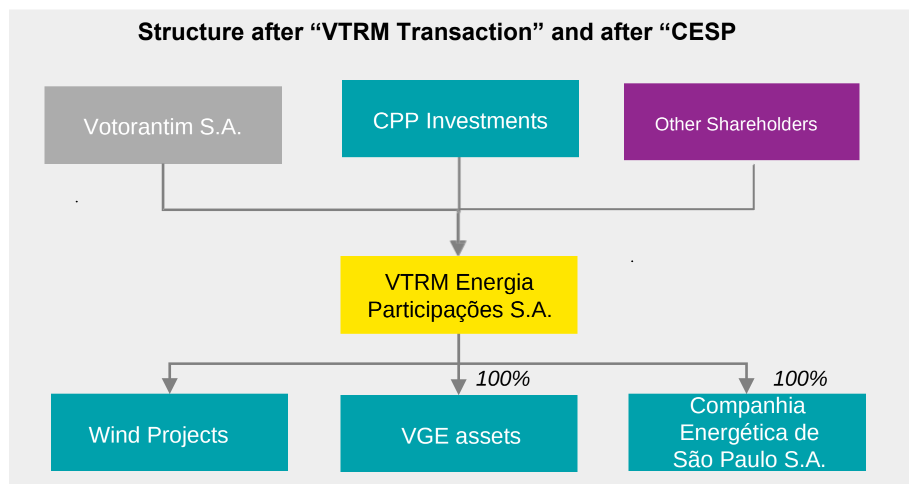
The consolidation is planned to happen through two transactions. The first ("VTRM Transaction") will be through the VTRM joint venture, in which VGE and its Investees, held by VSA, will be merged into VTRM (reverse merger of VGE into VTRM), and CPP will make an additional investment of R$1.5 billion.

Therefore, VTRM will result in equity interests in wind farms, hydroelectric assets, in Votorantim Comercializadora de Energia – Votener and in CESP, besides expansion projects under development.

For the second transaction ("Operation CESP"), VTRM forwarded to the Board of Directors of CESP a proposal for a corporate reorganization, with the purpose of merging the shares issued by CESP into VTRM, with exchange of the 60% interest in the capital belonging to the non-controlling shareholders in CESP, for a stake in VTRM. For this phase to occur, VTRM will apply for registration as a publicly held company with the Brazilian Securities and Exchange Commission ("CVM"), provided that the effective listing will depend on the conclusion of the CESP Transaction. The proposal for the CESP Transaction will be evaluated by the CVM and is subject to corporate approvals within the scope of CESP, as well as the regulatory bodies. At the end of the consolidation process, the new VTRM will fully control CESP, and the current shareholders of CESP will become shareholders of the new VTRM.

Simplified corporate structure





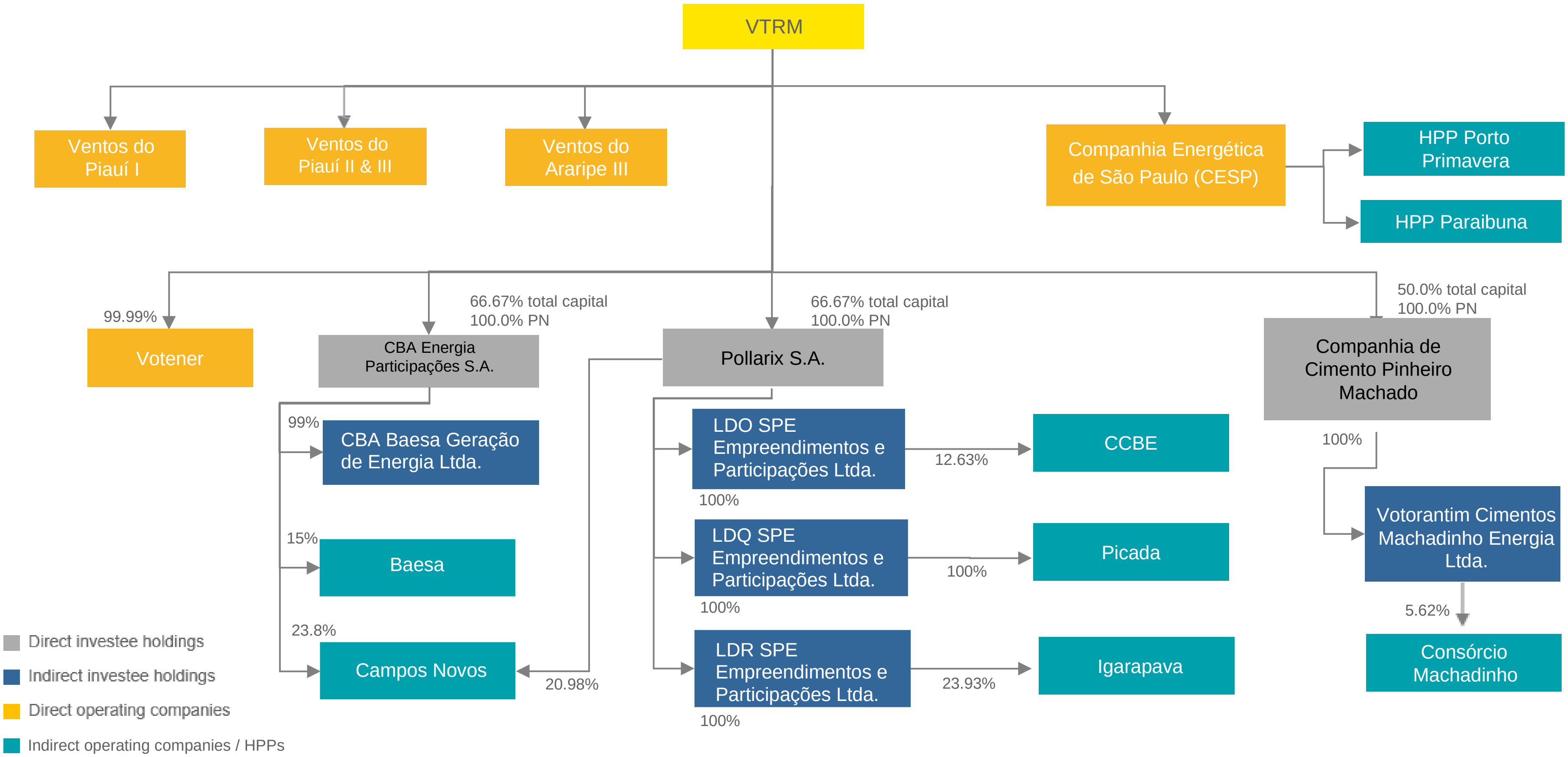
Source: Management

2 Context
Transaction Context

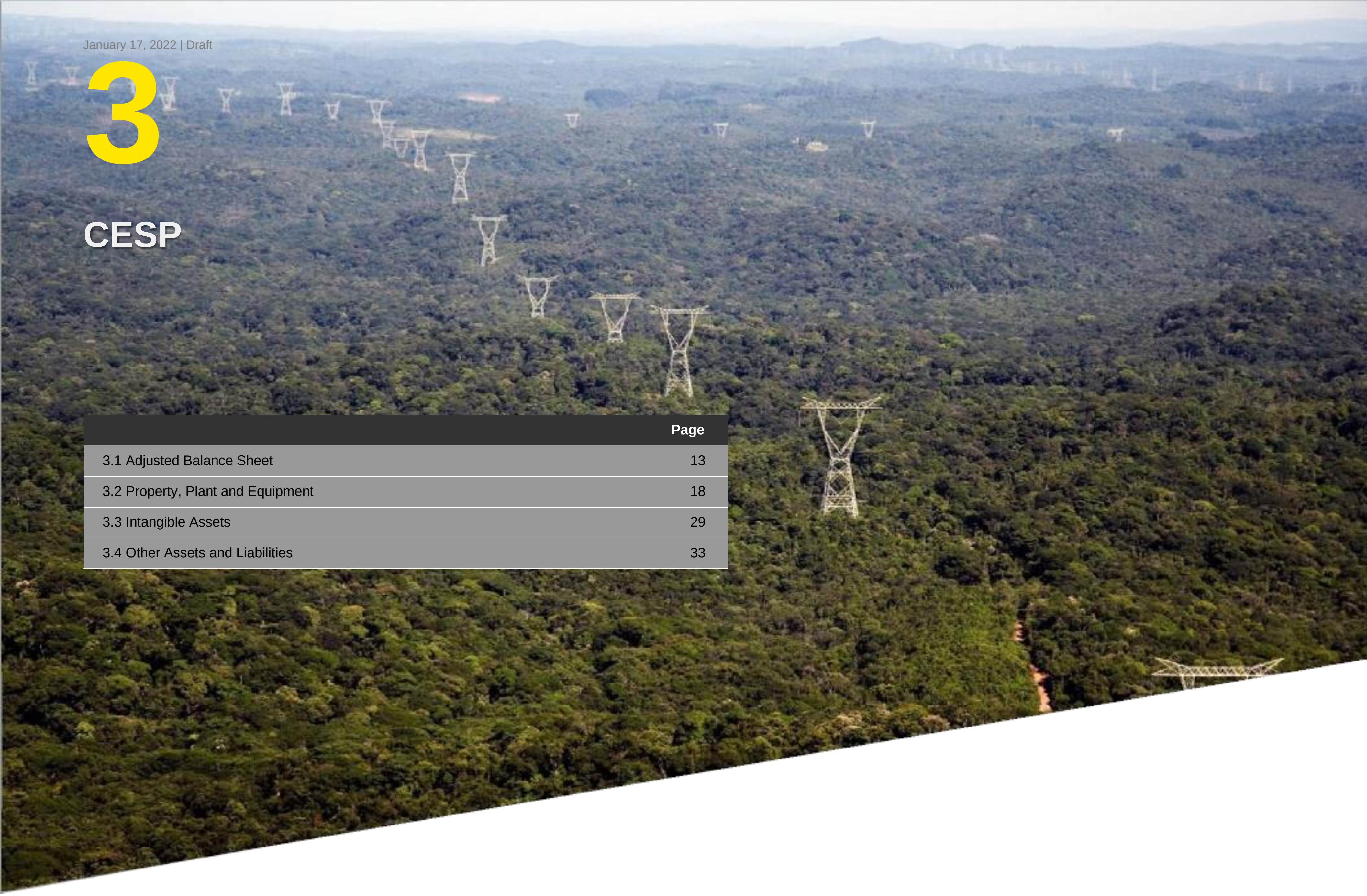
Corporate Structure - VTRM

The corporate structure involving VTRM's investees is presented below. It is worth mentioning that the structure below was not the one in effect on the base date, but it is the structure provided for in the merger proposal, as disclosed in the Material Fact.

As informed by Management, before the CESP Transaction, the VTRM Transaction will take place, in which CPP will contribute R$1.5 billion and VS.A. will contribute VGE to VTRM. Prior to the VTRM Transaction, some non-operating holdings and less relevant interests existing in VGE on the base date will be excluded (LCGSPE Empreendimentos e Participações Ltda, SF Fifty Six Participações Societárias Ltda., SF Ninety Five Participações Societárias Ltda.) and the interest in the Company de Cimento Pinheiro Machado will be contributed to VGE by VSA.



Source: Management.



3

CESP

3.1

CESP - Adjusted Balance Sheet

3.1 CESP - Adjusted Balance Sheet
Assets

Consolidated Balance Sheet	Book Value	Adjust	Balance Sheet Adjuste	%	
ASSETS					
Cash and Cash Equivalents	397,465	-	397,465	3.1%	(a)
Trade Receivables	262,969	-	262,969	2.0%	(b)
Taxes Recoverable	74,339	(59,390)	14,949	0.1%	(c)
Prepaid Expenses	7,163	(7,163)	-	0.0%	(d)
Other Assets	60,740	(59,010)	1,730	0.0%	
Order of Projects - R&D	59,010	(59,010)	-	0.0%	(e)
Others	1,730	-	1,730	0.0%	(f)
Assets held for Sale	8,487	-	8,487	0,1%	(g)
Current Assets	**811,163**	**(125,563)**	**685,600**	**5,3%**	
Long-Term Receivables					
Bonds and Court Deposits	213,684	-	213,684	1.6%	(h)
Deferred Income Tax and Social Contribut	3,647,114	(3,647,114)	-	0.0%	(i)
Warehouse	5,967	-	5,967	0.0%	(j)
Asset Subject to Indemnification	1,739,161	1,411,359	3,150,520	24.3%	(k)
Property, Plant and Equipment	5,705,829	3,213,862	8,919,691	68.7%	(l)
Intangible Assets	1,932,147	(1,922,336)	9,811	0.1%	
Regarding Concession Assets	1,922,347	(1,922,347)	-	0.0%	(m)
Software	9,800	11	9,811	0.1%	(n)
Right of Use on Lease Agreements	5,622	-	5,622	0.0%	(o)
Noncurrent Assets	**13,249,524**	**(944,230)**	**12,305,294**	**94.7%**	
Total Assets	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**	

a) **Cash and cash equivalents:** Not adjusted due to their nature.

b) **Accounts receivable:** Not adjusted due to short term characteristic. Additionally, the Company does not expect to receive balances overdue for more than 360 days, writing off these receivables, therefore no there was adjustment of PDD.

c) **Taxes Recoverable:** Adjusted considering the limited balance the recovery of the balance of taxes payable (non-continuity of operations premise).

d) **Prepaid Expenses:** Balance written off, considering the assumption of non-continuity of operations.

e) **R&D:** Balance written off, considering the assumption of non-continuity of operations.

f) **Other:** short term and its low relevance.

g) **Assets held for sale:** Other, Not Operational held for sale. Not adjusted due to low relevance.

h) **Bonds and Court Deposits:** Correspond to deposits monetarily adjusted. Not adjusted due to their nature.

i) **Deferred Income Tax and Social Contribution:** Balance net reflects offset against deferred tax liabilities and the write-off of balances in excess of liabilities, as assumption of non-continuity of operations. More details in Section 3.4 CESP - Other Assets and Liabilities

3.1 CESP - Adjusted Balance Sheet

Assets

Consolidated Balance Sheet	Book Value	Adjust	Balance Sheet Adjuste	%	
ASSETS					
Cash and Cash Equivalents	397,465	-	397,465	3.1%	(a)
Trade Receivables	262,969	-	262,969	2.0%	(b)
Taxes Recoverable	74,339	(59,390)	14,949	0.1%	(c)
Prepaid Expenses	7,163	(7,163)	-	0.0%	(d)
Other Assets	60,740	(59,010)	1,730	0.0%	
Order of Projects - R&D	59,010	(59,010)	-	0.0%	(e)
Others	1,730	-	1,730	0.0%	(f)
Assets held for Sale	8,487	-	8,487	0,1%	(g)
Current Assets	**811,163**	**(125,563)**	**685,600**	**5,3%**	
Long-Term Receivables					
Bonds and Court Deposits	213,684	-	213,684	1.6%	(h)
Deferred Income Tax and Social Contribut	3,647,114	(3,647,114)	-	0.0%	(i)
Warehouse	5,967	-	5,967	0.0%	(j)
Asset Subject to Indemnification	1,739,161	1,411,359	3,150,520	24.3%	(k)
Property, Plant and Equipment	5,705,829	3,213,862	8,919,691	68.7%	(l)
Intangible Assets	1,932,147	(1,922,336)	9,811	0.1%	
Regarding Concession Assets	1,922,347	(1,922,347)	-	0.0%	(m)
Software	9,800	11	9,811	0.1%	(n)
Right of Use on Lease Agreements	5,622	-	5,622	0.0%	(o)
Noncurrent Assets	**13,249,524**	**(944,230)**	**12,305,294**	**94.7%**	
Total Assets	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**	

j) **Warehouse**: Corresponds to material for plant maintenance. Recorded at cost and not adjusted due to low relevance.

k) **Asset Subject to Indemnification**: Receivable referring substantially to indemnities arising from the termination of the concession agreements of the Três Irmãos, Ilha Solteira, Jaguari plants. More details in section 3.4 - CESP – Other Assets and Liabilities.

l) **Property, Plant and Equipment** Includes the operational property, plant and equipment of the plants. Adjusted according to fair value assessment. More details in section 3.2 - CESP – Property, Plant and Equipment.

m) **Intangible Assets:** Includes mainly intangible assets corresponding to concession grants/operating authorization agreements. Adjusted according to fair value assessment. More details in section 3.3 - CESP – Intangible Assets.

n) **Software**: Includes software acquired on the market by CESP. Not adjusted due to low relevance.

o) **Right of use on lease agreements**: Includes office lease agreements under CPC 06. Assessed at fair value. More details in section 3.2 - CESP – Property, Plant and Equipment.

3.1 CESP - Adjusted Balance Sheet

Liabilities

Consolidated	Book Value	Adjust	Balance Sheet Adjuste	%	
LIABILITIES					
Suppliers	180,803	-	180,803	1.4%	(p)
Debentures	8,807	-	8,807	0.1%	(q)
Leases	1,792	-	1,792	0.0%	(r)
Derivative Financial Instruments	45,944	-	45,944	0.4%	(s)
Future Energy Agreements	23,877	-	23,877	0.2%	(t)
Estimated Liabilities and Payroll	20,703	-	20,703	0.2%	(u)
Taxes Payable	14,949	-	14,949	0.1%	(v)
Sector Charges	75,955	(68,075)	7,880	0.1%	(w)
Dividends Payable and Interest on Equity	290	-	290	0.0%	(x)
UBP - Use of the Public Asset	40,421	-	40,421	0.3%	(y)
Social and Environmental Obligations	34,389	-	34,389	0.3%	(z)
Other Liabilities	74,430	-	74,430	0.6%	(aa)
Current Liabilities	**522,360**	**(68,075)**	**454,285**	**3.5%**	
Debentures	1,914,585	-	1,914,585	14.7%	(q)
Leases	4,024	-	4,024	0.0%	(r)
Future Energy Agreements	1,166	-	1,166	0.0%	(t)
Sector Charges	1,240	(1,240)	-	0.0%	(w)
UBP - Use of the Public Asset	88,738	-	88,738	0.7%	(y)
Provision for Lawsuits	1,324,841	711,991	2,036,832	15.7%	(bb)
Social and Environmental Obligations	139,753	-	139,753	1.1%	(z)
Post-Employment Benefits	2,531,841	(594,467)	1,937,374	14.9%	(cc)
Other Liabilities	46,871	-	46,871	0.4%	(aa)
Noncurrent Liabilities	**6,053,059**	**116,284**	**6,169,343**	**47.5%**	
Shareholders' Equity	**7,485,268**	**(1,118,001)**	**6,367,267**	**49.0%**	
Total Liabilities and Shareholders'	**14,060,687**	**(1,069,793**	**12,990,894**	**100.0%**	

p) **Suppliers**: Includes charges to use the electricity grid, suppliers of materials and energy purchased for sale. Not adjusted due to its short-term nature.

q) **Debentures** Corresponds to the indebtedness related to the issuance of the 12th issue of debentures and recorded at book value with floating interest rates. Not adjusted considering that its book value corresponds to its fair value.

r) **Leases:** Corresponding to the present value of the agreement installments of office operating leases, recorded under CPC 06. Assessed at fair value. More details in section 3.2 - CESP – Property, Plant and Equipment.

s) **Derivative Financial Instruments:** Corresponds to liabilities related to energy sales hedges, already recorded at fair value.

t) **Future Energy Agreements:** Not adjusted since, according to the Financial Statements, energy futures agreements are already recognized at fair value.

u) **Estimated obligations and payroll**: Not adjusted due to expected short-term settlement and low relevance.

v) **Taxes Collectable**: Not adjusted due to expected short-term settlement and low relevance. Additionally, considering the settlement with the asset/taxes to be recovered in Current Assets.

w) **Sector Charges**: Adjusted for the write-off of R&D provisions considering the assumption of non-continuity of operations.

x) **Dividends and ISE Payable**: Not adjusted due to the foreseen short-term settlement and its low relevance.

3.1 CESP - Adjusted Balance Sheet

Liabilities

Consolidated Balance Sheet	Book Value	Proforma	Balance Sheet Adjustments	%	Adjusted Reference
LIABILITIES					
Suppliers	180,803	-	180,803	1.4%	(p)
Debentures	8,807	-	8,807	0.1%	(q)
Leases	1,792	-	1,792	0.0%	(r)
Derivative Financial Instruments	45,944	-	45,944	0.4%	(s)
Future Energy Agreements	23,877	-	23,877	0.2%	(t)
Estimated Liabilities and Payroll	20,703	-	20,703	0.2%	(u)
Taxes Payable	14,949	-	14,949	0.1%	(v)
Sector Charges	75,955	(68,075)	7,880	0.1%	(w)
Dividends Payable and Interest on Equity	290	-	290	0.0%	(x)
UBP - Use of the Public Asset	40,421	-	40,421	0.3%	(y)
Social and Environmental Obligations	34,389	-	34,389	0.3%	(z)
Other Liabilities	74,430	-	74,430	0.6%	(aa)
Current Liabilities	**522,360**	**(68,075)**	**454,285**	**3.5%**	
Debentures	1,914,585	-	1,914,585	14.7%	(q)
Leases	4,024	-	4,024	0.0%	(r)
Future Energy Agreements	1,166	-	1,166	0.0%	(t)
Sector Charges	1,240	(1,240)	-	0.0%	(w)
UBP - Use of the Public Asset	88,738	-	88,738	0.7%	(y)
Provision for Lawsuits	1,324,841	711,991	2,036,832	15.7%	(bb)
Social and Environmental Obligations	139,753	-	139,753	1.1%	(z)
Post-Employment Benefits	2,531,841	(594,467)	1,937,374	14.9%	(cc)
Other Liabilities	46,871	-	46,871	0.4%	(aa)
Noncurrent Liabilities	**6,053,059**	**116,284**	**6,169,343**	**47.5%**	
Shareholders' Equity	**7,485,268**	**(1,118,001)**	**6,367,267**	**49.0%**	
Total Liabilities and Shareholders' Equity	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0 %**	

y) **UBP - Use of the Public Asset**: Liabilities related to grant payments. Not adjusted as it is recorded at present value.

z) **Social and Environmental Obligations**: Not adjusted due to expected short-term settlement and low relevance.

aa) **Other Liabilities:** Includes mainly court settlements in the civil sphere to be paid in 7 monthly installments and extrajudicial agreements with the State of Mato Grosso do Sul –MS. Unadjusted due to expected short-term settlement and due to its low relevance.

bb) **Provision for Lawsuits:** Adjusted considering the chances for probable, possible and remote losses, as described in section 3.4 - CESP – Other Assets and Liabilities of this Report.

cc) **Post-Employment Benefits:** Includes medical care and retirement plans for employees, former employees and respective beneficiaries of CESP. The accounting actuarial liability represents the value calculated according to the rules of CPC 33 (R1) in an Actuarial Report produced by third parties (Willis Towers Watson) for the base date, considered to be representative of the fair value of this liability. Note that, as provided for in CPC 33, and under the accounting practices of the CESP, the values of actuarial commitments are calculated at fair value annually in the financial statements of December, and corrected for the interim dates. In this context, and since the actuarial report was requested by the controller of the company and issued after the publication of the quarterly results by CESP, CESP did not record this updated balance in its financial statements quarterly of the base date. More details in section 3.4 – CESP – Other Assets and Liabilities of this Report.

3.2

CESP - Property, Plant and Equipment

3.2 CESP - Property, Plant and Equipment

Overview

Purpose

This chapter aims to describe the assessment at fair value of movable and immovable assets belonging to CESP in the context of this work, on the base date of September 30, 2021.

The movable and immovable assets that were part of the scope are in the following units:

- ***HPP Porto Primavera:*** *located on the border between the states of SP and MS, plant with an installed capacity of 1,540 MW*
- ***HPP Paraibuna:*** *located in the state of SP, plant with an installed capacity of 87 MW*

We will detail the units in the sequence of this Report.

Scope

The scope of work included:

- Interviews with Management to understand the nature of assets and operations;
- Analysis of the sector, competition and the economic environment in which CESP operates;
- Selecting and adopting methodologies to assess movable and immovable assets. Specifically, the classes listed below were assessed:
  - Machinery and Equipment;
  - Furniture and Fixtures;
  - Vehicles;
  - Buildings and Constructions;
  - Reservoirs and Dams
  - Lands;
  - Lands (for sale)

Main Assumptions

- Value Standard: Fair Value.
- Base Date: September 30, 2021.
- Currency: Reais (R$) in real terms.
- Approaches: Cost Quantification.
- Data and Information: List of property, plant and equipment and other documents related to CESP. We also talked to members of the Management while working.
- Market Data: Our recommendations and calculations are based on market expectations in the region, as well as on macroeconomic conditions at the base date of the work, which may be different in the future and, therefore, impact the defined balances.

3.2 CESP - Property, Plant and Equipment

Identification of Assets

HPP Porto Primavera

Source: Google Earth/ EY

HPP Porto Primavera

Datasheet

- **Location:** Rosana/SP – Batayporã/MS
- **River:** Paraná
- **Installed Power:** 1.540 MW – Operação a Fio d'Água
- **Number of generating units:** 14
- **Physical Guarantee:** 886.8 average MW
- **Engines:** Kaplan Vertical – Fornecimentos Alstom
- **Generators:** Alstom, ABB and GE
- **Substation:** SF6 shielded at 440 kV with 14 UG bays and 4 LT output bays (Alstom)
- **Start-Up:** 1999
- **Spillway:** 16 gates (44,150 m³/s)
- **Dam Extension:** 11.4 km
- **End of Concession:** Abril/2056
- **Water Gate:** 1 (CESP operation due to the obligation of the purchase and sale agreement)
- **Fish ladder and lift**: disabled
- **Alternative renewable sources:** approx. 1 mW
- **Approved Power Plant for Full Self-Recovery**
- **Reservoir area (257m):** 2,040 km²
- **Reservoir area (259m):** 2,250 km²
- **Perimeter**: 1,385 km
- **Number of municipalities covered:** 12 (MS and SP)

Source: *Management*

3.2 CESP - Property, Plant and Equipment

Identification of Assets

HPP Porto Primavera

Overview

Source: Management

Overview

Source: Management

Identification of asset classes

Based on the identified assets, movable assets and real estate considering groups were classified according to their features. These classifications to facilitate grouping similar items and assist certain steps of the assessment process, such as the selecting the assessment methodology and its application.

Movable Goods

- Machinery and equipment – includes all equipment related to operations and auxiliary equipment used in the unit, such as turbines, generators, battery banks, engines, control panels, floodgates, general equipment, etc.
- Furniture and Utensils – includes tables, chairs, files and other office-related items.
- Vehicles - includes small and large vehicles, such as trailers, tractors, buses, pickup trucks, bodywork, among others.
- Software - Includes commercially developed software.
- UBP – Use of Public Goods by hydroelectric projects reached.

Immovable Goods

- Buildings and Buildings – includes buildings and improvements made to the unit, such as powerhouses, fences, access roads, etc.
- Reservoirs and Dams – includes the components for the operation of the HPP, such as soil dams and components for the operation of the HPP, such as soil dams and concrete, spillways, channels, among others.
- Land – includes all the land that makes up the Porto Primavera unit, with land located in the states of São Paulo and Mato Grosso do Sul. According to the HPP concession agreement, due to the non-predictability of indemnity, the land will be depreciated for the grant term, which is 37 years, considering its start in 2019.
- Land and Land (For Sale) - referring to 112 property, plant and equipment that were identified by Management as available-for-sale properties.

3.2 CESP - Property, Plant and Equipment

Identification of Assets

HPP Paraibuna

Source: Google Earth/ EY

HPP Paraibuna

Datasheet

- **Location:** Vale do Paraíba/SP
- **River:** Paraibuna
- **Installed Power:** 87 MW - Accumulation Reservoir Operation
- **Number of generating units:** 2
- **Physical Guarantee:** 47.5 MWm
- **Engines:** Francis Vertical – Fornecimentos Voith
- **Generators:** GE
- **Substation:** Conventional 138 kV
- **Start-Up:** 1978
- **Spillway:** Tulip type and 2 spreader valves (620 m³/s)
- **Dam Extension:** 2.4 km **End of**
- **Concession:** June/2022 **Reservoir**
- **area:** 224km²
- **Approved Power Plant for Full Self-Recovery**
- Main headwater reservoir of the Paraíba do Sul River: Predominantly hydraulic dispatch
- Provision of service of 3 lake crossings by CESP

Source: *Management*

3.2 CESP - Property, Plant and Equipment
Identification of Assets
HPP Paraibuna

Overview

Source: *Management*

Overview

Source: Management

Identification of asset classes

Based on the identified assets, movable assets and real estate considering groups were classified according to their features. These classifications to facilitate grouping similar items and assist certain steps of the assessment process, such as the selecting the assessment methodology and its application.

Movable Goods

- Machinery and equipment – includes all equipment related to operations and auxiliary equipment used in the unit, such as turbines, generators, engines, control panels, general equipment, etc.
- Furniture and Utensils – includes tables, chairs, files and other office-related items.
- Vehicles - includes small and large vehicles, such as trailers, tractors, pickup trucks, among others.
- Software - Includes commercially developed software.

Immovable Goods

- Buildings and Constructions - includes constructions and

  improvements made to the unit, such as powerhouse, offices, fences, lighting system, etc.
- Reservoir and Dams - includes components for the operation and functioning of the HPP, such as water intake, spillways, channels, among others.
- Land (Paraibuna) – includes all land where the HPP and its operations are located.

3.2 CESP - Property, Plant and Equipment

Value Recommendation

Value Recommendation

R$8,935 million

Fair Value Property, Plant and Equipment (in R$

Classes (1)	Fair Value
Immovable Goods	**R$ thousand**
Buildings and Constructions	783,907
Reservoirs and Dams	6,552,118
Lands	355,948
Lands (Paraibuna)	124
Lands (for sale)	1,361
Subtotal	**7,693,458**
Movable Goods	
Machinery and Equipment	1,119,074
Furniture and Fixtures	297
Vehicles	2,514
Subtotal	**1,201,884**
Others	
Out of scope - AA adjustment	29,972
Subtotal	**29,972**
Total - Tangibles	**8,925,314**
Total - Tangibles - Book value	**5,705,829**
Intangible Assets	
Right of exploitation	-
Software	66
Software (out of scope)	7,154
Software - In progress and difference	2,591
Intangible impairment	-
UBP	-
Renegotiation of Hydrological Risk	-
Total - Intangible Assets	**9,811**
Total - Intangible assets - Book value	**1,932,147**
Total - property, plant and equipment - Fair Value	**8,935,124**
Total - property, plant and equipment - Book value	**7,637,976**

Notes:

[1] Classifications to facilitate grouping similar assets and assist in certain processes in the assessment analysis, including selecting methodology and applying in the assessment.

Conclusion

On the assessment base date and based on this Report's parameters and assumptions, our recommendations for the fair value of property, plant and equipment are reasonably represented in the table to the side.

It is important to point out that our recommendatio no should be ns considered out or separated of context of this

3.2 CESP - Property, Plant and Equipment
Assessment Procedures

Main Steps

To assess movable and immovable property, we have established a work plan to carry out the assessment. This plan includes the following procedures that will be described to the side.

Step I
Data Collection

Step II
Assets Physical

Step III
Engineering meetings and interviews

Step IV
Research of estimated replacement value and market

Step V
Selecting and adopting methodologies to assess

Assessment Procedures

Step I

Data Collection

The first phase of the analysis of movable and immovable property began with our data collection procedures. We worked closely with the Management to establish key information to successfully conclude the assessment and information previously available. Additional data was independently generated and collected by EY to help establish value conclusions.

Initially, Management provided an electronic copy of the list of property, plant and equipment on the assessment base date. The property, plant and equipment list included item-by-item descriptive information, with company code, account/description number, location code, asset number, asset description, acquisition date, acquisition cost, accumulated depreciation, and residual net value.

A presentation was also made available with descriptive information about the units for each installation, but we did not receive documents that would allow the extraction of technical data from heavy civil constructions, such as dams, spillways and channels, or from the main machinery and equipment, such as overhead cranes.

Step II

Assets Physical Inspection

No physical inspections were carried out at the HPP Porto Primavera and HPP Paraibuna units.

Step III

Engineering meetings and interviews

We consulted the Management, Engineering and Maintenance to gather additional information to assess the movable and immovable property. The meetings were held to:

- Understanding the processes employed;
- Discussing and gathering data on current replacement values for the entire plant;
- Gathering technical information and cost trends;
- Discussing cases of functional obsolescence; and
- Understanding asset-related maintenance and renovation policies.

HPP Porto Primavera – Powerhouse

Source: Management

HPP Paraibuna

Source: Management

Assessment Procedures

Step IV

Research of the replacement of the value of estimate and market value

In our assessment, we contacted equipment vendors, industry experts and suppliers, as well as our in-house database relating to estimated market values and values for certain types of assets. During these conversations, we discussed current market demand for types of assets under assessment, as well as estimates of replacement value for new equipment and market value for refurbished or used equipment. We also research a variety of publicly available sources relating to information on cost trends, lifespans and technological changes in the industries in which assets operate.

Step V

Selecting and adopting methodologies to assess

The methods and procedures adopted to carry out this work used precepts and guidelines established in the Brazilian Assessment Standard published by ABNT - Brazilian Association of Technical Standards, NBR 14.653 in its parts:

- 1 - General procedures;
- 2 - Urban real estate; and
- 5 - Machines, Equipment, Installations and Industrial Goods in general.

For estimating the fair value of movable and immovable property, based on the nature of the assets and

information presented; the Cost Quantification method was applied.

Cost Quantification Method

This method identifies the replacement/reproduction cost (“RCN”) using the direct and indirect methods and applies a depreciation rate calculated, generally, based on the age and lifespan of the asset.

Calculation of the RCN by the direct method

The initial step in direct cost calculation is to develop an RCN estimate for each type of good.

As we did not receive sufficient technical information to compose the budgets of movable and immovable assets, we did not apply this method in the assessment.

3.2 CESP - Property, Plant and Equipment
Assessment Procedures

Specific Assumptions

Percentage of Fair Value by methodology

Methodology	HPPs
Direct Method	0%
Indirect Method	100%

Source: EY

Indirect Method - Indexes

EY Asset Class	HPPs
Buildings and Constructions	IPCA
Reservoirs and Dams	IPCA
Lands	IPCA
Lands (for sale)	IPCA
Lands (Paraibuna)	IPCA
Machinery and Equipment	IPCA
Furniture and Fixtures	IPCA
Vehicles	IPCA
Software	IPP

Source: EY

Assessment Procedures

Calculation of the RCN by the direct method

In this method, the reproduction number for each asset or group of assets was estimated by updating historical costs in property, plant and equipment based on their typologies and acquisition dates through economic rates. These costs generally include the base cost of the asset and any additional considerations relating to goods, taxes, delivery location, installation, labor and overhead costs such as engineering, procurement, construction and borrowing cost management.

We use the indirect cost method to assess assets that were not covered by the direct cost method. The adjustment factors/price index used in our analysis were derived from inflation indexes published by Fundação Getúlio Vargas, as shown to the side.

Physical Depreciation

As some assets were used over variable periods, the fair value is estimated by the adequacy of the CRN to the loss of value due to physical depreciation, besides the possible functional and/or economic obsolescence of each asset.

Our estimate of physical depreciation was performed mainly under the age/life concept. In this concept, the physical loss is attributed through the ratio between the asset's estimated lifespan and its remaining lifespan in each period. The main terms are as follows:

- Technical lifespan (VU) – The lifespan, usually in years, of an asset will be used before it deteriorates to an unusable condition or when it is taken out of service.
- Chronological Age (CI) – The elapsed time in the life of an asset since it was originally put into service.
- Actual Age (IE) – The age of the asset indicated by its current condition, which may or may not be equal to CI.
- State of Conservation – "situation of the physical characteristics of an asset, at a given moment, as a result of its use and the maintenance to which it was submitted."
- Remaining Lifespan (VUR) - Period in years as of the base date of the analysis to the estimated/expected date on which the asset will cease to be economically useful.

The lifespan was obtained from the table of the MCPSE - Manual of Equity Control of the Electricity Sector, which presents a study where the economic useful lives are in line with their technical useful lives. In addition, for the Porto Primavera HPP Land and Land class, we use the lifespan under the concession agreement, which ends in 2056.

Different physical deterioration profiles are known and widely used in practice that operate under the basic concepts described above.

3.2 CESP - Property, Plant and Equipment
Assessment Procedures

Specific Assumptions

Lifespans (years)

Asset Class	HPPs
Buildings and Constructions	30-50
Reservoirs and Dams	50
Lands	37
Lands (for sale)	n/a
Lands (Paraibuna)	n/a
Machinery and Equipment	10-40
Furniture and Fixtures	15
Vehicles	10-25
Software	5

Source: EY

Input price increases (%)

Inputs	Average between 2011 - 2020	2021
Concrete FCK=25 MP (m³)	0.71%	9.28%
Cimento CP – 32 II (Kg)	3.15%	6.00%
Average Sand (m³)	3.95%	17.14%
CA-50 Steel (kg)	4.19%	81.84%

Source: CBIC

Assessment Procedures

In the Cost Quantification method, we use the following physical deterioration methodologies:

- Linear - A linear consumption of utility of an asset during its lifespan.

After calculating the depreciation, residual factors were not used, which are depreciation indexes that are used to stabilize the minimum value of assets remaining in use, which have reached or exceeded their expected lifespans. This factor was not considered because in the concession contract the remuneration is carried out by the physical guarantee of the assets.

Functional Obsolescence

Functional obsolescence can be attributed to excess capital cost or operating cost associated with an asset or group of assets. The excess cost of capital, which is the difference between reproduction value and replacement value, measures the decrease in investment required to replace the asset with one of equal utility and capacity. This form of obsolescence is seen in newer technologies and building costs that typically have values lower than the current asset. Excessive operating costs assume that less is spent operating and maintaining replacement assets than using assets currently owned. Based on our analyses, no evidence of functional obsolescence was observed. Therefore, no adjustment was made to the assets in properties related to functional obsolescence.

Economic Obsolescence

Economic obsolescence is the loss of value caused by adverse external conditions of the asset, such as low market demand for the product, change in market focus, unavailability of transportation and excesses of government regulations.

Economic obsolescence is defined as the loss of value or utility of a property caused by factors external to the asset. Economic obsolescence is often a function of external influences that affect an entire business. Based on the above and on our analysis, the need to use property, plant and equipment related to economic obsolescence by BEV was identified, applying a penalty of around 30%.

3.3

CESP - Intangible Assets

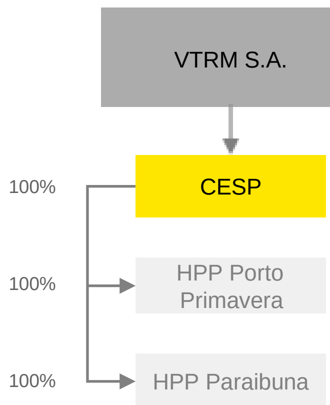
3.3 CESP - Intangible Assets

Concession agreement

Summary

Value Recommendation

R$0



Description

Intangible asset related to the Concession Agreements of the Porto Primavera HPP (“Porto Primavera”) and the Paraibuna HPP (“Paraibuna”).

CESP has two hydroelectric generation plants that operate under the price regime and have 1,627 MW of installed capacity and an average of 935 MW of physical energy guarantee.

Overview

Assessment Method

We consider the MPEEM (Multi-Period Excess Earnings Method), of the Income Approach, as being the most appropriate to value the Concession Grant, since all the revenues generated by the Company are linked to this asset. See Exhibit C for a general discussion and definition of assessment approaches and methods.

Operating Income (Loss)

The revenues forecast for CESP were considered as having their origin in the Concession Agreement, besides a small ancillary revenue from services. They were designed under the energy agreements signed in the ACR and ACL and considered the sale of the surplus generated, as shown below.

The main operating costs and expenses comprise regulatory fees, insurance and operating and maintenance expenses, as shown below.

The EBITDA margin adopted to estimate the value of the Concession Agreement was the EBITDA margin forecast for CESP.

Income Tax

Taxes were forecast under the Brazilian statutory rate of 34.0%, following the taxable income tax regime. %. No deferred tax effects were considered in this calculation so that the balance obtained would reflect only the value of the Concession asset.

Charges with contributory assets

We apply Contributory Asset Charges (CAC) to exclude from cash flow the balance contributed by the following assets:

i. Net working capital except net debt;

ii. Property, Plant and Equipment, considered at fair value; and

iii. Workforce.

It should be noted that the consideration of property, plant and equipment at fair value increased the charges of contributory assets so that, after the remuneration of property, plant and equipment, there was no “excess” of results attributable to the concession asset. Thus, the value of the intangible asset was null. However, it is important to point out that in this case, the property, plant and equipment and the concession asset can be considered as inseparable.

Lifespan

A lifespan of 35 years was considered for this asset, according to the remaining term of the authorization.

Discount Rate

The after-tax cash flows were discounted to present value using a discount rate of 9.9%, which approximated the WACC value calculated for the Company. See Exhibit D for a general discussion, definition of WACC, and calculation of WACC.

The financial statements are presented in Exhibit 1 of this Report.

3.3 CESP - Intangible Assets

Concession agreement

Forecast Financial Information

Item	Assumptions
Net Revenue	**Volume**: calculated from CESP's current agreements on the Free Market ("ACL") and on the Regulated Market ("ACR"). In addition, the sale of all surplus energy generated in the ACL was considered. CESP has two agreements signed in the ACR, one of which extends until December 2038 and the other until December 2039. The ACL agreements, on the other hand, have different end dates, with the longest expected to end in 2025. For the projection of the GSF curve, market perspectives were used, as published by industry analysts Average price: the prices established in the agreements already signed in the ACR and ACL were adopted, corrected in the projection by the IPCA, in the case of the ACR agreements, and by the IPCA or dollar, in the case of the ACL agreements. For the new agreements to be signed in the ACL from the energy surplus, the DCIDE curve adjusted by the IPCA was adopted throughout the projection. **Deductions**: PIS and COFINS at rates of 1.65% and 7.60%, respectively, according to the presumed profit tax regime. An ancillary revenue from Services was also forecast, representing around 0.2% of total revenue, on which ISS was deducted at the rate of 3.0%, besides regulatory fees (TFSEE, R&D, CFURH and RGR), which were calculated under current legislation.
Costs	They mainly refer to costs with regulatory fees (TUST, TUSD, CCT, ONS fee and CCEE fee), forecast under the legislation, based on the year 2021 and adjusting their values under the IPCA throughout the year. of the projection. Energy purchase costs were also forecast, related to the cost of the GSF insurance premium forecast, considering CESP's existing agreements in the ACR; and costs with the purchase of energy for resale, forecast under existing CESP agreements. The purchase of energy at market prices (DCIDE) and the volume necessary to meet existing agreements in periods when generation is below the contractually established were considered.
Expenses	Operating expenses mainly consider CESP's operating and maintenance expenses. Expenses forecast based on 2021 and adjusted by the IPCA throughout the forecast.
EBITDA	As a result of the assumptions used for projecting operating costs and expenses, the EBITDA margin averaged 66.9% throughout the projection, rising from 74.0% in 2021, considering the sum of what was carried out until September and three months of projection , until reaching 55.5% in April 2056, period in which the concession of HPP Porto Primavera ends.

Source: EY / Management

CESP's forecast financial statements are presented in Exhibit 1 of this Report.

3.3 CESP - Intangible Assets

Concession agreement

Forecast Financial Information

Item	Assumptions
Contributory Asset Charges	**Property, Plant and Equipment**: to calculate the property, plant and equipment charge, we used: i. the fair value of existing assets on the base date; ii. the forecast Capex, which considered only the investment necessary to maintain CESP's structure over the concession years, and represented, on average, 0.6% of NOR over the forecast period. iii. the return on, calculated from an estimated opportunity cost of 9.9% after taxes on the balance invested, and *iv.* return of, represented by depreciation expenses, forecast on a straight-line basis according to their respective historical depreciation rates. For the depreciation rates of future investments, the weighted average rate of 2.9% was used **Working Capital**: to calculate the working capital charge, the following were considered: i. The estimated net working capital was based on CESP's historical financial statements. Historical working capital drivers were calculated for operating assets and liabilities based on net revenues, operating costs and expenses, as applicable, and used in projections; ii. The total realization of working capital in the last period of the projection was considered. iii. For the purposes of the charge, an opportunity cost of 7.6% after taxes was used. **Workforce:** i. Calculated solely for the contributory asset cost, the value of the workforce was estimated based on the costs of recruitment, training and estimated time to reach full productivity. For more details, see exhibit 1D.

Source: EY / Management

CESP's forecast financial statements are presented in Exhibit 1 of this Report.

3.4

CESP - Other Assets and Liabilities

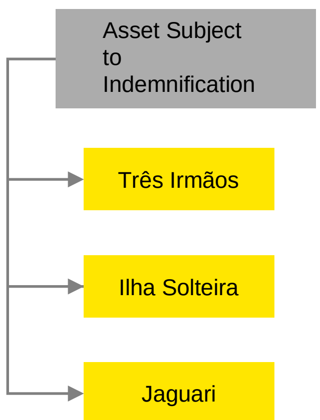
3.4 CESP - Other Assets and Liabilities

Asset Subject to Indemnification

Value Recommendation

R$3,151 million

-



Description

The assets subject to indemnification are balances receivable from the Federal Government arising from the indemnification of the terminated concession agreements of the Três Irmãos, Ilha Solteira and Jaguari plants.

Assets subject to indemnification - Main assumptions

On the base date, CESP had balances receivable related to indemnities arising from the termination of the concession agreements of the Três Irmãos, Ilha Solteira, Jaguari plants.

As informed by CESP's management, the accounting balances of these indemnities refer to undisputed balances.

For the purposes of estimating / measuring at fair value, the indemnities related to the Ilha Solteira and Jaguari plants were kept at book value as they are not relevant.

For the indemnification of the Três Irmãos plant, the estimate of fair value was carried out through a discounted cash flow.

The form of indemnification to CESP for the termination of the concession contract for the Três Irmãos hydroelectric plant was established through Interministerial Decree 129 of March 27, 2014, setting the indemnity due at R$1,717,362,148.59 (June 2012 prices) and that the balance would be paid in

monthly installments within 7 years, updated

at the rate of the Special System of Settlement and Custody – SELIC.

Asset Subject to Indemnification	Book Value
Três Irmãos Plant	1,717,362
Ilha Solteira Plant	2,028
Jaguari Plant	19,771
Total Amount	**1,739,161**

Based on this Decree, the following assumptions were adopted for the estimation of fair value:

- Application of the historic SELIC rate from June 2012 to the base date of this Report;
- Application of the SELIC rate curve forecast based on the FOCUS bulletin of the Central Bank of Brazil (BACEN) to correct the installments to be paid monthly until the estimated time of receipt;
- Discount at present value of the installments to be received at the real NTN-B rate, added to the forecast inflation according to the FOCUS bulletin;
- Estimate of the beginning of receipt within a period of 3 years with receipt in monthly installments for 7 years;
- Application of a risk factor regarding receipt of the calculated balance, attributing a probability of 90% for receipt of the total balance and 10% for zero balance.

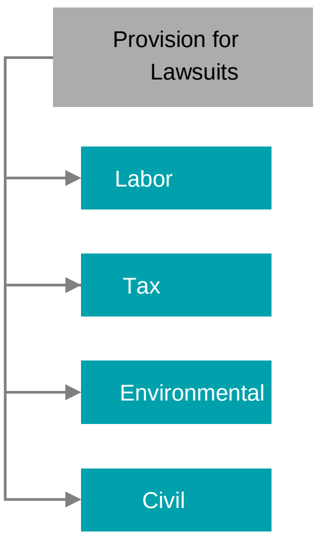
3.4 CESP - Other Assets and Liabilities

Provision for Lawsuits

Value Recommendation

R$2,037 million

-



Description

The accounting provision for lawsuits consists of liabilities comprising administrative and legal proceedings in different spheres, courts and instances, of a labor, tax, civil and environmental nature, whose probability of loss is estimated by CESP's management as probable. The fair value estimate must also consider values considered possible or remote, as described below.

Provision for lawsuits - Main assumptions

CESP provides for contingent liabilities related to labor, tax, civil and environmental claims. Management, based on the opinion of its legal advisors and in analyzes carried out internally, estimates the total losses for these liabilities. After making this estimate, Management, together with its legal advisors, estimates the probability of loss for each lawsuit and classifies it as probable, possible or remote.

With this classification, and under accounting standards, provisions for losses classified as probable are recognized in the accounts, while provisions classified as possible or remote are not recognized in the accounts.

According to Management's analysis, together with its legal advisors, probable contingencies represent the balance of potential losses of R$1,325 million, a balance recorded by the Company. Besides this balance, there is an estimated total balance of

R$2,373 million related to legal proceedings classified as possible loss in which CESP is involved.

For these cases, the recognition of 30% of the nominal value of the processes was adopted, in line with the probabilities estimated by market analysts and, therefore, R$711 million additional to the value of the provisions.

Since expectations about the time of resolution are very uncertain, and contingent balances accrue interest based on the SELIC rate, no present value adjustment was applied to the expected balances.

Lawsuits Classified as Probable	Fair Value
Civil	1,152,277
Labor	99,224
Environmental	69,416
Tax	3,924
Expected fair value (a)	**1,324,841**

Lawsuits classified as Possible Losses:	Fair Value
Civil	1,539,593
Labor	63,173
Environmental	322,066
Tax	448,470
total face value	2,373,302
Expected fair value (b)	**711,991**

Total expected fair value (a) + (b)	**2,036,832**

3.4 CESP - Other Assets and Liabilities

Post-Employment Benefits

Value Recommendation

R$1,937 million

Description

CESP sponsors medical assistance and retirement plans for its employees and former employees and their respective beneficiaries to supplement the benefits provided by the official social security system.

Post-Employment Benefits - Main assumptions

The fair values of actuarial obligations are calculated regularly by an independent actuary, with base dates that coincide with the end of the year (December) and are recorded as provided for in CPC 33 (R) / IAS 19 – Employee Benefits.

The liability recognized in the balance sheet with respect to defined benefit plans is the present value of the defined benefit obligation at the balance sheet date, less the fair value of plan assets.

In the actuarial assessment of plans, the forecast unit credit method is commonly used. In it, the net assets of the benefit plans are assessed at market values (mark-to-market).

In the quarterly financial statements, CESP monetarily updates and moves inputs and outputs on the values calculated in December.

We were informed that VTRM hired a specialized and independent company (Willis Towers Watson), which prepared a report consolidated statement of actuarial obligations on the date-basis of September 30, 2021 and that such assessment of actuarial obligations considered the criteria and accounting of CPC 33 (R). The assumptions and criteria adopted and used in the technical framework CPC 33 (R) meet the fair value criterion because

- The discount rate for calculating the present value of actuarial obligations is the rate on the base date to which the statements refer accounting, therefore, a spot rate that reflects current market conditions and future expectations of market agents in relation to macroeconomic variables such as future yield curves;
- It does not consider the projections of new liabilities or contributions for the continuity of the plan. The value of the net actuarial liability refers to the accumulated financial assets and the present value of the acquired rights (calculated on the expected payment date) on the calculation date (PUC method);
- The financial asset mentioned above is valued at fair value / is marked to market (Mark to Market).

Therefore, we conclude that, to meet the scope of this Report, the value measured and concluded in the assessment of the specialized company represents the fair value of the post-employment benefit.

Note that, as provided for in CPC 33, and under CESP's accounting practices, the values of actuarial commitments are calculated at fair value annually in the December financial statements and restated for the interim dates. In this context, and since the actuarial report was requested by the company's controller and issued after the publication of the quarterly results by CESP, CESP did not record this updated fair value in its quarterly financial statements on the base date.

3.4 CESP - Other Assets and Liabilities

Deferred Income Tax and Social Contribution

Value Recommendation

R$0

Description

The company recognizes deferred tax assets and liabilities from temporary differences and tax losses. Assets are recognized only in proportion to the probability that future taxable income will be available and against which the temporary differences can be used.

The balances recorded until September 30, 2021 of deferred credits on income tax losses, negative basis of deferred social contribution and temporary differences of CESP are supported by financial projections prepared by the subsidiary's management for the concession period, which are reviewed annually and consistently demonstrate the realization of tax loss carryforwards, negative basis for social contribution and temporary differences.

Deferred Income Tax and Social Contribution - Main Assumptions

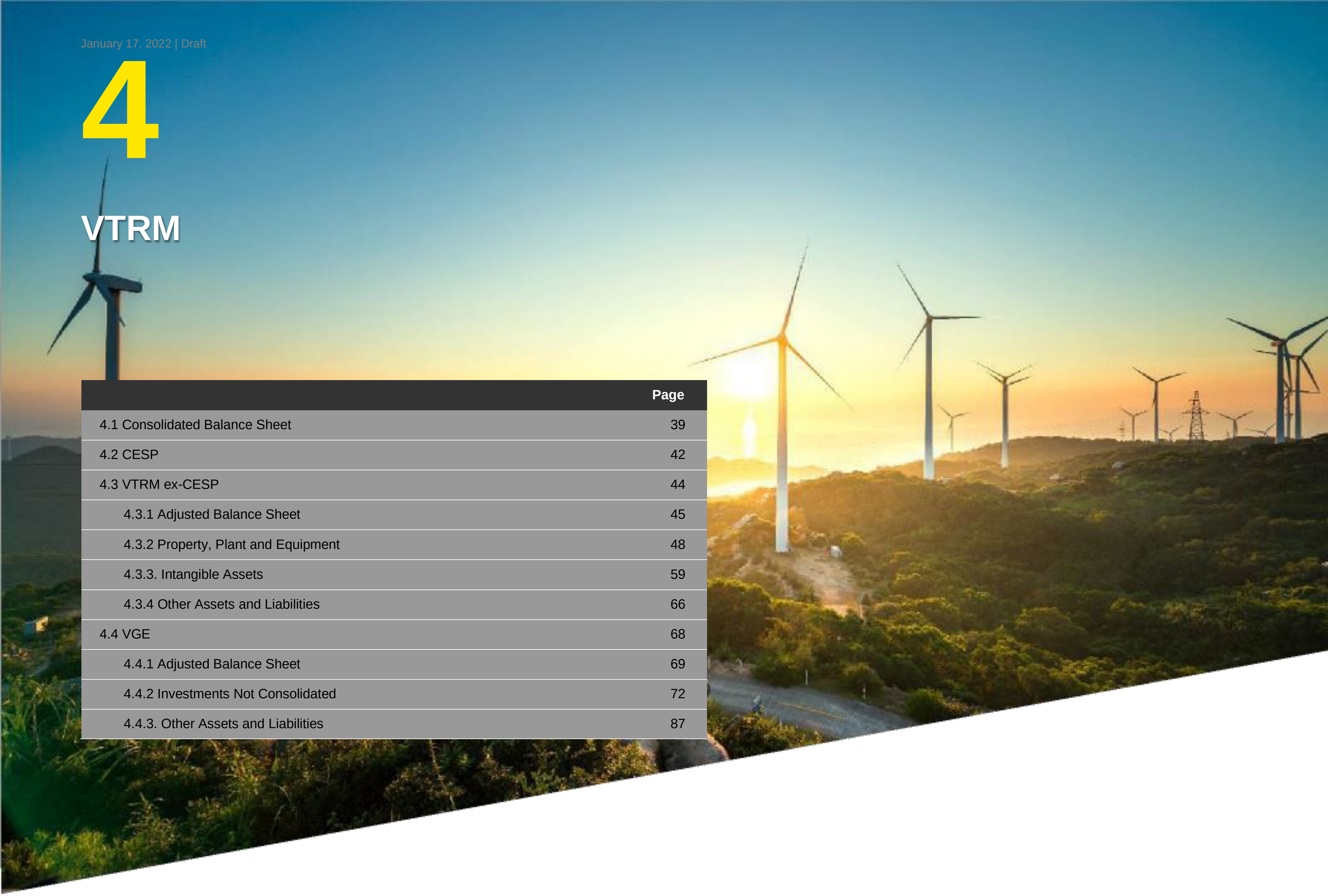
On the assessment base date, the net balance of deferred tax assets and liabilities was R$3,647 million. The deferred tax asset was composed, mostly due to tax loss/negative basis (R$1,053 million) and temporary differences arising from post-employment benefits, provision for impairment, provision for regulatory assets and provision for lawsuits, totaling R$3,975 million. The deferred tax liability was largely caused by temporary differences related to the renegotiation of the hydrological risk and the updating of the balance of judicial deposits, totaling R$328 million.

For the purpose of calculating the PLA, the fair value adjustments made in CESP's balance sheet generate deferred tax assets (in the case of a reduction in equity value) and liabilities (in the event of an increase in equity value), as shown in the following table.

Such adjustments resulted in an additional net deferred liability for CESP of R$931 million.

Considering that the assets arising from temporary differences are sufficient to offset the new liabilities, without the need to use tax losses, we consider that the new deferred liability will be offset by the asset, and the remaining balance in the asset (R$2,716) cannot be taken advantage of, since the PLA has the premise of non-continuity of operations. Therefore, we consider its final net fair value to be R$0.

Item	Adjustments
Prepaid Expenses	(7,163)
Order of Projects - R&D	(59,010)
Asset Subject to Indemnification	1,411,359
Property, Plant and Equipment	3,247,363
Grant Assets	(1,922,347)
Sector Charges	69,315
Provision for Lawsuits	(593,326)
Post-Employment Benefits	594,467
Total Adjustments	**2,740,658**
Additional deferred tax liability	**931,824**



4

VTRM

4.1

VTRM - Consolidated Balance Sheet

4.1 VTRM - Consolidated Balance Sheet

Assets

The table below presents the sum of the balance sheets at fair value of CESP, VTRM (without CESP and without VGE) and VGE on the assessment base date.

For more details, see sections 3.1 - CESP – Adjusted Balance, 4.3.1 - VTRM – Adjusted Balance and 4.4.1 - VGE – Adjusted Balance.

Consolidated Balance Sheet	CESP	VTRM	VGE	Total
ASSETS				
Cash and Cash Equivalents	397,465	2,478,848	179,778	3,056,091
Liquidity Fund - Reserve Account	-	2,402	-	2,402
Trade Receivables from Clients	262,969	61,238	456,450	780,657
Taxes Recoverable	14,949	5,910	9,805	30,664
Related Parties	-	3,649	-	3,649
Dividends Receivable	-	-	57,445	57,445
Future Energy Agreements	-	-	50,301	50,301
Other Assets	1,730	15,371	2,637	19,738
Trade Receivables from Indemnity	-	174,090	-	174,090
Assets held for Sale	8,487	-	-	8,487
Current Assets	**685,600**	**2,741,508**	**756,416**	**4,183,524**
Long-Term Receivables				
Liquidity Fund - Reserve Account	-	97,983	-	97,983
Future Energy Agreements	-	-	2,550	2,550
Related Parties	-	64,036	-	64,036
Bonds and Court Deposits	213,684	-	-	213,684
Warehouse	5,967	7	-	5,974
Asset Subject to Indemnification	3,150,520	-	-	3,150,520
Other Assets	-	354	181	535
Investments	-	-	2,132,308	2,132,308
CBA Energia Participações S.A.	-	-	798,441	798,441
Pollarix S.A.	-	-	1,199,321	1,199,321
Companhia de Cimento Pinheiro Machado	-	-	134,545	134,545
Property, Plant and Equipment	8,919,691	3,348,135	33,110	12,300,936
Intangible Assets	9,811	1,782,168	2,761	1,794,740
Intangible Assets - Assets related to the VdP I Concession	-	598,051	-	598,051
Intangible Assets - Assets related to the VdP II and III Concession	-	627,329	-	627,329
Intangible Assets - Assets related to the VdA III Concession	-	556,476	-	556,476
Other Intangible Assets	-	312	2,761	3,073
Regarding Concession Assets	-	-	-	-
Software	9,811	-	-	9,811
Right of Use on Lease Agreements	5,622	48	3,093	8,763
Noncurrent Assets	**12,305,294**	**5,292,731**	**2,174,003**	**19,772,028**
Total Assets	**12,990,894**	**8,034,238**	**2,930,419**	**23,955,551**

Source: EY / Management

EY

4.1 VTRM - Consolidated Balance Sheet

Liabilities

The table below presents the sum of the balance sheets at fair value of CESP, VTRM (without CESP and without VGE) and VGE on the assessment base date.
For more details, see sections 3.1 - CESP – Balance Sheet, 4.3.1 - VTRM – Adjusted Balance Sheet and 4.4.1 - VGE – Adjusted Balance Sheet.

Consolidated Balance Sheet	CESP	VTRM	VGE	Total
LIABILITIES				
Loans and Financing	8,807	104,060	-	112,867
Suppliers	180,803	109,597	470,016	760,416
Leases	1,792	53	2,572	4,417
Derivative Financial Instruments	45,944	-	-	45,944
Future Energy Agreements	23,877	-	-	23,877
Estimated Liabilities and Payroll	20,703	1,527	20,187	42,417
Taxes Payable	14,949	12,897	9,805	37,651
Sector Charges	7,880	-	-	7,880
Dividends Payable and Interest on Equity	290	-	100,000	100,290
UBP - Use of the Public Asset	40,421	-	-	40,421
Social and environmental obligations and asset demobilization	34,389	-	-	34,389
Provision for Reimbursement	-	307,779	-	307,779
Other Liabilities	74,430	7,542	9,800	91,772
Current Liabilities	**454,285**	**543,455**	**612,380**	**1,610,120**
Loans and Financing	1,914,585	2,294,921	-	4,209,506
Suppliers	-	42,462	-	42,462
Leases	4,024	-	683	4,707
Future Energy Agreements	1,166	-	-	1,166
Taxes Payable	-	11,242	-	11,242
Related Parties	-	61,937	-	61,937
Deferred Income Tax and Social Contribution	-	988,590	397,957	1,386,547
UBP - Use of the Public Asset	88,738	-	-	88,738
Social and environmental obligations and asset demobilization	139,753	104,390	-	244,143
Provision for Reimbursement	-	9,818	-	9,818
Provisions	2,036,832	51	1,684	2,038,567
Post-Employment Benefits	1,937,374	-	-	1,937,374
Other Liabilities	46,871	1,018	27,778	75,667
Noncurrent Liabilities	**6,169,343**	**3,514,429**	**428,102**	**10,111,874**
Shareholders’ Equity	**6,367,267**	**3,976,354**	**1,889,936**	**12,233,558**
Non-Controlling Shareholders' Equity	3,829,301	-	-	3,829,301
Shareholders' Equity	**2,537,966**	**3,976,354**	**1,889,936**	**8,404,256**
Total Liabilities and Shareholders’ Equity	**12,990,894**	**8,034,238**	**2,930,419**	**23,955,551**

Source: EY / Management

4.2

CESP

4.2 CESP
Adjusted Balance Sheet

The table below presents CESP's Consolidated Balance Sheet on the base date provided by Management and the Adjusted Pro-Forma Balance Sheet. To more details, see previous section.

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
ASSETS				
Cash and Cash Equivalents	397,465	-	397,465	3.1%
Trade Receivables	262,969	-	262,969	2.0%
Taxes Recoverable	74,339	(59,390)	14,949	0.1%
Prepaid Expenses	7,163	(7,163)	-	0.0%
Other Assets	60,740	(59,010)	1,730	0.0%
Order of Projects - R&D	59,010	(59,010)	-	0.0%
Others	1,730	-	1,730	0.0%
Assets held for Sale	8,487	-	8,487	0.1%
Current Assets	**811,163**	**(125,563)**	**685,600**	**5.3%**
Long-Term Receivables				
Bonds and Court Deposits	213,684	-	213,684	1.6%
Deferred Income Tax and Social Contribution	3,647,114	(3,647,114)	-	0.0%
Warehouse	5,967	-	5,967	0.0%
Asset Subject to Indemnification	1,739,161	1,411,359	3,150,520	24.3%
Property, Plant and Equipment	5,705,829	3,213,862	8,919,691	68.7%
Intangible Assets	1,932,147	(1,922,336)	9,811	0.1%
Regarding Concession Assets	1,922,347	(1,922,347)	-	0.0%
Software	9,800	11	9,811	0.1%
Right of Use on Lease Agreements	5,622	-	5,622	0.0%
Noncurrent Assets	**13,249,524**	**(944,230)**	**12,305,294**	**94.7%**
Total Assets	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**

Consolidated Balance Sheet	Book Value	Adjustments	Proforma Balance Sheet Adjusted	%
LIABILITIES				
Suppliers	180,803	-	180,803	1.4%
Debentures	8,807	-	8,807	0.1%
Leases	1,792	-	1,792	0.0%
Derivative Financial Instruments	45,944	-	45,944	0.4%
Future Energy Agreements	23,877	-	23,877	0.2%
Estimated Liabilities and Payroll	20,703	-	20,703	0.2%
Taxes Payable	14,949	-	14,949	0.1%
Sector Charges	75,955	(68,075)	7,880	0.1%
Dividends Payable and Interest on Equity	290	-	290	0.0%
UBP - Use of the Public Asset	40,421	-	40,421	0.3%
Social and Environmental Obligations	34,389	-	34,389	0.3%
Other Liabilities	74,430	-	74,430	0.6%
Current Liabilities	**522,360**	**(68,075)**	**454,285**	**3.5%**
Debentures	1,914,585	-	1,914,585	14.7%
Leases	4,024	-	4,024	0.0%
Future Energy Agreements	1,166	-	1,166	0.0%
Sector Charges	1,240	(1,240)	-	0.0%
UBP - Use of the Public Asset	88,738	-	88,738	0.7%
Provision for Lawsuits	1,324,841	711,991	2,036,832	15.7%
Social and Environmental Obligations	139,753	-	139,753	1.1%
Post-Employment Benefits	2,531,841	(594,467)	1,937,374	14.9%
Other Liabilities	46,871	-	46,871	0.4%
Noncurrent Liabilities	**6,053,059**	**116,284**	**6,169,343**	**47.5%**
Shareholders' Equity	**7,485,268**	**(1,118,001)**	**6,367,267**	**49.0%**
Total Liabilities and Shareholders' Equity	**14,060,687**	**(1,069,793)**	**12,990,894**	**100.0%**

4.3

VTRM without CESP

4.3.1

VTRM - Adjusted Balance

4.3.1 VTRM ex-CESP - Adjusted Balance Sheet

Assets

Consolidated	Book Value	Adjust	Balance Sheet Adjuste	%	
ASSETS					
Cash and Cash Equivalents	978,848	-	978,848	15.0%	(a)
Liquidity Fund - Reserve Account	2,402	-	2,402	0.0%	(b)
Trade Receivables from Clients	61,238	-	61,238	0.9%	(c)
Taxes Recoverable	5,910	-	5,910	0.1%	(d)
Related Parties	3,649	-	3,649	0.1%	(e)
Other Assets	15,371	-	15,371	0.2%	(f)
Trade Receivables from Indemnity	-	174,090	174,090	2.7%	(g)
Current Assets	**1,067,418**	**174,090**	**1,241,508**	**19.0%**	
Long-Term Receivables					
Liquidity Fund - Reserve Account	97,983	-	97,983	1.5%	(b)
Related Parties	64,036	-	64,036	1.0%	(e)
Warehouse	7	-	7	0.0%	(h)
Other Assets	354	-	354	0.0%	(f)
Property, Plant and Equipment	3,184,699	163,436	3,348,135	51.2%	(i)
Intangible Assets	252,833	1,529,335	1,782,168	27.3%	(j)
Intangible Assets - Assets related to the VdP I Concession	37,713	560,338	598,051	9.2%	
Intangible Assets - Assets related to the VdP II and III Concession	120,326	507,003	627,329	9.6%	
Intangible Assets - Assets related to the VdA III Concession	94,482	461,994	556,476	8.5%	
Other Intangible Assets	312	-	312	0.0%	
Right of Use on Lease Agreements	48	-	48	0.0%	(k)
Noncurrent Assets	**3,599,960**	**1,692,771**	**5,292,731**	**81.0%**	

a) **Cash and Cash Equivalents**: Not adjusted due to their nature.

b) **Liquidity Fund - Reserve Account**: Loans and financing from the subsidiaries of Ventos do Piauí I and Ventos do Araripe III require the maintenance of the liquidity fund in a reserve account as a guarantee. Not adjusted due to their nature.

c) **Accounts Receivable:** The Company does not expect to receive balances overdue for more than 360 days, therefore, there was no adjustment to these accounts.

d) **Taxes Recoverable**: Not adjusted as the balance of taxes payable is higher than the balance of recoverable taxes.

e) **Related Parties**: Not adjusted due to expected short-term settlement and low relevance. Additionally, under VTRM's accounting policies, transactions with related parties recorded in the balance sheet were carried out under market conditions.

f) **Other Assets**: Not adjusted due to the foreseen short-term settlement and its low relevance.

g) **Trade Receivables from Indemnity**: An account receivable balance of insurance indemnity related to incidents at Ventos do Araripe III was added. For more details, see section 4.3.4 VTRM – Other Assets and Liabilities.

h) **Warehouse**: Corresponds to office supplies. Recorded at cost and not adjusted due to low relevance.

i) **Property, Plant and Equipment** Includes of wind farms. Adjusted according to fair value assessment. More details in section 4.3.2 VTRM – Property, Plant and Equipment.

j) **Intangible Assets:** Includes mainly of intangible assets corresponding to the granting of authorization to operate the wind farms and adjusted according to fair value assessment. More details in section 4.3.3 VTRM – Intangible Assets.

k) **Right of use on lease agreements**: Includes office lease agreements under CPC 06. Assessed at fair value. More details in section 4.3.2 VTRM – Property, Plant and Equipment.

4.3.1 VTRM ex-CESP - Adjusted Balance Sheet
Liabilities

Consolidated	Book Value	Adjust	Balance Sheet Adjuste	%	
LIABILITIES					
Suppliers	109,597	-	109,597	1.7%	(k)
Loans and Financing	104,060	-	104,060	1.6%	(l)
Leases	53	-	53	0.0%	(m)
Estimated Liabilities and Payroll	1,527	-	1,527	0.0%	(n)
Taxes Payable	12,897	-	12,897	0.2%	(o)
Social and Environmental Obligations	6,052	-	6,052	0.1%	(p)
Provision for Reimbursement	307,779	-	307,779	4.7%	(q)
Other Liabilities	1,490	-	1,490	0.0%	(r)
Current Liabilities	**543,455**	**-**	**543,455**	**8.3%**	
Suppliers	42,462	-	42,462	0.6%	(k)
Loans and Financing	2,294,921	-	2,294,921	35.1%	(l)
Taxes Payable	11,242	-	11,242	0.2%	(o)
Related Parties	61,937	-	61,937	0.9%	(e)
Deferred Income Tax and Social Contribution	353,857	634,733	988,590	15.1%	(s)
Provision for Reimbursement	9,818	-	9,818	0.2%	(q)
Provisions	51	-	51	0.0%	(t)
Social and Environmental Obligations	80,943	23,447	104,390	1.6%	(p)
Other Liabilities	1,018	-	1,018	0.0%	(r)
Noncurrent Liabilities	**2,856,249**	**658,180**	**3,514,429**	**53.8%**	
Shareholders' Equity	**1,267,674**	**1,208,680**	**2,476,354**	**37.9%**	
Total Liabilities and Shareholders' Equity	**4,667,378**	**1,866,860**	**6,534,238**	**100.0%**	

k) **Suppliers**: Includes charges to use the electricity grid, suppliers of materials and energy purchased for sale. Not adjusted due to its short-term nature.

l) **Loans and Financing**: Corresponds to indebtedness related to wind farms and recorded at book value with floating interest rates. Not adjusted considering that it carrying balance reasonably corresponds to its fair value.

m) **Leases:** Corresponding to the present value of the agreement installments of office operating leases, recorded under CPC 06. Assessed at fair value. More details in section 4.3.2 VTRM – Property, Plant and Equipment.

n) **Estimated obligations and payroll**: Not adjusted due to expected short-term settlement and low relevance.

o) **Taxes Payable**: Not adjusted due to expected short-term settlement and low relevance.

p) **Social and Environmental Obligations**: Not adjusted for short-term liabilities due to expected settlement and its low relevance. Additionally, it is recorded at present value. The long-term liability was adjusted by recognizing the provision for decommissioning (ARO) at present value of Ventos do Piauí II and III.

q) **Provision for Reimbursement**: Energy settlement balance expected to be paid next year. Not adjusted due to expected short-term settlement.

r) **Other Liabilities**: Not adjusted due to expectation of settlement in the short term and due to its low relevance.

s) **Deferred IR and CSLL:** Adjusted according to the recognition of deferred tax liabilities referring to capital gains on fixed and intangible assets measured at fair value. More details in the section
4.3.4 VTRM – Other Assets and Liabilities.

t) **Provisions**: Not adjusted due to expected short-term settlement and low relevance.

4.3.2

VTRM ex-CESP - Property, Plant and Equipment

4.3.2 VTRM ex-CESP - Property, Plant and Equipment
Overview

Purpose

This chapter aims to describe the assessment at fair value of movable and immovable assets belonging to VTRM in the context of this work, on the base date of September 30, 2021.

The movable and immovable assets that were part of the scope are in the following units:

- V***entos do Piauí***: farm comprising 7 (seven) wind farms and comprising 98 wind turbines, located in the Serra do Inácio region, in the municipality of Curral Novo do Piauí/PI, with an installed capacity of 205.8 MW.
- ***Ventos do Araripe III***: wind farm located at the top of Chapada do Araripe, on the border between the states of Pernambuco and Piauí. It includes 14 wind farms, nine in Piauí and five in Pernambuco, 156 wind turbines and has an installed capacity of 358.8 MW.
  Corresponds to 15 legal entities.

We will detail the units in the sequence of this Expert Report.

Scope

The scope of work included:

- Interviews with Management to understand the nature of assets and operations;
- Physical inspection of field assets on December 21, 2021;
- Analysis of the sector, competition and the economic environment in which VTRM operates;
- Selecting and adopting methodologies to assess movable and immovable assets. Specifically, the classes listed below were assessed:
  - Wind turbines
  - Machines, Equipment and Installations
  - Vehicles;
  - Furniture and Fixtures;
  - Afforestation and Reforestation;
  - Lands;
  - Buildings and Constructions.

Main Assumptions

- Value Standard: Fair Value
- Base Date: September 30, 2021
- Currency: Reais (R$) in real terms
- Approaches: Cost Quantification
- Data and Information: List of property, plant and equipment and other documents related to VTRM. We also talked to members of the Management while working.
- Market Data: Our recommendations and calculations are based on market expectations in the region, as well as on macroeconomic conditions at the base date of the work, which may be different in the future and, therefore, impact the defined balances.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Identification of Assets

Ventos do Piauí I

- **Location**: Serra do Inácio region, in the municipality of Curral Novo do Piauí/PI
- **Farm:** 7 (seven) wind farms
- **Capacity installed:** 205.8 MW
- **Wind turbines:** 98 Units
- **Construction year:** 2016
- **Perimeter (approx.):** 74 km
- **Area (approx.):** 22.5 km²

Wind Farm	Capac. Total (MW)	Physical Guarantee (MW)
Ventos de São Vinícius	29.40	15.20
Ventos de Santo Alberto	29.40	15.20
Ventos de Santo Agostino	29.40	15.20
Ventos de Santa Albertina	29.40	15.00
Ventos de São Casimiro	29.40	15.00
Ventos de São Adeodato	29.40	15.40
Ventos de São Afonso	29.40	15.30

Source: Google Earth/ EY

4.3.2 VTRM ex-CESP - Property, Plant and Equipment
Identification of Assets

Ventos do Araripe III

- **Location**: top of Chapada do Araripe, on the border between the states of Pernambuco and Piauí
- **Farm:** 14 wind farms, 9 in the state of Piauí and 5 in Pernambuco
- **Capacity installed:** 358.8 MW
- **Wind turbines:** 156 Units
- **Construction year:** 2015 - 2016
- **Perimeter (approx.):** 122 km
- **Area (approx.):** 31.5 km²

Wind Farm	Capac. Total (MW)	Physical Guarantee (MW)
Ventos de Sto. Augusto I	18.40	9.00
Ventos de Sto. Augusto II	27.60	14.10
Ventos de Sto. Augusto VI	29.90	16.00
Ventos de Sto. Augusto VII	18.40	9.40
Ventos de Sto. Augusto VIII	18.40	9.00
Ventos de Sto. Estevão I	25.30	12.40
Ventos de Sto. Estevão II	25.30	11.90
Ventos de Sto. Estevão III	29.90	14.20
Ventos de Sto. Estevão IV	29.90	14.20
Ventos de Sto. Estevão V	27.60	14.80
Ventos de Santo Onofre IV	27.60	13.60
Ventos de São Virgílio 01	29.90	15.20
Ventos de São Virgílio 02	29.90	15.40
Ventos de São Virgílio 03	20.70	9.20

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Identification of Assets

Ventos do Piauí

Source: EY

Ventos do Araripe III

Source: EY

Identification of asset classes

Based on the identified assets, the movables and real estate considering were classified in its features.
These groups classifications to facilitate grouping similar items and assist certain steps of the assessment process, such as the selecting the assessment methodology and its application.

Movable Goods

- Wind turbines – includes wind turbines and/or wind generation systems and support structures for equipment.
- Machinery, Equipment and Installations – includes all equipment related to operations and auxiliary equipment used in the unit, such as turbines, generators, battery banks, engines, control panels, gates, general equipment, etc.
- Vehicles – includes trucks and vehicles in general.
- Furniture and Utensils – includes tables, chairs, files and other office-related items.
- Afforestation and Reforestation – referring to reforestation activities.
- Right to Use Software – includes rights to use software used in the units.

Immovable Goods

- Land – the land on which the wind farms and operations are installed are leased.
- Buildings and Constructions – includes constructions and improvements made to the unit, such as administrative buildings, guardhouses, warehouses, etc.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Value Recommendation

Value Recommendation

R$3,348 million

Fair Value Property, Plant and Equipment (in R$

Conclusion

On the assessment base date and based on this Report’s parameters and assumptions, our recommendations for the fair value of property, plant and equipment are reasonably represented in the table to the side.

It is important to emphasize that our recommendations should not be considered outside or separated from the context of this Report.

Classes (1)	Fair Value
Immovable Goods	**R$ thousand**
Lands	184
Buildings and Constructions	112,838
Subtotal	**113,022**
Movable Goods	
Wind turbines	2,296
Machines, Equipment and Installations	2,656,683
Vehicles	649
Furniture and Fixtures	114
Afforestation and Reforestation	510
Subtotal	**2,660,251**
Others	
Property, Plant and Equipment in Progress	1,304
Right to Use Software	357
Subtotal	**1,661**
Total - Tangibles - Fair value	**2,774,934**
Total - Tangibles - Book Value	**2,425,211**

Intangible Assets	
Decommissioning CPC 25 (2)	-
Property, plant and equipment vs balance sheet adjustment	-
Property, plant and equipment in progress VDP II and III	573,201
Total - Intangible assets - Fair value	**573,201**
Total - Intangible assets - Book Value	**652,032**

Notes:

[1] Classifications to facilitate grouping similar assets and assist in certain processes in the assessment analysis, including selecting methodology and applying in the assessment.

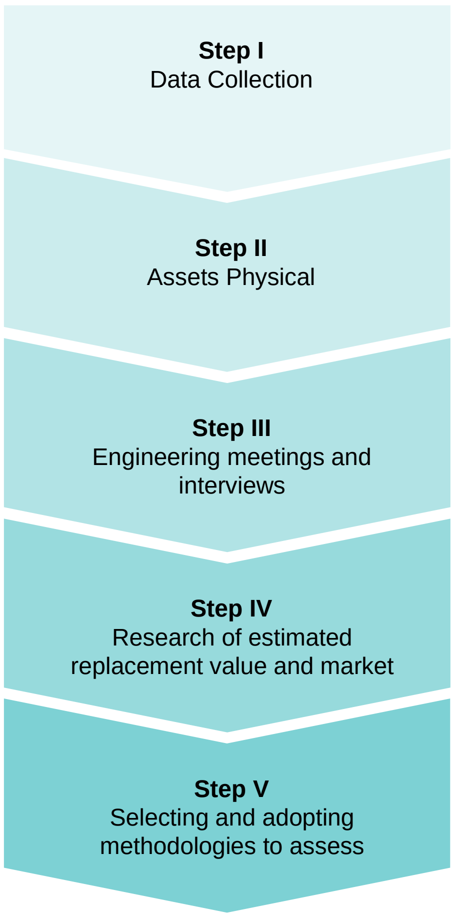
[2] For Decommissioning, the assessment will be carried out in the Intangible Assets chapter.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Assessment Procedures

Main Steps

To assess movable and immovable property, we have established a work plan to carry out the assessment. This plan includes the following procedures that will be described to the side.



Assessment Procedures

Step I

Data Collection

The first phase of the analysis of movable and immovable property began with our data collection procedures. We worked closely with the Management to establish key information to successfully conclude the assessment and information previously available. Additional data was independently generated and collected by EY to help establish value conclusions.

Initially, Management provided an electronic copy of the list of property, plant and equipment on the assessment base date. The property, plant and equipment list included item-by-item descriptive information, with company code, account/description number, location code, asset number, asset description, acquisition date, acquisition cost, accumulated depreciation, and residual net value.

A presentation with descriptive information about the units for each installation was also made available.

Step II

Assets Physical Inspection

We carried out the technical inspection of both units on December 22, 2021 to verify the main movable and immovable assets.

The inspection allowed us to obtain a better understanding of the nature, condition and operations of the assets, and to compare important assets noted in the property, plant and equipment list.

During our inspections, we observe and gather additional information, such as make, model, size, capacity, age, observed physical condition and current use of the asset. In addition, we hold meetings with local management regarding information related to the maintenance policy, modifications, and any changes that could affect the continued use of the assets.

We also held discussions with the unit's management regarding information about abnormal operating conditions and operational capabilities of the plant.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Assessment Procedures

Ventos do Piauí – Powerhouses

Source: EY

Ventos do Araripe III – Powerhouses

Source: EY

Assessment Procedures

Step III

Engineering meetings and interviews

We consulted the Management, Engineering and Maintenance to gather additional information to assess the movable and immovable property. The meetings were held to:

- Understanding the processes employed;
- Discussing and gathering data on current replacement values for the entire plant;
- Gathering technical information and cost trends;
- Discussing cases of functional obsolescence; and
- Understanding asset-related maintenance and renovation policies.

Step IV

Research of estimated replacement value and market value

During our assessment, we contacted equipment vendors, industry experts and suppliers, as well as our internal database regarding estimates of values and market values for certain types of assets. During these conversations, we discussed current market demand for types of assets under assessment, as well as estimates of replacement value for new equipment and market value for refurbished or used equipment. We also researched several sources publicly available information related to cost trend information, lifespans and technological changes in the industries in which the assets operate.

The replacement value for different groups of assets was determined based on the Turnkey study of the recent construction of Ventos do Piauí II and III, provided by Management. Therefore, we use the Turnkey study as a basis for our assessment, through adjustments made to the installed capacity (MW/hour) of machines and equipment and in the updating of values according to inflation and exchange rates.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment
Assessment Procedures

Specific Assumptions

Percentage of Fair Value by methodology

Methodology	VTRM
Direct Method	95%
Indirect Method	5%

Source: EY

Indirect Method - Indexes

EY Asset Class	VTRM
Buildings and Constructions	IPCA
Lands	IPCA
Machines, Equipment and Installations	IPCA
Vehicles	IPCA
Furniture and Fixtures	IPCA
Afforestation and Reforestation	IPCA
Right to Use Software	IPP
Property, Plant and Equipment in Progress	n/a

Source: EY

Assessment Procedures

Step V

Selecting and adopting methodologies to Assessment

The methods and procedures adopted for carry out this work used precepts and guidelines established in the Brazilian Assessment Standard published by ABNT - Brazilian Association of Technical Standards, NBR 14,653 in its parts:

- 1 - General procedures;
- 2 - Urban real estate; and
- 5 - Machinery, Equipment, Installations and Industrial Goods in general.

To estimate the fair value of movable and immovable assets, based on the nature of the assets and the information presented, the Cost Quantification method was applied.

Cost Quantification Method

This method identifies the replacement/reproduction cost (“RCN”) using both direct and indirect methods and applies a replacement fee depreciation calculated, in general, as a function of the age and lifespan of the asset.

Calculation of the RCN by the direct

The initial step in direct cost calculation was develop a replacement cost estimate for the new set of assets that make up the wind farm included in the scope of our analysis based on installed capacity metrics.

Specifically in this case, the RCN was estimated considering values obtained in a turnkey budget (greenfield cost), which considers all costs of interest, implementation and operation with characteristics and capabilities like those assessed. Subsequently, to allow the calculation of the good-by-good depreciation, an apportionment of these quoted values was carried out on the asset base, considering the components of the wind turbines, such as: HUBs, tower, wind turbine, base of wind turbines and electrical components, which make up about 95% of the total cost.

Calculation of the RCN by the direct method

In this method, the reproduction number for each asset or group of assets was estimated by updating historical costs in property, plant and equipment based on their typologies and acquisition dates through economic rates. These costs generally include the base cost of the asset and any additional considerations relating to goods, taxes, delivery location, installation, labor and overhead costs such as engineering, procurement, in construction and borrowing cost management.

We use the indirect cost method to assess assets that were not covered by the direct cost method. Adjustment factors/price index used in our analysis were derived from inflation indexes published by Fundação Getúlio Vargas, as shown to the right.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Assessment Procedures

Specific Assumptions

Lifespans and depreciation metrics

EY Asset Class	VTRM
Buildings and Constructions	25-30
Lands	32
Wind turbines	25
Machines, Equipment and Installations	6-40
Vehicles	7
Furniture and Fixtures	16
Afforestation and Reforestation	30
Right to Use Software	5
Property, Plant and Equipment in Progress	n/a

Source:
EY

Assessment Procedures

Physical Depreciation

As some assets were used over variable periods, the fair value is estimated by the adequacy of the CRN to the loss of value due to physical depreciation, besides the possible functional and/or economic obsolescence of each asset.

Our estimate of physical depreciation was performed mainly under the age/life concept. In this concept, the physical loss is attributed through the ratio between the asset's estimated lifespan and its remaining lifespan in each period. The main terms are as follows:

- Technical lifespan (VU) – The lifespan, generally in years, of an asset will be used up before it deteriorates to a unusable condition or when this is taken out of service.
- Chronological Age (CI) – The elapsed time in the life of an asset since it was originally put into service.
- Actual Age (IE) – The age of the asset indicated by its current condition, which may or may not be equal to CI.
- State of Conservation – "situation of the physical characteristics of an asset, at a given moment, as a result of its use and the maintenance to which it was submitted."
- Remaining Lifespan (VUR) - Period in years as of the base date of the analysis to the estimated/expected date on which the asset will cease to be economically useful.

The lifespan was obtained from the table of the MCPSE - Manual of Equity Control of the Electricity Sector, which presents a study where the economic useful lives are in line with their technical useful lives.

Different physical deterioration profiles are known and widely used in practice that operate under the basic concepts described above. In the Cost Quantification method, we use the following physical deterioration methodologies:

- Linear - A linear consumption of utility of an asset during its lifespan.

After calculating the depreciation, no residual factors are used, which are depreciation rates that are used to stabilize the minimum value of assets remaining in use, which have reached or exceeded their expected lifespans. This factor was not considered because in the concession contract the remuneration is carried out by the physical guarantee of the assets.

4.3.2 VTRM ex-CESP - Property, Plant and Equipment

Assessment Procedures

Assessment Procedures

Functional Obsolescence

Functional obsolescence can be attributed to excess capital cost or operating cost associated with an asset or group of assets. The excess cost of capital, which is the difference between reproduction value and replacement value, measures the decrease in investment required to replace the asset with one of equal utility and capacity. This form of obsolescence is seen in newer technologies and building costs that typically have values lower than the current asset. Excessive operating costs assume that less is spent operating and maintaining replacement assets than using assets currently owned.

Based on the turn-key quotes received from the wind turbine supplier, we were able to compare the current market value for building a wind farm versus the reproduction value for the same group of assets using the update of historical costs recorded in the property, plant and equipment list. based on their typologies and acquisition dates through economic indexes. When comparing the market value with the historical cost, we identified a penalty of 12% that was applied only to the accounts that used the indirect cost method methodology.

Economic Obsolescence

Economic obsolescence is the loss of value caused by adverse external conditions of the asset, such as low market demand for the product, change in market focus, unavailability of transportation and excesses of government regulations.

Based on our analyses, no evidence of economic obsolescence was observed. Therefore, no adjustment was made to real estate related to functional obsolescence.

4.3.3

VTRM ex-CESP - Intangible Assets

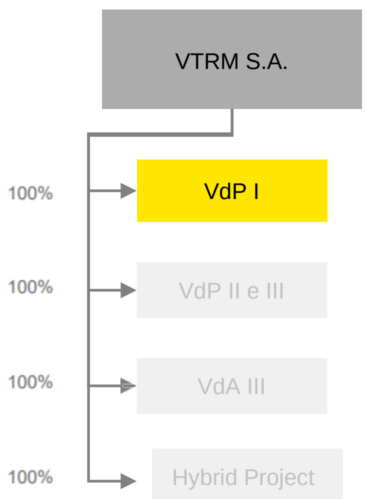
4.3.3 VTRM ex-CESP - Intangible Assets

Authorization Concession - Ventos do Piauí I (VdP I)

Summary

Value Recommendation

R$598 million



Description

Intangible Assets related to the Grant of Authorization of the Ventos do Piauí I Farm ("VdP I") on 30 September 2021.

VdP I is a Farm includes 7 wind farms, they are: (i) São Vinícius, (ii) Santo Alberto, (iii) Santo Agostinho, (iv) Santa Albertina, (v) São Casimiro, (vi) São Adeodato and (vii) Santo Afonso. Ventos de São Vicente Participações is the holding company for the farm.

Overview

VdP I has 98 wind turbines and is located in the Serra do Inácio region, in the municipality of Curral Novo do Piauí/PI, with capacity installed capacity of 205.9 MW.

Assessment Method

Of the three main value approaches (Income, Market and Cost) and the methods that these approaches comprise, we consider the Income Approach MPEEM to be the most suitable for valuing the Authorization Grant, since it is the main asset of VdP I and represents the source of all revenue generated.

See Exhibit C for a general discussion and definition of assessment approaches and methods.

Operating Income (Loss)

All revenues foreseen for VdP I were considered as originating from the Authorization Granting. They were designed under the energy agreements signed in the ACR and ACL, and considered the sale of the surplus generated, as shown in follow.

The EBITDA margin adopted to estimate the fair value of the Authorization Grant was based on the EBITDA margin forecast for VdP I, considering operating expenses and costs.

Direct Taxes

Income Tax and Social Contribution were forecast under the Brazilian statutory rates of 25% for Income Tax and 9% for Social Contribution, applied on the assumption margins of 8.00% on NOR for Income Tax and 12.00% for Social Contribution, following the Presumed Profit tax regime.

Charges with contributory assets

We apply contributory asset charges (CAC) to exclude from the cash flow the balance contributed by the following assets:

i. Net working capital without debt, and

ii. Property, Plant and Equipment.

Lifespan

A lifespan of 30 years was considered for this asset, according to the remaining term of the authorization.

Discount Rate

We discount cash flows after taxes to present value using a rate discount rate of 11.5%, which approached a 42 BPS premium to the estimated WACC for VdP I. See Exhibit D for a general discussion, definition of WACC, and calculation of WACC.

The forecast financial statements are presented in Exhibit 2 of this Report.

4.3.3 VTRM ex-CESP - Intangible Assets

Authorization Concession - Ventos do Piauí I (VdP I)

Forecast Financial Information

Item	Assumptions
Authorization period	March 2051
Net Revenue	Volume: volumes contracted in the ACR (until December 2051) and in the ACL (until 2024) and commercialization of the surplus energy generated in the ACL. **Average Price:** Prices according to the agreements already signed in the ACR and ACL. For new agreements to be signed in the ACL, the incentivized DCIDE curve was adopted, which was adjusted by the IPCA throughout the projection. **Deductions:** PIS and COFINS at rates of 0.65% and 3.00%, respectively, according to the presumed profit tax regime.
Costs	They mainly refer to the costs with the purchase of energy for resale. Designed according to the existing agreements in the ACR and ACL and, when the forecast generation is below the contractually established, the energy purchase is forecast at market price (DCIDE).
Expenses	They mostly consider: • expenses with operation and maintenance of wind turbine generators (WTG) and support components and auxiliary systems of the plants; • expenses with insurance, environment and land rental, in addition to general and administrative expenses; •sector charges, such as TUST, TFSEE, NOS and CCEE charges, among others. Forecast based on 2021 and adjusted by the IPCA throughout the forecast. It is worth mentioning that the decrease observed between 2027 and 2028 is due to a reduction in the price of an operation and maintenance contract of wind turbine generators.
EBITDA	The EBITDA margin averaged 74.6%, starting from 67.1% in 2021.
Contributory Asset Charges	**Property, Plant and Equipment**: to calculate the property, plant and equipment charge, we used: i. the fair value of existing assets on the base date; ii. the forecast Capex, which included an investment in one-off maintenance in 2021 and an investment in asset replacement in 2041. Maintenance Capex was not forecast in the other years as the WTG O&M agreement already covers these expenses. iii. the return on, calculated from an estimated opportunity cost of 10.7% after taxes on the balance invested, and *iv.* return of, represented by depreciation expenses, forecast on a straight-line basis according to their respective historical depreciation rates. For the depreciation rates of future investments, the weighted average rate of 5.0% was used **Working Capital**: to calculate the working capital charge, the following were considered: i. Historical drivers calculated for operating assets and liabilities, based on days of net revenues, operating costs and expenses, as applicable. The need for working capital resulted in an average of 2.7% of NOR; ii. The total release of working capital in the last forecast period; iii. estimated opportunity cost of 9.9% after tax on the balance invested.

Source: EY / Management * Proportional to the remaining period of the concession

4.3.3 VTRM ex-CESP - Intangible Assets

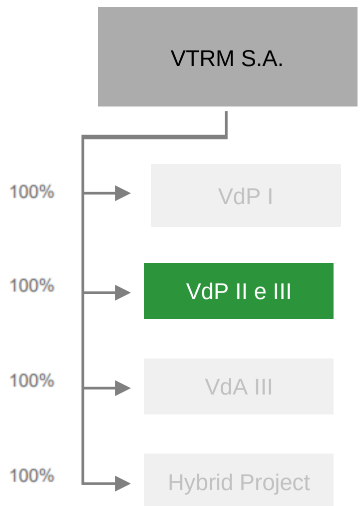
Authorization Concession - Ventos do Piauí II and III (VdP II and III)

Summary

1 Executive Summary
2 Context
3 CESP
4 VTRM
5 Summarized Figures
6 Overall Limits
7 Exhibits
8 Exhibits

Value Recommendation

R$627 million



Description

Intangible Assets related to the Grants of Authorization of the Ventos do Piauí II and III Farms ("VdP II and III") on September 30, 2021.

The farms include 10 wind farms, namely: (i) Santa Alexandrina, (ii) São Bernardo and (iii) São Crispim I, under the holding company Ventos de Santo Anselmo. (iv) Santo Antero, (v) Santo Apolinário and (vi) São Ciríaco under holding Ventos de Santo Ângelo, (vii) Santo Alderico, (viii) Santo Alfredo, (iv) São Ciro and (x) São Caio under holding Ventos de São João Paulo II. Besides holding Ventos de Santo Isidoro.

Overview

The VdP II and III farms have 93 wind turbines with an installed capacity of 409.2 MW. VdP II is in the municipalities of Curral Novo do Piauí/PI, Paulistana/PI and Betânia do Piauí/PI. VdP III is in the municipalities of Curral Novo do Piauí/PI, Araripina/PE and Ouricuri/PE. The start of operation of the parks is scheduled for 2022.

Assessment Method

Of the three main value approaches (Income,

Market and Cost) and the methods that these approaches comprise, we consider the Income Approach MPEEM to be the most appropriate to value the Authorization Grant, since this is the main asset of VdP II and III and represents the source of all the generated revenues. See Exhibit C for a general discussion and definition of assessment approaches and methods.

Operating Results

All expected revenues for the VdP II and III farms were considered to have origin in the Authorization Grant. They went designed under energy signed in the consideration for the sale with the ACL agreements, and took from the surplus generated, as shown below.

The EBITDA margin adopted to estimate the fair value of the Authorization Grant was based on the EBITDA margin forecast for the VdP II and III farms.

Direct Taxes

Income Tax and Social Contribution were forecast under the Brazilian statutory rates of 25% for Income Tax and 9% for Social Contribution, applied on the assumption margins of 8.00% on NOR for Income Tax and 12.00% for Social Contribution, following the Presumed Profit tax regime.

Charges with contributory assets

We apply Contributory Asset Charges (CAC) to exclude from cash flow the balance contributed by the following assets:

i. Net working capital without debt, and
ii. Property, Plant and Equipment.

Lifespan

A lifespan of 34 years was considered for this asset, according to the authorization term.

Discount Rate

We discount cash flows after taxes to present value using a rate 11.9% discount, which approached a premium of 42 BPS over the WACC calculated for VdP II and III. See Exhibit D for a general discussion, definition of WACC and calculation of WACC. Forecast financial statements are presented in Exhibit 3 of this Report.

4.3.3 VTRM ex-CESP - Intangible Assets

Authorization Concession - Ventos do Piauí II and III (VdP II and III)

Forecast Financial Information

Item	Assumptions
Authorization period	November 2055
Net Revenue	Volume: the volume projection of the current agreements of the farms in the ACL was considered, and the commercialization of all the excess energy generated, also in the ACL. The signed agreements have different start and end dates, starting between July 2022 and March 2023, and ending between September 2032 and February 2033. **Average Price:** Prices according to the agreements already signed in the ACL. For new agreements, the incentivized DCIDE curve was adopted, which was adjusted by the IPCA throughout the projection. **Deductions:** PIS and COFINS at rates of 0.65% and 3.00%, respectively, according to the presumed profit tax regime.
Costs	They mainly refer to the costs with the purchase of energy for resale. Designed as per existing ACL agreements. Since the forecast volume of energy sales from existing agreements is lower than the total volume, no costs were forecast for the purchase of additional energy.
Expenses	They mostly consider: • expenses with operation and maintenance of wind turbine generators (WTG) and support components and auxiliary systems of the plants (BOP), which represent around 50% of total expenses; • expenses with insurance, environment and land rental, in addition to general and administrative expenses; •sector charges, such as TUST, which represents about 30% of total expenses, in addition to charges from ONS, CCEE and others. Forecast based on Management's expectations for 2022 and adjusted by the IPCA throughout the projection.
EBITDA	The EBITDA margin averaged 75.0%, rising from 86.1% in 2022, reaching 73.8% in November 2055.
Contributory Asset Charges	**Property, Plant and Equipment**: to calculate the property, plant and equipment charge, we used: i. the fair value of existing assets on the base date; ii. the forecast Capex, which included investments in expansion between 2021 and 2023 and investments in asset replacement between 2042 and 2044. Maintenance Capex was not forecast in the other years as the WTG O&M agreement already covers these expenses. iii. the return on, calculated from an estimated opportunity cost of 12.0% after taxes on the balance invested, and *iv.* return of, represented by depreciation expenses, forecast on a straight-line basis according to their respective historical depreciation rates. For the depreciation rates of future investments, the weighted average rate of 2.2% was used **Working Capital**: to calculate the working capital charge, the following were considered: i. Historical drivers calculated for operating assets and liabilities, based on days of net revenues, operating costs and expenses, as applicable. The need for working capital resulted in an average of 6.9% of NOR; ii. The total release of working capital in the last forecast period; iii. estimated opportunity cost of 9.9% after tax on the balance invested.

Source: EY / Management * Proportional to the remaining period of the concession

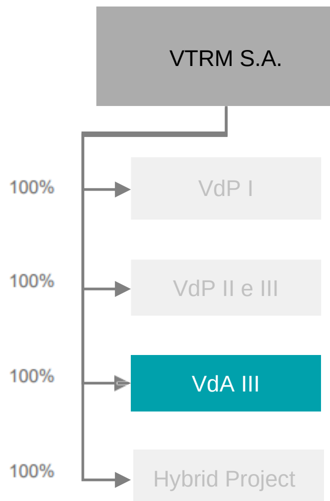
4.3.3 VTRM ex-CESP - Intangible Assets

Authorization Concession - Ventos do Araripe III (VdA III)

Summary

Value Recommendation

R$556 million



Description

Intangible asset related to the Authorization Grant of the Ventos do Araripe III Farm ("VdA III") on September 30, 2021.

VdA III is includes 14 wind farms, they are: (i) Santo Augusto I, (ii) Santo Augusto II, (iii) Santo Augusto VI, (iv) Santo Augusto VII, (v) Santo Augusto VIII, (vi) Santo Estevão I, (vii) Santo Estevão II, (viii) Santo Estevão III, (ix) Santo Estevão IV, (x) Santo Estevão V, (xi) Santo Estevão VI, (xii) Santo Onofre IV, Saint Virgil 01 and (xiv) Saint Virgil 02. Ventos de Santo Estevão Holding S.A. is the holding company for the farm.

Overview

VdA III is located at the top of Chapada do Araripe, on the border between the states of Pernambuco and Piauí. Of its 14 parks wind farms, 9 are in Piauí and 5 in Pernambuco. The farm has 156 wind turbines and an installed capacity of 357.9 MW. Corresponds to 15 legal entities.

Assessment Method

Of the three main value approaches (Income,

Market and Cost) and the methods that these approaches comprise, we consider the MPEEM of the Income Approach to be the most suitable to value the Authorization Grant, since it is the main asset of VdP I and represents the source of all the revenues generated.

See Exhibit C for a general discussion and definition of assessment approaches and methods.

Operating Income (Loss)

All revenues foreseen for VdA III were considered as originating from the Authorization Grant. They were designed under the energy agreements signed in the ACR and considered the sale of the surplus generated, as shown below.

The EBITDA margin adopted to estimate the fair value of the Authorization Grant was based on the EBITDA margin forecast for VdA III as a whole.

Income Tax

Income Tax and Social Contribution were forecast under the Brazilian statutory rates of 25% for Income Tax and 9% for Social Contribution, applied on the assumption margins of 8.00% on NOR for Income Tax and 12.00% for Social Contribution, following the Presumed Profit tax regime.

Charges with contributory assets

We apply Contributory Asset Charges (CAC) to exclude from cash flow the balance contributed by the following assets:

i. Net working capital without debt, and
ii. Property, Plant and Equipment.

Lifespan

A lifespan of 28 years was considered for this asset, according to the remaining term of the authorization.

Discount Rate

We discounted after-tax cash flows to present value using a discount rate of 11.5%, which approximated a premium of 41 BPS over WACC calculated for VdP III. See Exhibit D for a general discussion, definition of WACC, and calculation of WACC.

The financial statements are presented in Exhibit 4 of this Report.

4.3.3 VTRM ex-CESP - Intangible Assets

Authorization Concession - Ventos do Araripe III (VdA III)

Forecast Financial Information

Item	Assumptions
Authorization period	July 2049
Net Revenue	Volume: the volume projection of the farm's current agreements in the ACR was considered, and the commercialization of all excess energy generated in the ACL. The signed agreements extend until Dec/37, Sep/37 and Dec/38. **Average Price:** Prices according to the agreements already signed in the ACR. For the new agreements, to be signed in the ACL, the DCIDE curve was adopted, adjusted by the IPCA throughout the projection. **Deductions:** PIS and COFINS at rates of 0.65% and 3.00%, respectively, according to the presumed profit tax regime.
Costs	They mainly refer to the costs with the purchase of energy for resale. Designed according to existing ACR agreements and, when the forecast generation is below the contractually established, the energy purchase is forecast at market price (DCIDE).
Expenses	They mostly consider: • expenses with operation and maintenance of wind turbine generators (WTG) and support components and auxiliary systems of the plants; • expenses with insurance, environment and land rental, in addition to general and administrative expenses; •sector charges, such as TUST, which represents about 30% of total expenses, in addition to charges from ONS, CCEE and others. Forecast based on 2021 and adjusted by the IPCA throughout the forecast.
EBITDA	Average EBITDA margin of 73.3% during the projection. It is worth mentioning that the decrease observed in 2021 is due to the incidents that occurred in the transformers of the collector substation causing the interruption of energy supply by the farm.
Contributory Asset Charges	**Property, Plant and Equipment**: to calculate the property, plant and equipment charge, we used: i. the fair value of existing assets on the base date; ii. the forecast Capex, which included an investment of R$2.1 million in the last 3 months of 2021, aimed at repairing the transformers affected by the incidents, and a replacement investment in 2040 in the balance of R$744.3 million. Maintenance Capex was not forecast in the other years as the WTG O&M agreement already covers these expenses. iii. the return on, calculated from an estimated opportunity cost of 10.7% after taxes on the balance invested, and *iv.* return of, represented by depreciation expenses, forecast on a straight-line basis according to their respective historical depreciation rates. For the depreciation rates of future investments, the weighted average rate of 5.1% was used **Working Capital**: to calculate the working capital charge, the following were considered: i. Historical drivers calculated for operating assets and liabilities, based on days of net revenues, operating costs and expenses, as applicable. The need for working capital resulted in an average of -11.7% over NOR; ii. The total release of working capital in the last forecast period; iii. estimated opportunity cost of 9.9% after tax on the balance invested.

Source: EY / Management * Proportional to the remaining period of the concession

4.3.4

VTRM - Other Assets and Liabilities

4.3.4 VTRM - Other Assets and Liabilities

Accounts receivable from insurance indemnity and Deferred Taxes

Value Recommendation

R$174 million

Description

Account receivable referring to the insurance indemnity that VdA III will be entitled to due to 2 incidents that occurred in its power transformers, one in June 2020 and the other in February 2021. As informed by the Management, repairs have already been carried out so that the first transformer was ready in April 2021 and the second in December 2021.

Insurance claim receivable

As informed by Management, for the first claim, the insurance company made a payment of R$5.1 million of material damages directly to VdAIII and another of loss of profit of R$48 million to VTRM in Dec/21.

On the base date of this report, the payment balance for the second claim was estimated at around R$121 million, but this balance is expected to vary until the claim is closed. The expectation is that the payment of the second claim will be made in the first quarter of 2022.

Value Recommendation

R$989 million

Description

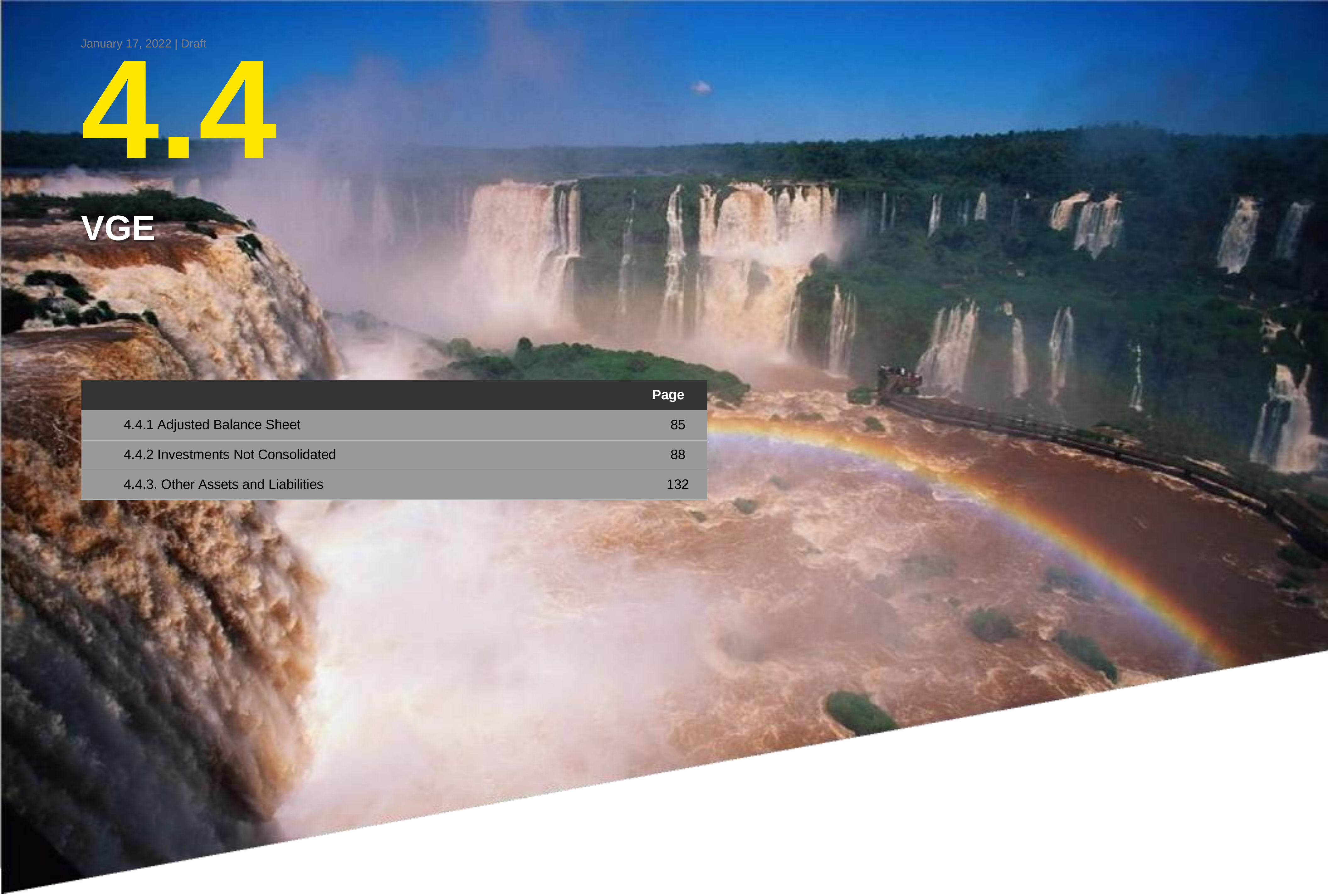
The company recognizes deferred tax assets and liabilities from temporary differences and tax losses. Assets are recognized only in proportion to the probability that future taxable income will be available and against which the temporary differences can be used.

Deferred Income Tax and Social Contribution - Main Assumptions

The balances recorded until September 30, 2021 of deferred credits on income tax losses, negative basis of deferred social contribution and temporary differences of VTRM are supported by financial projections prepared by the subsidiary's Management for the concession period, which are reviewed annually and consistently demonstrate the realization of tax loss carryforwards, negative basis for social contribution and temporary differences. On the assessment base date, VTRM (without CESP) had a net deferred tax liability of R$354 million and the adjustments made to fixed and intangible assets from the company's concession grant, besides the addition of the account receivable referring to indemnification of insurance presented above, gave rise to an additional deferred tax liability of R$635 million, as shown in the following table.

Assets (R$ thousand)	Adjustments
Concession Granting Intangible - VdP I	560,338
Concession Granting Intangible - VdP II and III	507,003
Concession Grant Intangible - VdA III	461,994
Trade Receivables from Indemnity	174,090
Property, Plant and Equipment	163,436
Total Adjustments [A]	**1,866,860**
Deferred Tax Liabilities [34%x A]	**634,733**

Therefore, this additional deferred liability added to the balance existing on the assessment base date resulted in a total of R$989 million of net deferred tax liability.



4.4

VGE

	Page

4.4.1

VGE - Adjusted Balance

4.4.1 VGE - Adjusted Balance
Assets

Consolidated	Book Value	Adjus	Balance Sheet Adjuste	%	
ASSETS					
Cash and Cash Equivalents	179,778	-	179,778	6.1%	(a)
Trade Receivables from Clients	456,450	-	456,450	15.6%	(b)
Taxes Recoverable	31,085	(21,280)	9,805	0.3%	(c)
Dividends Receivable	57,445	-	57,445	2.0%	(d)
Future Energy Agreements	50,301	-	50,301	1.7%	(e)
Other Assets	2,637	-	2,637	0.1%	(f)
Current Assets	**777,696**	**(21,280)**	**756,416**	**25.8%**	
Taxes Recoverable	815	(815)	-	0.0%	(c)
Future Energy Agreements	2,550	-	2,550	0.1%	(e)
Other Assets	181	-	181	0.0%	(f)
Investments	967.910	1.164.398	2.132.308	72,8%	(g)
CBA Energia Participações S.A.	495.341	303.100	798.441	27,2%	
Pollarix S.A.	460.716	738.605	1.199.321	40,9%	
Companhia de Cimento Pinheiro Machado	11.853	122.693	134.545	4,6%	
Property, Plant and Equipment	33,110	-	33,110	1.1%	(h)
Intangible Assets	2,761	-	2,761	0.1%	(i)
Right of Use on Lease Agreements	3,093	-	3,093	0.1%	(j)
Non-Current Assets	**1.010.420**	**1.163.583**	**2.174.003**	**74,2%**	
Total Assets	**1.788.116**	**1.142.303**	**2.930.419**	**100,0%**	

a) **Cash and Cash Equivalents**: Not adjusted due to their nature.

b) **Accounts Receivable:** Not adjusted due to their nature and considering that there is an expectation of settlement in the short term.

c) **Taxes Recoverable**: Adjusted considering the balance limited to the recovery of the balance of taxes payable (assumption of non-continuity of operations).

d) **Dividends Receivable:** Not adjusted due to their nature and considering that there is an expectation of settlement in the short term.

e) **Future Energy Agreements:** Not adjusted since, according to the Financial Statements, energy futures agreements are already recognized at fair value.

f) **Other Assets**: Not adjusted due to expectation of short-term settlement and its low relevance.

g) **Investments:** Includes of investments in hydraulic plants. Adjusted according to fair value assessment. More details in

h) **Property,** Includes mainly of works in progress related to the use of small hydroelectric plants (“SHPs”) on the Corumbá River, in the state of Goiás, known as the Corumbá Project. Not adjusted as it reasonably represents fair value.

i) **Intangible Assets:** Not adjusted due to its low relevance.

j) **Right of use on lease agreements**: Includes of lease agreements for real estate, buildings, offices and commercial spaces that fall under CPC 06. Not adjusted due to its low relevance.

4.4.1 VGE - Adjusted Balance

Liabilities

Consolidated	Book Value	Adjus	Balance Sheet Adjuste	%	
LIABILITIES					
Suppliers	470.016	-	470.016	26,3%	(k)
Leases	2.572	-	2.572	0,1%	(l)
Estimated liabilities and payroll 20,187 - 20,187 1.1% (m)					
Taxes payable	9.805	-	9.805	0,5%	(n)
Dividends payable and interest on equity	100.000	-	100.000	5,6%	(o)
Other Liabilities	9.800	-	9.800	0,5%	(p)
Current Liabilities	**612.380**	**-**	**612.380**	**34,2%**	
Leases	683	-	683	0,0%	(l)
Deferred Income Tax and Social Contribution	2,062	395,895	397,957	0.1%	(q)
Provisions	1,684	-	1,684	0.1%	(r)
Other Liabilities	27.778	-	27.778	1,6%	(p)
Non-Current Liabilities	**32.207**	**395.895**	**428.102**	**1,8%**	
Shareholders' Equity	**1.143.529 64,0%**	**746.408**	**1.889.936**		
Total Liabilities and Shareholders' Equity	**1.788.116**	**1.142.303**	**2.930.419 100,0%**		

k) **Suppliers**: Includes energy purchased for sale. Not adjusted due to its short-term nature.

l) **Leases:** Corresponding to the present value of the contracted installments of operating leases of real estate, buildings, offices and commercial rooms recorded under CPC 06. Not adjusted due to its low relevance.

m) **Estimated obligations and payroll**: Not adjusted due to expected short-term settlement and low relevance.

n) **Taxes Payable**: Not adjusted due to expectation of short-term settlement and its low relevance.

o) **Dividends and ISE Payable**: Not adjusted due to expected settlement in the short term.

p) **Other Liabilities**: Not adjusted due to the foreseen short-term settlement and its low relevance.

q) **Deferred Income Tax and Social Contribution:** Adjusted according to the recognition of the deferred tax liability referring to the surplus value of the investments measured at fair value. More details in section 4.4.3 VGE – Other Assets and Liabilities.

r) **Provisions**: Not adjusted due to expected short-term settlement and low relevance.

4.4.2

VGE - Investments Not Consolidated

4.4.2 VGE – Investments Not Consolidated

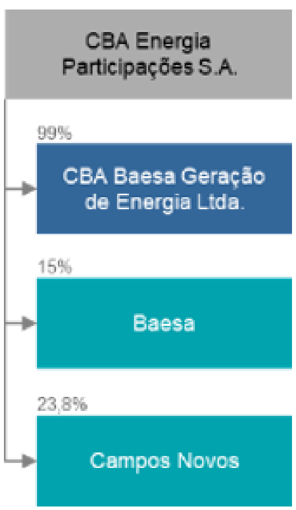
CBA Energy

Summary

Value Recommendation

R$798 million

Value of VGE investment in CBA	R$ thousand
Fair Value	**798,441**
Book Value	495,341
net capital gain	303,100
• CBA goodwill reversal registered at VGE	(316,248)
• Added value of shares in	619,348



Overview

Description

CBA Energia is the holding that concentrates the following equity interests:

✓ 15% of the capital of Baesa, the company that owns the concession for the Barra Grande Hydroelectric Power Plant, located on the Pelotas River. Its concession agreement was signed in May 2001 and is effective until May 2036 (thirty-five years). The HPP went into operation on November 1, 2005. It has 3 generation units, with a total installed power of 690 megawatts.

✓ 23.8% of the capital of Campos Novos, the company that owns the concession for the Campos Novos Hydroelectric Power Plant, located on the Canoas River. The HPP started operating in 2006 and its concession agreement is valid until May 29, 2035. The installed power is 880.0 megawatts.

VGE's Interest

VGE owns 66.67% of the capital of CBA Energia, represented by 100.0% of the preferred shares. For VGE's financial statements, CBA Energia is treated as an unconsolidated investment. Thus, for the determination of the PLA, the fair value of this stake was calculated.

Assessment Method

The fair value of VGE's interest in CBA was calculated using the FCD methodology. The operating projections presented reflect, in a combined way, the results of Baesa and Campos Novos, proportional to the interests held by CBA Energia.

These balances were later added to the other assets and liabilities of Baesa, Campos Novos and CBA Energia to obtain the value of VGE's interest.

Disproportionate Dividends

Article 5, paragraph 2 of CBA Energia's Bylaws determines the payment of dividends 10% higher for preferred shares (PNs) in relation to Common Shares (ONs). To capture the economic benefit of CBA's disproportionate distribution of dividends, we assume the following assumptions:

✓ dividends or other types of distributions made by CBA to its shareholders will have the same balances as those received by CBA from its investees;

✓ the investees do not have indebtedness, therefore the estimate of their net income is substantially equal to the estimate of the net operating result (NOPAT);

✓ the forecast free annual cash will be distributed as follows:

- Payout of 100% of the forecast annual net income, proportionate according to the disproportionate distribution of dividends by CBA Energia;

- Distribution of free cash in excess of profit, as well as non-operating items, proportionate according to VGE's share in the total capital of CBA Energia.

4.4.2 VGE – Investments Not Consolidated

CBA Energia

Forecast Financial Information

1 Executive Summary
2 Context
3 CESP
4 VTRM
5 Summarized Figures
6 Overall Limits
7 Exhibits
8 Exhibits

Item	Assumptions
Net Revenue	Volume: calculated from the physical guarantee of 372 average MW until March 2040 for Baesa, and 379.7 average MW until August 2037 for Campos Novos, deducting a percentage of annual losses of 2.5%. The forecast periods consider the extension of the concessions resulting from the renegotiation of the hydrological risk. **Average price**: the price curve is calculated between 2021 and 2027 according to adjusted contractual values. From 2028 onwards, prices of market, applying the readjustment indexes provided for in the contract. Deductions: PIS and COFINS deducted (the rates adopted were 1.65% and 7.60% of ROB, according to the real profit regime), besides sector charges (TFSEE, R&D and CFURH).
Costs	Operating costs refer to charges for the use of the electricity grid forecast considering the average price per MWh and the volume of energy generated by the plants, in addition to the cost of renegotiating the hydrological risk, calculated from the percentage of energy linked to the GSF and the market price curve adjusted by the IPCA. It should be noted that the GSF curve is the main responsible for the margin gain over the forecast, given the severe conditions of the Brazilian water scenario on the base date. However, the long-term prospects point to a lower GSF in the coming years.
Expenses	Operating expenses consider personnel and other forecast expenses considering the average price per MWh and the volume of energy generated by the plants. For the projection, the expense with the correction of the Use of Public Goods (UBP) was also considered, calculated according to the value of the account at the beginning of the period and based on a discount rate provided by the Management.
CAPEX and Depreciation	Capex: designed considering only the investment necessary to maintain the structure of the plants over the years. For the period from 2021 to 2025, the balances estimated by Management in the budget were adopted, totaling R$34.9 million (total balance for both plants). As of 2026, investments were forecast considering the assumption of reinvestment of less than 1% of the gross property, plant and equipment of the immediately previous year for each plant. **Depreciation:** Depreciation expenses related to pre-existing assets were forecast on a straight-line basis, according to their respective historical depreciation rates. For the depreciation rates of future investments, a weighted average rate between 4.4% and 4.6% was used, based on existing assets on the assessment base date.
Direct Taxes	The projection of direct taxes was based on the Real Income tax regime, Income Tax and Social Contribution were forecast according to the Brazilian statutory rate of 34.0%. For Baesa, the offsets of Tax Losses recorded on the base date were considered.

Source: EY / Management

CBA Energia's forecast financial statements are presented in Exhibit 6A of this Report.

4.4.2 VGE – Investments Not Consolidated

CBA Energia

Non-operating assets and liabilities

BAES.A. (R$thousand)	
Non-Operating Asset	
Deferred Income Tax and Social Contribution	3,143
Other Credits	11,461
Total	**14,604**
Non-Operating Liabilities	
Taxes Collectable	(5,069)
Dividends	(53,173)
Sector Charges	(7,483)
Provision for Lawsuits	(9,244)
Other Liabilities	(317)
Total	**(75,287)**
Net Debt	
Cash	55,634
Total	**55,634**
Total - Non-Operating Items	**(5,049)**
Total (% CBA)	**(757)**

Campos Novos (R$ thousand)	
Non-Operating Asset	
Court Deposits	83,029
Deferred Income Tax and Social Contribution	30,171
Other Credits	7,505
Total	**120,705**
Non-Operating Liabilities	
Income Tax and Social Contribution	(100,304)
Taxes Collectable	(12,181)
Dividends	(229,820)
Other Liabilities	(97)
Sector Charges	(9,697)
Provision for Lawsuits	(88,750)
Other Liabilities	(27,853)
Total	**(468,701)**
Net Debt	
Cash	107,083
Debt	(128,189)
Total	**(21,106)**
Total - Non-Operating Items	**(369,102)**
Total (% CBA)	**(87,736)**

CBA Energy (R$thousand)	
Other Assets and Liabilities	
Cash and Cash Equivalents	45,279
Trade Receivables	19,147
Taxes and Contributions Recoverable	4,969
Dividends Receivable	62,633
Suppliers	(33,410)
Income Tax and Social Contribution	(7,992)
Dividends Payable	(49,707)
Total	**40,919**
Total (% VGE)	**27,279**

EY

4.4.2 VGE – Investments Not Consolidated

CBA Energia

Results

CBA Energy (R$ million)	
Combined operating value of CBA investees (% CBA)	1,210
BAES.A. non-operating items (% CBA)	(1)
Non-operating items Campos Novos (% CBA)	(88)
Investment in CBA	**1,121**
VGE's stake in CBA Energia	66.7%
Subtotal 2	**747**
Preferred Shares/Common Shares Dividends	10.0%
Additional Disproportionate Dividends	22
Value of VGE's Indirect Interest in Baesa and Campos Novos	**769**
CBA Energia non-operating items (% VGE)	29
VGE's Equity in CBA	**798**

Source: Management / EY.

CBA Energia's forecast financial statements are presented in Exhibit 6A of this Report.

Conclusion

R$798 million

Based on the information analyzed and the assumptions described in this Report, our assessment resulted in an estimate of the value of VGE's interest in CBA Energia of R$798 million, on the base date of September 30, 2021.

4.4.2 VGE – Investments Not Consolidated

Pollarix

Summary

Value Recommendation

R$1.199 million

Value of VGE investment in Pollarix	R$ thousand
Fair Value	**1,199,321**
Investment book value	460,716
Capital Gain	738,605
• Pollarix goodwill reversal registered at VGE	(231,135)
• Added value of investments in LDO, LDQ, LDR and Campos Novos	967,740

Overview

Description

Pollarix is a non-operating holding company that concentrates the following shares:

- ✓ 100% of the capital of LDO, a company that owns 12.63% of the capital of the Consortium ("CCBE"), which manages the Power Plants Amador Aguiar I and II hydroelectric plants, located on the Araguari River, in the Triângulo Mineiro mesoregion. The total installed power of the Consortium is 450 megawatts.
- ✓ 100% of the capital of LDQ, a company that owns 100% of the capital of Consórcio Picada. This Consortium operates the Rio do Peixe Hydroelectric Power Plant ("HPP Picada"), in Juiz de Fora – MG, with a run-of-river plant, with an installed capacity of 50 MW.
- ✓ 100% of the capital of LDR, a company that owns 23.93% of the capital of the Igarapava Hydroelectric Power Plant. This HPP is in Rio Grande, between São Paulo and Minas Gerais. It was inaugurated on 12/18/1998 and currently includes 5 generating units, with a total installed capacity of 210 MW/h.
- ✓ 23.8% of the capital of Campos Novos, the company that owns the concession for the Campos Novos Hydroelectric Power Plant, located on the Canoas River. The HPP started operating in 2006 and its concession agreement is valid until May 29, 2035. The installed power is 880.0 megawatts.

VGE Shares

VGE owns 66.67% of Pollarix's capital, represented by 100.0% of the preferred shares. At VGE, Pollarix is treated as a non-consolidated investment, and because of that, to determine the PLA the value was calculated fair of this stake.

Assessment Method

The fair value of VGE's interest in Pollarix was calculated using the FCD methodology. The operating projections presented reflect, in a combined manner, the results of CCBE, Picada, Igarapava and Campos Novos, proportional to the interests (direct or indirect) held by Pollarix.

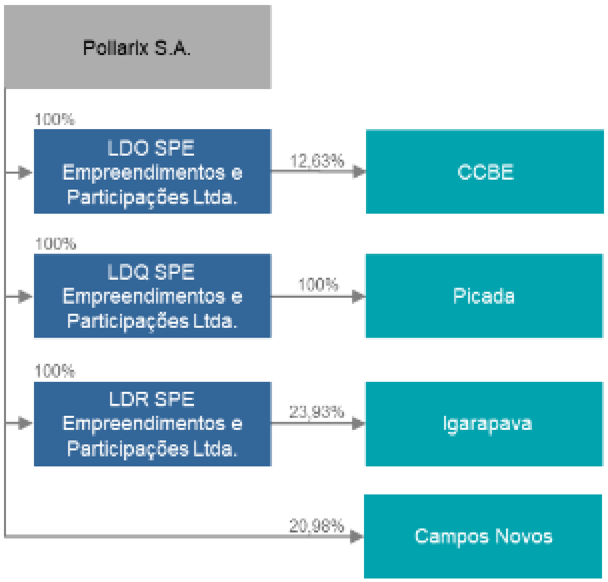
These balances were later added to the other assets and liabilities of the plants, intermediary holding companies, and Pollarix itself to obtain the value of VGE's interest in Pollarix.

4.4.2 VGE – Investments Not Consolidated

Pollarix

Summary

Corporate Structure



Overview

Disproportionate Dividends

Article 5, paragraph 3 of Pollarix's Bylaws determines the payment of dividends 25% higher for preferred shares (PNs) in relation to Common Shares (ONs). To capture the economic benefit of Pollarix's disproportionate distribution of dividends, we make the following assumptions:

- ✓ dividends or other types of distributions made by Pollarix to its shareholders will have the same balances as those received by Pollarix from its investees;
- ✓ the investees do not have indebtedness, therefore the estimate of their net income is substantially equal to the estimate of the net operating result (NOPAT);
- ✓ the forecast free annual cash will be distributed as follows:
  - Payout of 100% of the forecast annual net income balance, proportionate according to Pollarix's disproportionate dividend distribution rule;
  - Distribution of free cash in excess of profit, as well as non-operating items, proportionate according to VGE's share in the total capital of Pollarix.

4.4.2 VGE – Investments Not Consolidated

Pollarix

Forecast Financial Information

Item	Assumptions
Net Revenue	Volume: calculated from the average physical guarantee of 286.1 MW up to November 2042 for CCBE, 30.8 MW up to March 2041 for Picada, 134.0 MW up to September 2031 for Igarapava, and 379.7 MW up to August from 2037 to Campos Novos, deducting 2.5% of annual losses. The forecast periods consider the extension of the concessions resulting from the renegotiation of the hydrological risk. Average price: the price curves were calculated according to the adjusted contractual values, adjusted by the IPCA projection. **Deductions**: PIS and COFINS deducted (whose rates adopted were 0.65% and 3.00% of NOR, according to the presumed profit regime), in addition to sector charges (TFSEE, R&D and CFURH).
Costs	Operating costs refer to charges for the use of the electricity grid forecast considering the average price per MWh and the volume of energy generated by the plants, in addition to the cost of renegotiating the hydrological risk, calculated from the percentage of energy linked to the GSF and the market price curve adjusted by the IPCA. It should be noted that the GSF curve is the main responsible for the margin gain over the forecast, given the severe conditions of the Brazilian water scenario on the base date. However, the long-term prospects point to a lower GSF in the coming years.
Expenses	Operating expenses consider personnel and other forecast expenses considering the average price per MWh and the volume of energy generated by the plants. For the projection, the expense with the correction of the Use of Public Goods (UPB) was also considered, calculated according to the value of the account at the beginning of the period and based on a discount rate provided by the Management.
CAPEX and Depreciation	Capex: for the period from 2021 to 2025, the balances estimated, via budget, by Management were adopted, totaling R$118 million (total balance for both plants), of which R$82.9 are destined for CCBE. As of 2026, investments were forecast considering the assumption of reinvestment of less than 0.3% of the gross property, plant and equipment of the immediately previous year for each of the plants. **Depreciation:** Depreciation expenses related to pre-existing assets were forecast on a straight-line basis, according to their respective historical depreciation rates. For the depreciation rates of future investments, a weighted average rate between 4.4% and 6.1% was used, based on existing assets on the assessment base date.
Taxes direct	CCBE, Picada and Igarapava are subject to taxation under the Presumed Profit regime. The assumption margin on the adopted NOR is 8.00% for Income Tax and 12.00% for Social Contribution, forming the respective calculation bases. The taxation forecast for Campos Novos was based on the Real Profit regime. On these bases, the direct taxes were calculated with current rates - 25% for Income Tax and 9% for Social Contribution. Given the existence of tax deferral, the actual payment of these in the forecast is proportional to the receipt of the period.

Source: EY / Management

Pollarix's forecast financial statements are presented in Exhibit 6B of this Report.

4.4.2 VGE – Investments Not Consolidated

Pollarix

Non-operating assets and liabilities - Power Plants

CCBE (R$thousand)	
Non-Operating Asset	
Court Deposits	3,450
Total	**3,450**
Non-Operating Liabilities	
Taxes Collectable	(99)
Provision for Lawsuits	(98,291)
Total	**(98,389)**
Net Debt	
Cash	2,402
Total	**2,402**
Total	**(92,537)**
Total (% Pollarix)	**(11,687)**

Chopped (R$thousand)	
Non-Operating Asset	
Deferred Income Tax and Social Contribution	11
Total	**11**
Non-Operating Liabilities	
Leases CP	(22)
Taxes Collectable	(3,333)
Total	**(3,354)**
Net Debt	
Cash	19,311
Total	**19,311**
Total	**15,968**
Total (% Pollarix)	**15,968**

Campos Novos (R$ thousand)	
Non-Operating Asset	
Court Deposits	83,029
Deferred Income Tax and Social Contribution	30,171
Other Receivables LP	7,505
Total	**120,705**
Non-Operating Liabilities	
Income Tax and Social Contribution	(100,304)
Taxes Collectable	(12,181)
Dividends	(229,820)
Other Liabilities CP	(97)
Sector Charges LP	(9,697)
Provision for Lawsuits	(88,750)
Other Liabilities LP	(27,853)
Total	**(468,701)**
Cash	107,083
Debt	(128,189)
Total	**(21,106)**
Total	**(369,102)**
Total (% Pollarix)	**(77,475)**

Igarapava (R$thousand)	
Non-Operating Asset	
Court Deposits	29
Total	**29**
Non-Operating Liabilities	
Obligations with associates	(487)
Total	**(487)**
Net Debt	
Cash	487
Total	**487**
Total	**29**
Total (% Pollarix)	**7**

4.4.2 VGE – Investments Not Consolidated

Pollarix

Non-operating assets and liabilities - Holdings

Other Assets LDO	
Cash and Cash Equivalents	21,635
Accounts Receivable	5,587
Inventories	15
Prepaid Expenses	11
Other Credits CP	63
Current	**27.312**
Total Assets	**27.312**

Other LDO Liabilities	
Suppliers	(5,575)
wages payable	(7)
Taxes Collectable	(2,801)
Sector Charges	(8)
Other Liabilities	(379)
Current	**(8,770)**
Provision for Lawsuits	(2)
Noncurrent	**(2)**
Total liabilities	**(8,772)**
Other Assets and Liabilities LDO	**18.540**
Other Assets and Liabilities LDO (%VGE)	**12,360**

Other LDR Assets (R$million)	
Cash and Cash Equivalents	10,405
Trade Receivables	6,527
Expenses paid in advance CP	9
Other Credits CP	452
Current	**17,393**
Court Deposits	0
Noncurrent	**0**
Total Assets	**17,393**

Other LDR Liabilities (R$million)	
Suppliers	(6,189)
Social and labor obligations	(15)
Taxes	(3,109)
Dividends Payable	(26,545)
Sector Charges CP	(646)
Obligations with associates	116
Current	**(36,387)**
Total liabilities	**(36,387)**
Other Assets and Liabilities LDR (R$ million)	**(18.994)**
Other Assets and Liabilities LDR (%VGE)	**(12,663)**

Other Pollarix Assets (R$thousand)	
Trade Receivables	24,039
Taxes and Contributions Recoverable	2,865
Dividends receivable Cash	74,764
and cash equivalents	12,106
Total	**113,774**

Other Pollarix Liabilities (R$ thousand)	
Suppliers	(24,293)
Dividends Payable	(32,580)
Taxes Collectable	(8,548)
Total	**(65,421)**
Other Pollarix Assets and Liabilities	**48,353**
Other Assets and Liabilities Pollarix (%VGE)	**(32,236)**

The assets and liabilities of LDO and LDR have been adjusted to reflect items that are not part of the operation of their investees. In the case of operating items of investees (such as accounts receivable, property, plant and equipment and intangible assets) these were used in the projection of cash flows.

4.4.2 VGE – Investments Not Consolidated

Pollarix

Results

Pollarix (R$Million)	
Operating value of Pollarix investees (% Pollarix)	1,701
Non-Operating Items CCBE (% Pollarix)	(12)
Non-Operational Items Sting (% Pollarix)	16
Igarapava non-operational items (% Pollarix)	0
Non-operational items Campos Novos (% Pollarix)	(77)
Value of Pollarix indirect investments	**1,628**
VGE's stake in Pollarix	66.67%
Subtotal 2	**1,085**
VGE's stake in Pollarix - PN Dividends	71.4%
Additional Disproportionate Dividends	75
Value of VGE's Indirect Interest in CCBE, Picada, Igarapave and Campos Novos	**1,160**
LDO non-operational items (% VGE)	12
LDQ non-operational items (% VGE)	0
LDR non-operational items (% VGE)	(13)
Pollarix non-operational items (%VGE)	40
Pollarix's Equity in CBA	**1,199**

Source: Management / EY.

Pollarix's forecast financial statements are presented in Exhibit 6B of this Report.

Conclusion

R$1.199 million

Based on the assumptions described and the information analyzed in this Report, our assessment resulted in an estimate of the value of VGE's interest in Pollarix of R$1,199 million, on the base date of September 30, 2021.

4.4.2 VGE – Investments Not Consolidated

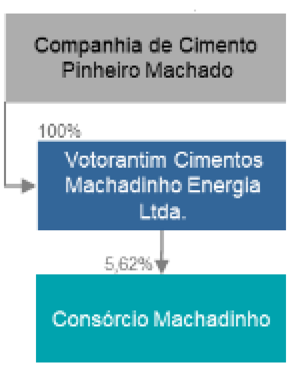
Pinheiro Machado - Summary

Value Recommendation

R$135 million

Value of VGE investment in Pinheiro Machado	R$ thousand
Fair Value	**134,545**
Book value (*)	11,853
Capital Gain	122,693

(*) book value calculated based on the future interest informed to VGE in the total capital of Pinheiro Machado applied to its book equity on the base date.



Overview

Description

Pinheiro Machado is a holding company that invests in Votorantim Cimentos Machadinho Energia Ltda. ("VC Machadinho") which, in turn, holds an interest in Consórcio Machadinho, which operates the Machadinho Hydroelectric Power Plant - Carlos Ermírio de Moraes (HPP Machadinho).

The Machadinho HPP is located Pelotas, on the border of Santa Catarina in the river and Rio Grande do Sul. The enterprise, which began operating in February 2002, has three generating units of 380 MW each, totaling an installed capacity of 1,140 MW.

VGE's Interest

On the base date, VGE still did not have an investment in Pinheiro Machado, but Management informed us that according to the ongoing restructuring, VGE will own 50% of the capital of Pinheiro Machado, represented by 100.0% of the preferred shares.

Assessment Method

The fair value of VGE's interest in Pinheiro Machado was calculated using the FCD methodology. The operational projections presented reflect the result of HPP Machadinho proportional to the future interest informed by the Management and that will be held by Pinheiro Machado. The balance was later added to the other assets and liabilities of HPP Machadinho, VT Machadinho and Pinheiro Machado to obtain the value of VGE's interest.

Disproportionate Dividends

As informed by Management, as a result of the ongoing restructuring, the payment of dividends for PN shares will be 50% higher than for ON share.

To capture the economic benefit of CBA's disproportionate distribution of dividends, we assume the following assumptions:

- ✓ dividends or other types of distribution made by Pinheiro Machado to its shareholders will have the same balances as those received by the company from Machadinho;
- ✓ The investee does not have indebtedness; therefore, the estimate of its Net Income is substantially equal to the estimate of the net operating result (NOPAT);
- ✓ the forecast free annual cash will be distributed as follows:
  - Payout of 100% of the forecast annual net income, proportionate according to the disproportionate distribution of dividends by Pinheiro Machado;
  - Distribution of free cash in excess of profit, as well as non-operating items, proportionate according to VGE's share in Pinheiro Machado's total capital.

4.4.2 VGE – Investments Not Consolidated

Pinheiro Machado

Forecast Financial Information

Item	Assumptions
Net Revenue	Volume: the volume of energy generated was calculated from the physical guarantee of 473.5 MW average until July 2032, deducting a percentage of annual losses of 2.5%. The projection period considers the extension of concessions resulting from the renegotiation of hydrological risk. **Average price**: the price curve is calculated between 2021 and 2027 according to adjusted contractual values. As of 2028, market prices were adopted, applying the readjustment indexes provided for in the contract. **Deductions**: PIS and COFINS deducted (whose rates adopted were 0.65% and 3.00% of NOR, according to the presumed profit regime), in addition to sector charges (TFSEE, R&D and CFURH).
Costs	Operating costs refer to charges for the use of the electricity grid forecast considering the average price per MWh and the volume of energy generated by the plants, in addition to the cost of renegotiating the hydrological risk, calculated from the percentage of energy linked to the GSF and the market price curve adjusted by the IPCA. It should be noted that the GSF curve is the main responsible for the margin gain over the forecast, given the severe conditions of the Brazilian water scenario on the base date. However, the long-term prospects point to a lower GSF in the coming years.
Expenses	Operating expenses consider personnel and other forecast expenses considering the average price per MWh and the volume of energy generated.
CAPEX and Depreciation	**Capex**: Capex was designed considering only the investment necessary for the maintenance of the plant's structure over the years. For the period from 2021 to 2025, the estimated values were adopted, via budget, by Management, totaling R$23.0 million. As of 2026, investments were forecast considering the assumption of reinvestment of less than 1% of the plant's gross property, plant and equipment in the immediately preceding year. **Depreciation:** Depreciation expenses related to pre-existing assets were forecast on a straight-line basis, according to their respective historical depreciation rates. For the depreciation rates of future investments, a weighted average rate of 4.1% was used, based on existing assets on the assessment base date.
Direct Taxes	The plant is subject to taxation under the Presumed Profit regime. The assumption margin on the adopted NOR is 8.00% for Income Tax and 12.00% for Social Contribution, forming the respective calculation bases. On these bases, the direct taxes were calculated with current rates - 25% for Income Tax and 9% for Social Contribution. Given the existence of tax deferral, the actual payment of these in the forecast is proportional to the receipt of the period.

Source: EY / Management

Pinheiro Machado's forecast financial statements are presented in Exhibit 6C of this Report.

4.4.2 VGE – Investments Not Consolidated

Pinheiro Machado

Non-operating assets and liabilities

Machadinho Consortium (R$ thousand) non-operating assets	
Prepaid Expenses	2,169
Total	**2,169**

Non-operating liabilities (R$ thousand)	
Debts with consortium members	(2,845)
Leases Payable CP	-
Leases Payable LP	(90)
Total	**(2,935)**

Net debt (R$ thousand)	
Cash	738
Total	**738**

Total - Non-Operating Items	**(28)**
Total (% VGE)	**(2)**

4.4.2 VGE – Investments Not Consolidated

Pinheiro Machado

Results

Pinheiro Machado (R$million)	
Operating value of Pinheiro Machado investee (% Pinheiro Machado)	226
Investment in CBA	**226**
VGE's stake in Pinheiro Machado	50%
Subtotal 2	**113**
Preferred Shares/Common Shares Dividends	50%
Additional Disproportionate Dividends	22
Value of VGE's Indirect Interest in the Machadinho Consortium	**135**
Pinheiro Machado non-operational items (% VGE)	0
VGE’s Equity in CBA	**135**

Source: Management / EY.

Conclusion

R$135 million

Based on the assumptions described and the information analyzed in this Report, our assessment resulted in an estimate of the value of VGE's interest in Consórcio Machadinho of R$135 million, on the base date of September 30, 2021.

The financial statements of Consórcio Machadinho are presented in Exhibit 6C of this Report.

4.4.3

VGE - Other Assets and Liabilities

4.4.3 VGE - Other Assets and Liabilities

Deferred Taxes

Value Recommendation

R$398 million

Description

The company recognizes deferred tax assets and liabilities from temporary differences and tax losses. Assets are recognized only in proportion to the probability that future taxable income will be available and against which the temporary differences can be used.

The balances recorded until September 30, 2021 of deferred credits on income tax losses, negative basis of deferred social contribution and temporary differences of VGE are supported by financial projections prepared by the subsidiary's Management for the concession period, which are reviewed annually and consistently demonstrate the realization of tax loss carryforwards, negative basis for social contribution and temporary differences.

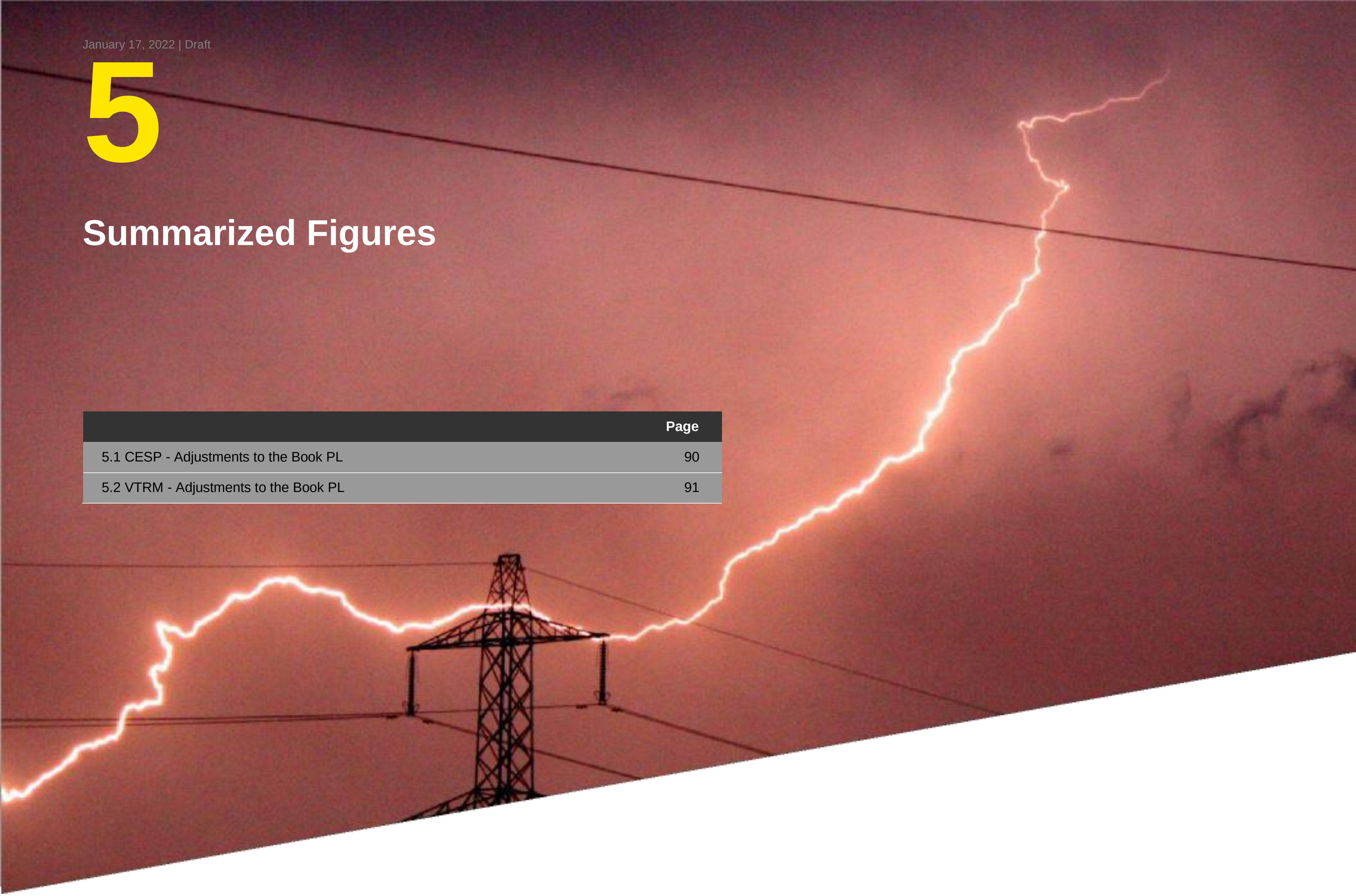
Deferred Income Tax and Social Contribution - Main Assumptions

On the assessment base date, VGE had a net deferred liability of R$47.4 million. From this balance, the deferred tax liability was subtracted related to the gain by the adjustment to fair value in the deconsolidation of VTRM of R$45.3 million, resulting in a net deferred liability of R$2.1 million.

The adjustments made to VGE's investments resulted in an additional deferred tax liability, as shown in the table below.

Assets (R$ thousand)	Adjustments
Goodwill of CBA Energia Participações S.A.	303,100
Goodwill of Pollarix S.A.	738,605
Goodwill of Companhia de Cimento Pinheiro Machado	122,693
Total Adjustments [A]	**1,164,398**
Deferred Tax Liabilities [34%x A]	**395,895**

This liability totaled R$396 million and was added to the existing R$2.1 million on the assessment base date, resulting in around R$398 million.



5

Summarized Figures

5 Summarized Figures

CESP: Adjustments to the Accounting PL

Summarized Figures	R$ thousand
Book Shareholders' Equity [A]	**7,485,268**
Asset Adjustments [B]	**(1,069,793)**
Taxes Recoverable	(59,390)
Prepaid Expenses	(7,163)
Order of Projects - R&D	(59,010)
Deferred Taxes	(3,647,114)
Asset subject to indemnification	1,411,359
Property, Plant and Equipment	3,213,862
Software	11
Intangible Grant	(1,922,347)
Adjustments to Liabilities [C]	**48,209**
Sector Charges	(69,315)
Provision for Lawsuits	711,991
Post-Employment Benefits	(594,467)
Shareholders' Equity at market prices [A] + [B] - [C]	**6,367,267**

Source: EY / Management

Property, Plant and Equipment Assets

R$3,214 million

Intangible Concession Grant

R$(1,922) million

Asset subject to indemnification

R$1,411 million

Provision for Lawsuit

R$712 million

Post-Employment Benefits

R$(594) million

5 Summarized Figures

VTRM: Adjustments to the Accounting PL

Summarized Figures	R$ thousand
Book Shareholders’ Equity [A]	**7,020,422**
Asset Adjustments [B]	**2,141,490**
Taxes Recoverable	(81,485)
Order of Projects - R&D	(59,010)
Other Assets	(7,163)
Trade Receivables from Indemnity	174,090
Deferred Taxes	(3,444,995)
Asset subject to indemnification	1,411,359
Property, Plant and Equipment	3,377,298
Software	11
Intangible Grant VdP I	560,338
Intangible Grant VdP II and III	507,003
Intangible Grant VdA III	461,994
CESP Grant Intangible	(1,922,347)
CBA investment	303,100
Pollarix investment	738,605
Investment Pinheiro Machado	122,693
Adjustments to Liabilities [C]	**1,696,751**
Sector Charges	(69,315)
Deferred Taxes	1,030,628
Provision for Lawsuits	711,991
Social and environmental obligations and asset demobilization	23,447
Post-Employment Benefits	-
Adjustments to Non-Controlling Interests [D]	**(939,097)**
Shareholders' Equity at market prices [A] + [B] - [C] - [D]	**8,404,257**

Source: EY / Management
informed to VGE in the total capital of the company applied to its book Equity on the base date.
*The Initial Shareholders' Equity considers the investment in Pinheiro Machado based on the future interest

Investments - CBA Energia

R$303 million

Investments - Pollarix

R$739 million

Investments - Pinheiro Machado

R$123 million

Concession Grant Intangible - VdP I

R$560 million

Concession Granting Intangible - VdP II/III

R$507 million

Concession Granting Intangible - VdA III

R$462 million

CESP: Concession + Property, Plant and Equipment + non-controlling

R$352 million

6

Overall Limits

6 Overall Limits

1. Our analysis is based on information provided by Management. Under professional practices, the analysis is derived from the application of the Income Approach or the Comparative method, when appropriate, as described in the Report.

2. To achieve the objective of the brand assessment work, procedures were always applied based on historical, economic and market facts in force on the Base Date. The balances presented in this Report are the result of the analysis of historical data (financial and managerial), besides projections of future events.

3. The comments presented in this Report were developed by EY professionals with information provided by Management, as well as by sources external, when indicated.

4. None of the partners or professionals of the EY team that participated in the preparation of this work has any financial interest in the assessed brand or in the Companies, thus characterizing their independence. The estimated fees for the performance of this work were not based on and have no relationship with the results reported here.

5. This work was developed based on information provided by the Management, which was considered true, since any type of audit procedure is not part of the scope of this project. As it did not perform audit procedures, EY cannot assume responsibility in relation to the historical information used in this Report.

6. The projections are based on information extracted from the financial statements made available by Management, experiences acquired in meetings and discussions.

7. It was part of our work to obtain information from the Management that we believe to be reliable, with the responsibility for its veracity being exclusively with the Management.

8. There were no investigations into the companies' property titles, nor verification of the existence of liens or encumbrances;

9. EY is not responsible for updating this Report for events and circumstances that occur after the base date.

10. Our work does not include any audit, due diligence and/or tax advisory process and, therefore, we do not consider in this assessment any contingencies that are not recorded in the accounts by Management on the base date.

11. It was not part of our job to provide spreadsheets and/or financial models that supported our analyses.

12. We did not have the opportunity to expose Management's assets, individually or jointly, to the market. As a result, we could not conclude whether there are potential Acquirers willing to pay a balance for the brand that exceeds our achieved estimate.

13. This Report was prepared for the purpose described in our contract and should not be used for any other purpose. EY will not assume any responsibility for any third party, nor in case the Report is used outside the purpose.

14. Some historical financial information used in our assessment was derived from audited and/or unaudited financial statements and is the responsibility of Management. Financial statements may include disclosures required by generally accepted accounting principles. We do not carry out an independent verification of the accuracy or completeness of the data provided, and we do not give our opinion or any kind of guarantee as to its accuracy or completeness.

6 Overall Limits

15. This Report, the estimates/expectations, as well as the conclusions presented, are for the exclusive use of the Companies. Therefore, the Management and its related parties may not distribute this document to other parties, unless requested by local and tax authorities, auditors and their lawyers, or under the following conditions:

- EY must be notified of any distribution of this Report, which, in turn, must be previously approved;
- Recipients must undertake, in writing, not to distribute this Report to any other party;
- This Report shall not be distributed in parts;
- Any user of this Report must be aware of the conditions that guided this work, as well as the market and economic situations in Brazil; and
- If necessary, EY will respond to the recipients' questions regarding this Report, at the Companies' expense, only if the scope of such questions and answers is previously agreed with the recipients.

16. We do not assume any responsibility for any accounting or tax decisions, which are the responsibility of Management. We understand that Management assumes responsibility for any accounting or tax issue related to the assets analyzed by us, and for the final use of our Report.

17. Any user of this Report must be aware of the conditions that guided this work, as well as the market and economic situations in Brazil, on the base date of the assessment.

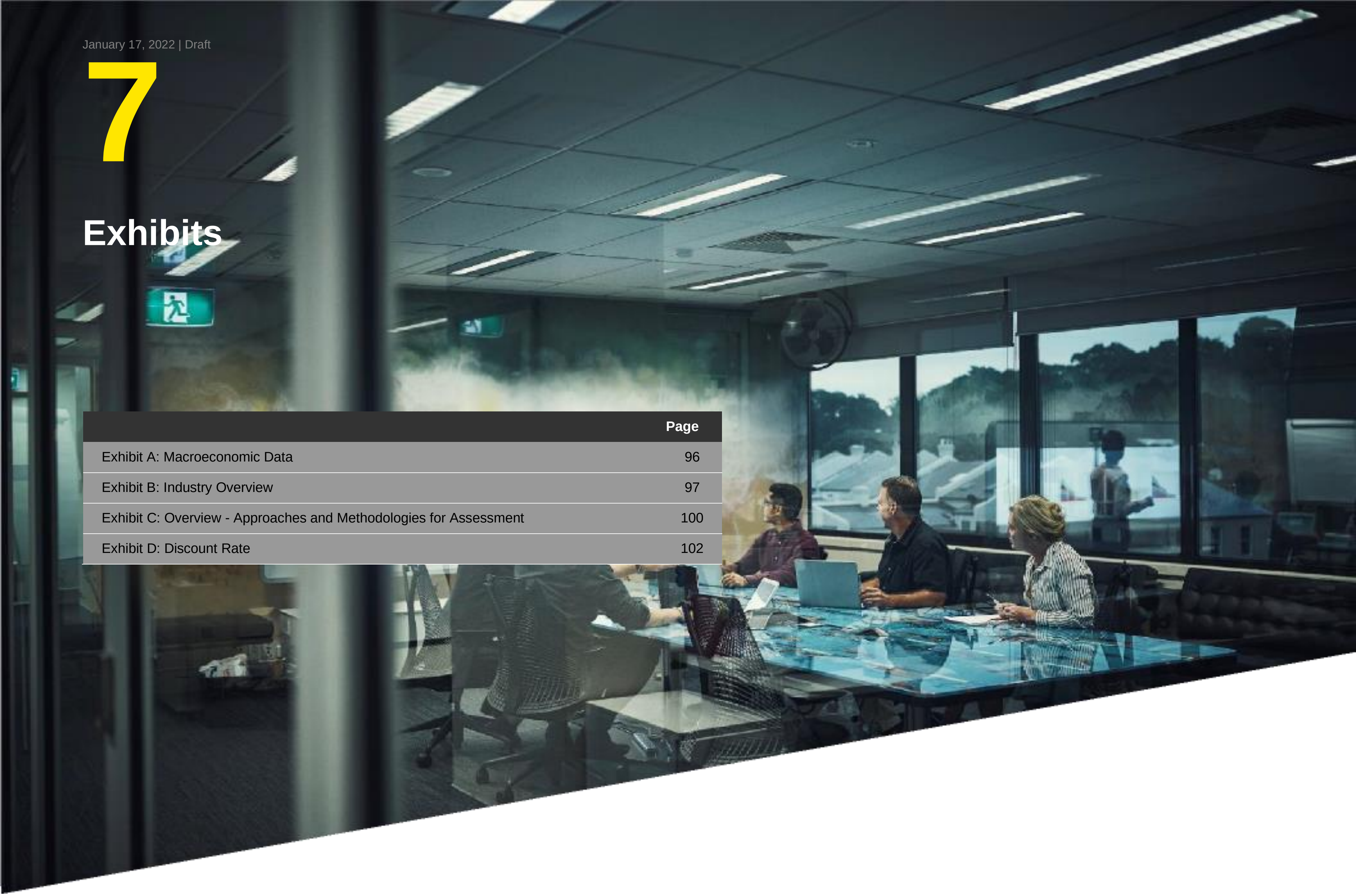
18. According to our contract, before issuing the Report in its final version, the Companies will send us a signed representation letter, confirming that they agree with EY regarding the main assumptions adopted in the analysis, as well as not omitting any relevant information, which could significantly impact the outcome of our work.

19. Our assessment is based on elements that are reasonably expected; therefore, it does not consider possible extraordinary and unpredictable events (new regulation for companies, changes in tax legislation, natural catastrophes, political and social events, nationalizations, among others).

20. Our assessment was based on the best available information and estimates. However, as any projection encompasses risk and uncertainties, the actual results may differ when compared to the projections made.

21. Factors that could result in differences between forecast cash flows and actual results include changes in the external environment, changes in the brands' internal operating environment, and modeling differences. The methodologies used in the analysis do not anticipate changes in the external and internal environments in which the brands are inserted, except for those indicated in this Report.

22. The purchase and sale agreement between the Acquirer and the Acquired was not made available by Management, therefore, it was not possible to validate the assumptions arising from this agreement.



7

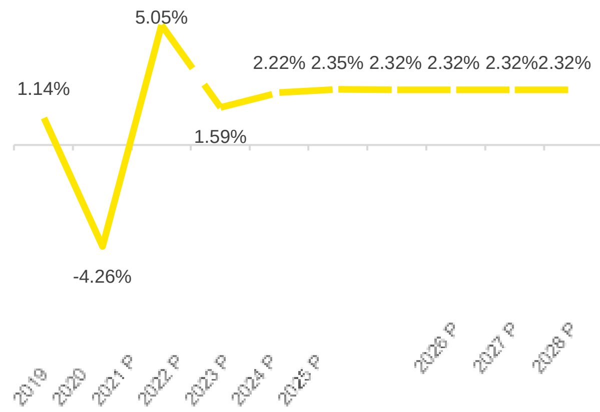
Exhibits

7 Exhibits

Exhibit A: Macroeconomic Data

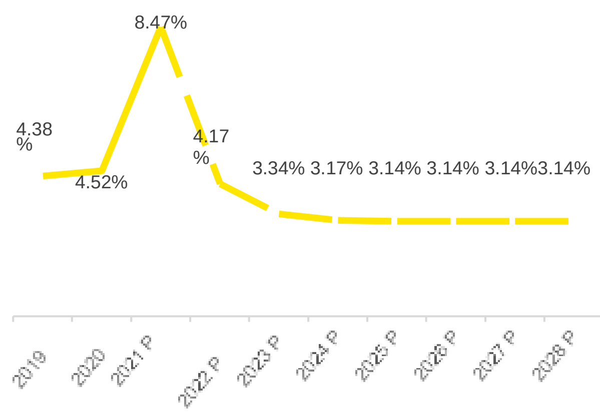
1 Executive Summary
2 Context
3 CESP
4 VTRM
5 Summarized Figures
6 Overall Limits
7 Exhibits
8 Exhibits

annual GDP (%)



Source: IBGE and Central Bank of Brazil

Annual Inflation (%)



Source: IBGE and Central Bank of Brazil

Macroeconomic Analysis

When carrying out an economic-financial assessment of a business or its assets, it is important to understand the main economic trends in the country in which it operates. Considering that VGE and its Investees are active in the Brazilian market, the main macroeconomic information is presented below. The analysis below refers to the base date of this work, according to information disclosed by the Central Bank of Brazil (BACEN), Boletim Focus, Fundação Getúlio Vargas (FGV), Oxford Economics and JP Morgan.

Economic activity

The Gross Domestic Product (GDP) ended 2020 with a drop of 4.26%. According to Bace's expectations on September 30, 2021, growth of 5.05% is expected in 2021 and 1.59% in 2022.

Inflation

The official inflation index, IPCA (Broad Consumer Price Index), was 4.52% in 2020. According to market expectations presented by Bacen until September 30, 2021, the variation of the IPCA inflation index should reach 8.47% in 2021 and 4.17% in 2022. The General Market Price Index (IGP-M), calculated by FGV, closed 2020 at 23.13%. The expectation of Boletim Focus analysts is that this index will be 17.64% in 2021 and 5.28% in 2022.

Monetary policy

Considering the baseline scenario, the balance of risks and the broad set of information available, the Monetary Policy Committee (Copom) decided to increase the basic interest rate to 8.25% p.a. The Committee understands that this decision reflects its baseline scenario and balance of risks for prospective inflation and is compatible with the convergence of inflation to the target in the relevant horizon for the conduct of monetary policy, which includes calendar year 2022.

The exchange rate closed the month of September 2021 at 5.44 BRL/USD. Market expectations point to average rates of 5.20 BRL/USD for 2021 and 5.24 BRL/USD for 2022.

Brazil risk

The index explains the difference in the daily performance of US and emerging market debt securities and is an indicator of the financial health of the country in question. The index ended September 2021 at 327 basis points, which indicates a difference of 3.27 p.p. between the performance of Brazilian and US bonds. The average of the last 6 months was 2.88 p.p. Source: Embi+, calculated by JP Morgan.

7 Exhibits

Exhibit B: Industry Overview

The world energy market

The world energy market includes large companies with a high degree of verticalization, where few countries are self-sufficient in their production and even Japan and the United States, considered developed countries, import significant balances of energy annually.

The global electricity sector has undergone a considerable change in its composition, a trend that should remain within a medium and long-term perspective. Among the highlights, between 2015 and 2019, the retraction of the share of generation through coal and the expansion of the share of natural gas, wind and solar energy are the most evident movements. As for the other segments, although they did not present a significant change in their stake, nuclear and hydraulic generation maintained substantial representation in the composition of the world energy matrix. Thus, the main sources of energy in the world are, respectively: natural gas (29.6%), coal (22.4%), nuclear (18.0%), hydraulic (13.2%), solar and wind (11 .7%), biofuels (3.4%) and oil (1.8%).

According to the IEA (International Energy Agency), after falling by around 1% in 2020, global electricity demand grew again in 2021, outpacing the increase in low-emission generation, even in another record year for renewables.. This is leading to increased production from coal-fired power plants to meet demand, especially in Asia. The effects of the pandemic are most visible in the transport sector, where oil demand in 2021 is expected to remain well below 2019 levels. Natural gas demand is expected to recover faster, mainly driven by an increase in industrial use.

Brazilian energy market

The Energy Sector in Brazil includes different industries and types of plants, depending on the type of energy resource used for generation. Most of the energy generation is concentrated in hydraulic sources due to the geoclimatic characteristics of Brazil, due to its territorial extension, hydrographic basins and different rainfall regime for each region. The hydraulic matrix represented 63.8% of electricity generation in the country in 2020. Electricity matrices based on natural gas, wind and biomass had a similar share in 2020. In recent years, the two main highlights in terms of growth rate have been the wind and solar generation segments, with the latter having some relevance in Brazilian electricity generation only from 2017 onwards, but with exponential growth and good prospects. since then.

Such an important and strategic sector for the Brazilian economy is regulated by government agencies responsible for energy policy and centralized operation. The role of the National Electric Energy Agency (ANEEL), the National Electric System Operator (ONS) and the Electric Energy Commercialization Chamber (CCEE) are highlighted in this performance. In Brazil, the energy sector includes energy generation, transmission and distribution companies, and there are also the so-called energy traders who intermediate agreements for the purchase and sale of electricity.

The Brazilian energy sector includes important companies with national and foreign capital of great relevance. In recent years, the expansion of electric generation in Brazil has been observed, with greater diversification of generating sources, with a gain in the share of wind and solar generation. Hydroelectric and thermoelectric plants remain the main sources of energy in the country and the largest companies in the sector (according to installed capacity) are: Eletrobras, Engie, Itaipu, Petrobras, CTG, Copel, Cemig, CPFL, Enel and AES.

7 Exhibits

Exhibit B: Industry Overview

Generation

In Brazil, most of the energy generation is concentrated in hydraulic sources, due to the country's geoclimatic characteristics, its territorial extension, hydrographic basins and different rainfall regime for each region. Water is the most important energy resource, characterizing an important source of renewable energy in Brazil, in view of the great hydraulic potential of the country. Hydroelectric energy is the obtaining of electrical energy using the hydraulic potential of a river. The energy efficiency of hydroelectric plants is quite high, around 95.0%. Important hydrographic basins for use in the energy sector in the country are those of the São Francisco and Paraná rivers. The North region is also highlighted by the great potential of electric generation through hydroelectric plants.

Energy Consumption is directly related to the performance of economic activity. Between the period, from 2007 to 2020, the average annual growth rate was 1.8%, increasing consumption from 377,300 GWh to 474,230 GWh, a total expansion close to 25.8%. It should be noted that the period was marked by the subprime crisis and the recession in the domestic market, reducing energy consumption and the annual average for the period. The main energy demanding segments in 2020 in Brazil are, by relevance, the industrial segment (35.0%), followed by residential (31.3%), commercial (17.4%) and others (16.4%)..

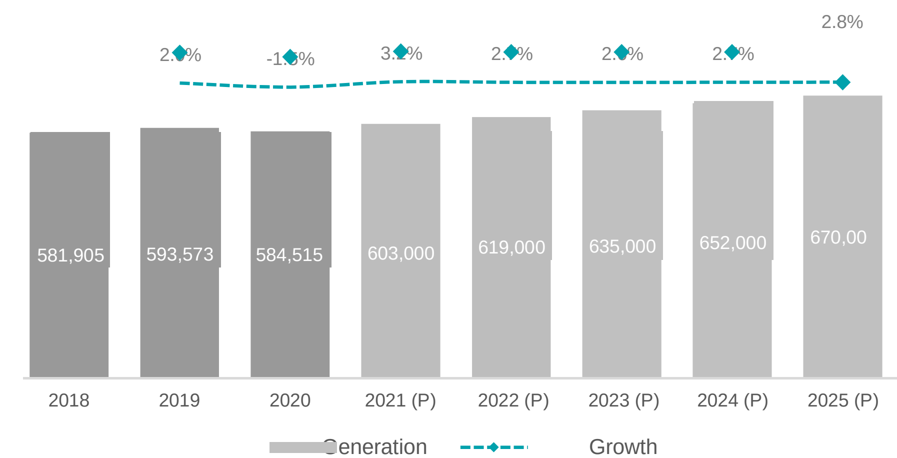
According to the National Electric System Operator (ONS), electricity generation in the National Integrated System (SIN) in 2020 totaled 587,400 GWh (including hydraulic, nuclear and conventional thermal, wind and solar), which meant a retraction of 1.0% in relation to the same period of the previous year, mainly due to the strong growth of wind and solar energy generation. In 2020, only the wind and solar segments showed growth compared to the previous year (7.3% and 19.7%, respectively).

Between January and March 2021, electricity generation in the National Integrated System (SIN) totaled 155,700 GWh, which meant an expansion of 1.7% compared to the same period in 2020. Except for the segment of hydraulic energy, which fell by 6.3%, all other segments showed growth in the first quarter. The thermal segment advanced 20%; nuclear 17.8%; wind 68.6% and solar 11.8%.

For 2022, Lafis projects an expansion of 2.5% in consumption and 2.7% in electricity generation. For this scenario, it was considered the maintenance of the growth of the free electric energy market, recovery of commercial consumption and maintenance of the growth trend of the residential segment.

Also, according to Lafis, the triennium from 2023 to 2025 will be a period of resumption of economic growth interrupted by the crisis caused by Covid-19. Considering that there is a resumption of confidence on the part of economic agents, there is fertile ground for expansion in the sector. Thus, considering the scenario described above, Lafis forecast an average growth of 2.7% in generation and 2.3% in electricity consumption, reaching a level of 670 thousand GWh and 536.0k GWh in 2025, respectively.

Total energy generation in Brazil - EPE (GWh)



Source: Ministry of Mines and Energy/EPE/ONS/COMEX/ANEEL. Estimate and projections: Lafis/June 2021

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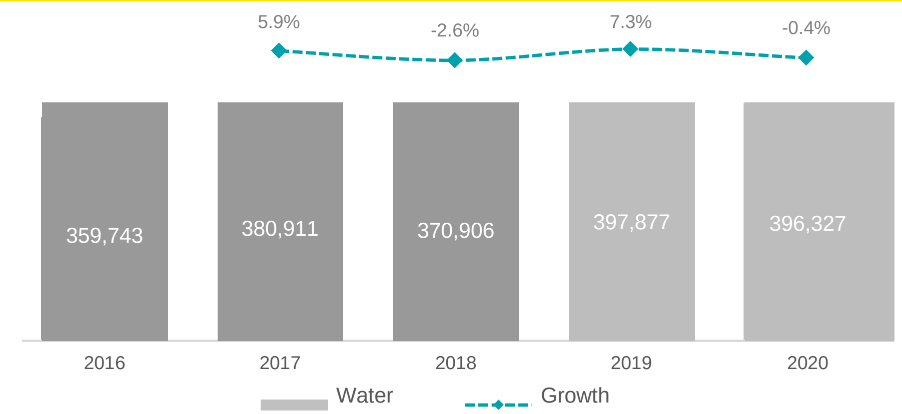
Exhibit B: Industry Overview

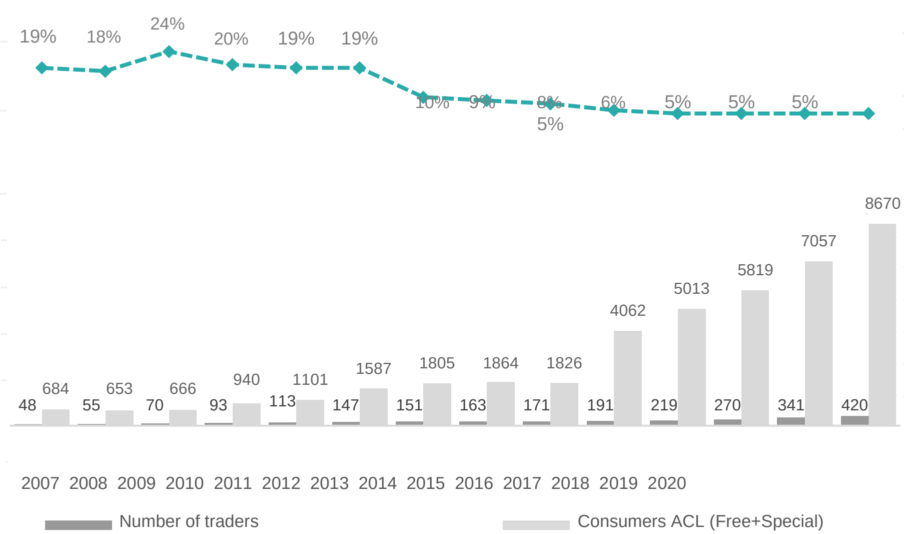
Generation and Marketing

Electricity generation by hydraulic source in Brazil - (GWh) - (%)



Source: Lafis

Number of Vendors and gross margin - (%)



According to ANEEL, 67.0% of the energy generated in the country in 2021 and 62.48% of the installed power come from power plants powered by the rivers. There are currently 739 hydroelectric generating plants (CGHs) in Brazil, 425 small hydroelectric plants (SHPs) and 219 hydroelectric plants (HPPs), which are responsible for 109.3 gigawatts (GW) of installed capacity in operation. Three of the plants in the country are among the ten largest on the planet – Itaipu Binacional (14,000 MW, divided between Brazil and Paraguay), Belo Monte (11,233 MW) and Tucuruí (8,370 MW). In 2020, the energy generated in Brazil from hydraulic sources was 415,483 gigawatt-hours (GWh). It is worth mentioning that the energy generated from water is renewable and guarantees security of supply, however, great dependence on hydraulics subjects the system to a vulnerability in the generation of energy in periods of little rain. Thus, the decrease in rainfall in some regions may increase costs for generators that operate hydroelectric plants.

During the last years, the energy commercialization segment has grown significantly, both in the volume of energy sold and in the number of new entrants.

The period from 2017 to 2020 was marked by the entry of generation projects into the ACL with a low break-even price (exchange and capex more favorable) with lower prices for sale to end customers.

According to the Electric Energy Commercialization Chamber - CCEE, commercial relations in the current model of the Brazilian electric sector are established in the Regulated Contracting Environment - ACR and in the Free Contracting Environment - ACL. In the Short-Term Market, the differences between the balances generated, contracted and consumed are accounted for and settled.

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Exhibit C: Overview - Approaches and Methodologies for Evaluation

Businesses, tangible assets and intangible assets must be valued based on the proper application of the Market, Cost and Income Approaches. While all three approaches must be considered in an assessment, the pattern of the acquisition, the nature of the business or assets, and the availability of data will determine which approach - or approaches - are used to calculate value.

Market Approach

The Market Approach measures value based on what other Acquirers in the market have paid for assets that can be considered reasonably similar being assessed. When the Approach to Market is used, data is collected on prices paid for reasonably similar assets. Adjustments are made to the prices paid to compensate for differences between these assets and the asset being valued. The application of the Market Approach results in an estimate of the price reasonably expected to be realized from the sale of the asset.

cost approach

The Cost Approach is based on the premise that a prudent investor would not pay more for an asset than its replacement or reproduction cost. The cost to replace the asset would include the cost of constructing a similar asset of equivalent utility at prices applicable at the time of the assessment review. This estimate can then be adjusted for losses in value attributable to obsolescence (physical, functional and/or economic).

- When valuing tangible assets, the value of an asset is estimated by reference to the cost of reproducing or replacing new equivalent modern assets, optimized for layout, excess capacity and redundant assets, and adjusted to reflect losses in value attributable to physical factors, functional and redundant, and economic obsolescence.
  - New replacement cost is defined as the current cost of producing or constructing a similar new item having the closest equivalent utility to the property being valued.
  - New reproduction cost is defined as the current cost of duplicating an item

    identical new. It is the current cost of producing an exact replica.
  - Physical obsolescence is the reduction in value due to wear and tear and exposure to the elements.
  - Technological obsolescence results from changes in the design and construction materials of currently available assets.
  - Functional obsolescence is caused by internal factors that result in a decrease in the asset's ability to serve the purpose for which it was manufactured.
- Economic obsolescence results from external economic factors. It is defined as the decrease in attractiveness or lifespan due to economic forces such as changes in optimal use, legislation that restricts and undermines the right to use assets for their intended use, and changes in supply and demand relationships.
- In the context of a business assessment, the Cost Approach generally includes an Adjusted Net Assets Method in which h the aggregate value of an entity's gross assets is 'offset' against the aggregate value of all existing and potential liabilities, resulting in an indication of equity value.
- The Cost Approach is sometimes called Replacement Cost Method in the context of intangible asset assessments
- The Cost Approach Construction Cost Method, commonly used for deferred income, estimates the value of a future obligation by estimating what payment a market participant would need to assume an obligation to perform services or deliver a product. The value is a summation of the various costs that would be incurred and an estimate of a reasonable profit margin that an investor would need to meet the obligation and any associated risks.

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Exhibit C: Overview - Approaches and Methodologies for Evaluation

income approach

The Income Approach focuses on the income-producing capacity of the identified asset or business. The premise underlying this approach is that the value of an asset or business can be measured by the present value of the net economic benefit (cash receipts minus cash expenses) to be received over its lifespan. Discounted cash capitalization (DCD) and compounding methods are commonly used to estimate the value of business, intangible assets, and income-generating real estate assets such as commercial office buildings.

Multi-period Excess Earnings Method

The MMSE is a specific application of the FCD Method. The principle behind the MPEEM is that the value of an intangible asset is equal to the present value of the post-tax incremental cash flows attributed only to the valued intangible asset after deducting the Contributory Asset Charge (CAC). The principle behind a CAC is that an intangible asset "leases", which could be from a hypothetical third party, all the assets necessary to produce the cash flows resulting from its development, that each project leases only the assets it needs (including elements of goodwill) and not those that are not required, and that each project pays the asset owner a fair return on (and where appropriate) the value of the leased assets. When the MMSE is applied to a single period, it is called the Single-period Excess Earnings Method (SEEM).

Amortization tax benefits (TAB)

In the context of the assessment of intangible assets, the TAB is a benefit to reflect the value of the tax protection provided by the amortization of capitalized intangible assets. TAB is an assessment concept, not a tax or accounting concept.

The value of TAB associated with intangible assets shall be recognized when the objective of the assessment is to estimate the Fair Value as defined in ASC 805, including for transactions in which a purchaser will not be allowed to generate a gross balance and amortize the value of the acquired intangible assets. for income tax purposes (i.e., non-taxable business combinations rather than asset purchases). The benefits of amortization of asset values are included as part of the overall fair value of assets.

It should be noted, however, that the ability to amortize an intangible asset for tax purposes varies by jurisdiction and asset category. Therefore, the balance of GRT, if any, considered in the assessment of an intangible asset must consider amortization regulations within the applicable jurisdiction.

Excess Earnings Method

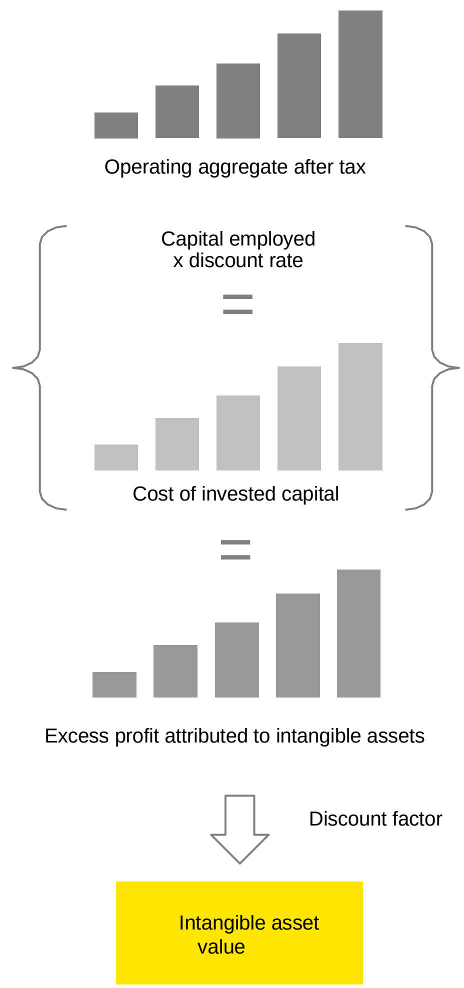

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Exhibit D: Discount Rate

WACC calculation

$$WACC = W_E * K_E + W_D * K_D$$

Where:

W_E	=	Equity/third-party capital
K_E	=	Cost of Equity
W_D	=	Value of interest-bearing debt / value of total capital
K_D	=	Cost of debt capital

WACC

The application of the DCF Method requires the calculation of an appropriate discount rate. The FCD Method was applied under conditions of uncertainty. In common usage, risk refers to any exposure to uncertainty where the exposure has potentially negative consequences. It is assumed that market participants are considered averse

to risk. A risk-averse market participant prefers situations with a narrower range of uncertainty over situations with a wider range of uncertainty regarding an expected outcome. Market participants seek compensation, called a risk premium, for accepting uncertainty.

Estimating the discount rate involves comparing the cash flows generated by the asset with the cash flows generated with the most favorable alternative investment. Therefore, it should be carefully noted that the cash flows of the valued asset and the alternative investment are equivalent in terms of risk and maturity.

The asset-specific and risk-adjusted discount rate estimate is based on the Weighted average cost of capital (WACC). As the WACC reflects the specific risk of an enterprise, adjustments must be considered based on the specific risk profile of the asset.

Cost of equity

To estimate the opportunity cost of equity capital, the Capital asset pricing model (CAPM) is used. The CAPM postulates that the opportunity cost of capital is equal to the return on risk-free securities plus an individual risk premium. The risk premium is the firm's systematic risk (beta) multiplied by the market price of the risk (market risk premium).

The starting point for estimating the cost of equity capital is the risk-free rate of return. In practice, the interest rate on long-term risk-free financial investments, e.g., public sector bonds with fixed interest rates, is used as a guideline for estimating the prevailing interest rate.

The market risk premium (the price of risk) is the difference between the expected rate of return on the market portfolio and the risk-free rate. Historical capital market investigations have shown that equity investments generate returns between 4% and 7% higher than investments in low-risk debt securities.

The average market risk premium must be modified to reflect the specific risk structure. CAPM accounts for company-specific risk within the beta factor. Beta factors represent a weighting value for the sensitivity of the company's returns to compared to the trend of the whole market. They are therefore a volatility measure for systematic risk. Beta factors of more than one reflects greater volatility; beta factors of less than one reflects lower volatility than the market average. Beta factors are ideally estimated with reference to the entire stock market, since the concept of systematic and specific risk requires that individual stocks be measured against the market portfolio.

When activities in different countries are considered, it may be appropriate to use country-specific risk premiums.

Third-party capital cost

The cost of debt estimate refers to the capital market that best reflects the currency in which cash flows were planned to use the most current market debt rate with equivalent risk.

Capital structure

The capital structure is derived from the average capital structure of the reference public companies. See Exhibit 7 for more details on the WACC of the assessed companies.

cost of equity

$$K_E = RF + ß * ERP$$

where:

RF	=	Risk-free rate of return
ß	=	Systematic risk of capital
ERP	=	Market risk premium

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Exhibit 1A: CESP - DRE

DRE (R$ thousand)	Dec-18	Dec-19	Dec-20	Sep-21	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26
Net Revenue	**1,634,110**	**1,571,296**	**1,917,248**	**1,654,111**	**660,824**	**1,741,667**	**1,572,565**	**1,423,049**	**1,411,861**	**1,430,947**
Operating Costs	(933,616)	(720,696)	(800,355)	(153,376)	(443,212)	(467,954)	(235,317)	(243,089)	(250,679)	(258,550)
Gross Profit	**700,494**	**850,600**	**1,116,893**	**1,500,735**	**217,612**	**1,273,713**	**1,337,249**	**1,179,960**	**1,161,182**	**1,172,397**
Operating Expenses	(86,778)	12,327	93,162	35,680	(40,960)	(163,363)	(164,974)	(170,204)	(175,548)	(181,060)
EBITDA	**613,716**	**862,927**	**1,210,055**	**1,536,415**	**176,651**	**1,110,350**	**1,172,274**	**1,009,756**	**985,634**	**991,337**
Depreciation	(316,345)	(379,565)	(397,329)	(306,110)	(111,893)	(447,738)	(448,031)	(448,279)	(448,303)	(447,858)
EBIT	**297,371**	**483,362**	**812,726**	**1,230,305**	**64,758**	**662,612**	**724,243**	**561,477**	**537,330**	**543,479**
Equity Earnings (Loss)	(13,085)	(346,876)	(555,928)	(447,873)						
Non-Operating Income (Loss)	-	-	-	-						
EBT	**284,286**	**136,486**	**256,798**	**782,432**	**64,758**	**662,612**	**724,243**	**561,477**	**537,330**	**543,479**
Income Tax and Social Contribution	10,147	1,026,528	1,471,964	(289,440)	(8,981)	(131,974)	(146,642)	(107,904)	(102,157)	(103,620)
Net Income (Loss)	**294,433**	**1,163,014**	**1,728,762**	**492,992**	**55,778**	**530,638**	**577,601**	**453,573**	**435,174**	**439,859**

DRE (R$ thousand)	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36
Net Revenue	**1,493,338**	**1,544,628**	**1,569,777**	**1,619,253**	**1,670,290**	**1,727,665**	**1,777,244**	**1,833,265**	**1,891,054**	**1,956,019**
Operating Costs	(266,669)	(275,125)	(252,700)	(260,635)	(268,819)	(277,260)	(285,966)	(294,945)	(304,207)	(313,759)
Gross Profit	**1,226,669**	**1,269,504**	**1,317,076**	**1,358,618**	**1,401,471**	**1,450,405**	**1,491,278**	**1,538,320**	**1,586,847**	**1,642,260**
Operating Expenses	(186,746)	(192,609)	(198,657)	(204,895)	(211,329)	(217,965)	(224,809)	(231,868)	(239,148)	(246,658)
EBITDA	**1,039,924**	**1,076,894**	**1,118,419**	**1,153,722**	**1,190,142**	**1,232,440**	**1,266,469**	**1,306,452**	**1,347,699**	**1,395,603**
Depreciation	(447,129)	(445,682)	(371,110)	(367,062)	(353,759)	(292,467)	(243,785)	(244,064)	(244,353)	(244,651)
EBIT	**592,795**	**631,213**	**747,309**	**786,660**	**836,382**	**939,974**	**1,022,685**	**1,062,388**	**1,103,345**	**1,150,952**
Equity Earnings (Loss)										
Non-Operating Income (Loss)										
EBT	**592,795**	**631,213**	**747,309**	**786,660**	**836,382**	**939,974**	**1,022,685**	**1,062,388**	**1,103,345**	**1,150,952**
Income Tax and Social Contribution	(115,357)	(124,501)	(152,132)	(161,497)	(173,331)	(197,986)	(217,671)	(227,120)	(236,868)	(248,199)
Net Income (Loss)	**477,438**	**506,712**	**595,177**	**625,163**	**663,051**	**741,988**	**805,014**	**835,267**	**866,477**	**902,753**

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Exhibit 1A: CESP - DRE

DRE (R$ thousand)	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46
Net Revenue	**2,012,158**	**2,075,590**	**2,010,452**	**1,869,984**	**1,923,702**	**1,984,398**	**2,047,011**	**2,117,400**	**2,178,234**	**2,246,971**
Operating Costs	(323,611)	(333,772)	(344,252)	(355,062)	(366,211)	(377,710)	(389,570)	(401,803)	(414,419)	(427,432)
Gross Profit	**1,688,547**	**1,741,818**	**1,666,199**	**1,514,922**	**1,557,491**	**1,606,688**	**1,657,441**	**1,715,597**	**1,763,815**	**1,819,539**
Operating Expenses	(254,403)	(262,391)	(270,630)	(279,128)	(287,892)	(296,932)	(306,256)	(315,872)	(325,791)	(336,021)
EBITDA	**1,434,144**	**1,479,427**	**1,395,569**	**1,235,794**	**1,269,598**	**1,309,756**	**1,351,185**	**1,399,725**	**1,438,024**	**1,483,518**
Depreciation	(244,958)	(245,173)	(245,484)	(245,821)	(246,168)	(246,421)	(246,771)	(132,584)	(68,830)	(65,258)
EBIT	**1,189,186**	**1,234,254**	**1,150,085**	**989,973**	**1,023,430**	**1,063,335**	**1,104,415**	**1,267,141**	**1,369,194**	**1,418,260**
Equity Earnings (Loss)										
Non-Operating Income (Loss)										
EBT	**1,189,186**	**1,234,254**	**1,150,085**	**989,973**	**1,023,430**	**1,063,335**	**1,104,415**	**1,267,141**	**1,369,194**	**1,418,260**
Income Tax and Social Contribution	(367,108)	(382,903)	(354,285)	(299,847)	(311,222)	(324,790)	(338,757)	(394,084)	(428,782)	(445,465)
Net Income (Loss)	**822,078**	**851,351**	**795,800**	**690,126**	**712,207**	**738,545**	**765,658**	**873,057**	**940,412**	**972,795**

DRE (R$ thousand)	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51	Dec-52	Dec-53	Dec-54	Dec-55	Apr-56
Net Revenue	**2,317,879**	**2,397,591**	**2,466,486**	**2,544,330**	**2,624,633**	**2,714,906**	**2,792,931**	**2,873,940**	**2,964,661**	**871,402**
Operating Costs	(440,853)	(454,696)	(468,974)	(483,699)	(498,887)	(514,553)	(530,710)	(547,374)	(564,561)	(258,008)
Gross Profit	**1,877,026**	**1,942,895**	**1,997,513**	**2,060,630**	**2,125,745**	**2,200,353**	**2,262,222**	**2,326,567**	**2,400,099**	**613,394**
Operating Expenses	(346,572)	(357,454)	(368,678)	(380,255)	(392,195)	(404,509)	(417,211)	(430,311)	(443,823)	(130,074)
EBITDA	**1,530,454**	**1,585,441**	**1,628,835**	**1,680,376**	**1,733,551**	**1,795,844**	**1,845,011**	**1,896,255**	**1,956,276**	**483,321**
Depreciation	(59,660)	(60,092)	(39,049)	(9,120)	(9,594)	(10,082)	(10,586)	(11,105)	(11,641)	(3,964)
EBIT	**1,470,794**	**1,525,349**	**1,589,785**	**1,671,256**	**1,723,957**	**1,785,762**	**1,834,425**	**1,885,150**	**1,944,635**	**479,357**
Equity Earnings (Loss)										
Non-Operating Income (Loss)										
EBT	**1,470,794**	**1,525,349**	**1,589,785**	**1,671,256**	**1,723,957**	**1,785,762**	**1,834,425**	**1,885,150**	**1,944,635**	**479,357**
Income Tax and Social Contribution	(463,326)	(481,875)	(503,783)	(531,483)	(549,402)	(570,415)	(586,961)	(604,207)	(624,432)	(150,733)
Net Income (Loss)	**1,007,468**	**1,043,474**	**1,086,002**	**1,139,773**	**1,174,555**	**1,215,347**	**1,247,464**	**1,280,943**	**1,320,203**	**328,623**

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Exhibit 1B: CESP - *MPEE*

Concession Agreement (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32
Gross Revenue	**785,402**	**1,991,316**	**1,808,286**	**1,643,971**	**1,633,314**	**1,659,393**	**1,730,930**	**1,790,353**	**1,820,398**	**1,877,764**	**1,936,940**	**2,003,445**
Deductions	(124,578)	(249,649)	(235,720)	(220,922)	(221,453)	(228,446)	(237,591)	(245,725)	(250,621)	(258,511)	(266,650)	(275,780)
Net Revenue	**660,824**	**1,741,667**	**1,572,565**	**1,423,049**	**1,411,861**	**1,430,947**	**1,493,338**	**1,544,628**	**1,569,777**	**1,619,253**	**1,670,290**	**1,727,665**
Operating Costs	(443,212)	(467,954)	(235,317)	(243,089)	(250,679)	(258,550)	(266,669)	(275,125)	(252,700)	(260,635)	(268,819)	(277,260)
Gross Profit	**217,612**	**1,273,713**	**1,337,249**	**1,179,960**	**1,161,182**	**1,172,397**	**1,226,669**	**1,269,504**	**1,317,076**	**1,358,618**	**1,401,471**	**1,450,405**
Operating Expenses	(40,960)	(163,363)	(164,974)	(170,204)	(175,548)	(181,060)	(186,746)	(192,609)	(198,657)	(204,895)	(211,329)	(217,965)
EBITDA	**176,651**	**1,110,350**	**1,172,274**	**1,009,756**	**985,634**	**991,337**	**1,039,924**	**1,076,894**	**1,118,419**	**1,153,722**	**1,190,142**	**1,232,440**
Income Tax and Social Contribution	(60,061)	(377,519)	(398,573)	(343,317)	(335,115)	(337,054)	(353,574)	(366,144)	(380,262)	(392,266)	(404,648)	(419,030)
Net Income (Loss)	**116,590**	**732,831**	**773,701**	**666,439**	**650,518**	**654,282**	**686,350**	**710,750**	**738,156**	**761,457**	**785,493**	**813,411**
CAC (before tax)	(350,113)	(1,215,202)	(1,163,407)	(1,109,332)	(1,056,141)	(1,002,904)	(949,910)	(896,456)	(798,649)	(751,213)	(698,564)	(617,993)
Cash Flow	(233,523)	(482,371)	(389,706)	(442,893)	(405,623)	(348,622)	(263,560)	(185,706)	(60,492)	10,244	86,929	195,418
discount factor	0.99	0.93	0.85	0.77	0.70	0.64	0.58	0.53	0.48	0.44	0.40	0.36
Present Value - Cash Flow	**(230,777)**	**(449,325)**	**(330,234)**	**(341,421)**	**(284,459)**	**(222,412)**	**(152,964)**	**(98,048)**	**(29,055)**	**4,476**	**34,554**	**70,665**

Concession Agreement (R$ thousand)	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44
Gross Revenue	**2,060,950**	**2,125,904**	**2,192,906**	**2,268,207**	**2,333,319**	**2,406,864**	**2,337,409**	**2,184,467**	**2,247,232**	**2,318,120**	**2,391,246**	**2,473,424**
Deductions	(283,706)	(292,638)	(301,853)	(312,188)	(321,161)	(331,274)	(326,957)	(314,484)	(323,530)	(333,722)	(344,235)	(356,024)
Net Revenue	**1,777,244**	**1,833,265**	**1,891,054**	**1,956,019**	**2,012,158**	**2,075,590**	**2,010,452**	**1,869,984**	**1,923,702**	**1,984,398**	**2,047,011**	**2,117,400**
Operating Costs	(285,966)	(294,945)	(304,207)	(313,759)	(323,611)	(333,772)	(344,252)	(355,062)	(366,211)	(377,710)	(389,570)	(401,803)
Gross Profit	**1,491,278**	**1,538,320**	**1,586,847**	**1,642,260**	**1,688,547**	**1,741,818**	**1,666,199**	**1,514,922**	**1,557,491**	**1,606,688**	**1,657,441**	**1,715,597**
Operating Expenses	(224,809)	(231,868)	(239,148)	(246,658)	(254,403)	(262,391)	(270,630)	(279,128)	(287,892)	(296,932)	(306,256)	(315,872)
EBITDA	**1,266,469**	**1,306,452**	**1,347,699**	**1,395,603**	**1,434,144**	**1,479,427**	**1,395,569**	**1,235,794**	**1,269,598**	**1,309,756**	**1,351,185**	**1,399,725**
Income Tax and Social Contribution	(430,600)	(444,194)	(458,218)	(474,505)	(487,609)	(503,005)	(474,494)	(420,170)	(431,663)	(445,317)	(459,403)	(475,906)
Net Income (Loss)	**835,870**	**862,258**	**889,481**	**921,098**	**946,535**	**976,422**	**921,076**	**815,624**	**837,935**	**864,439**	**891,782**	**923,818**
CAC (before tax)	(551,215)	(519,205)	(487,212)	(455,251)	(423,282)	(391,284)	(358,306)	(324,706)	(292,740)	(260,743)	(228,830)	(127,038)
Cash Flow	284,655	343,053	402,269	465,846	523,253	585,138	562,769	490,918	545,195	603,695	662,953	796,780
discount factor	0.33	0.30	0.27	0.25	0.23	0.20	0.19	0.17	0.15	0.14	0.13	0.12
Present Value - Cash Flow	**93,640**	**102,662**	**109,515**	**115,373**	**117,891**	**119,931**	**104,932**	**83,271**	**84,128**	**84,745**	**84,661**	**92,565**

8 Exhibits

Exhibit 1B: CESP - *MPEE*

Concession Agreement (R$ thousand)	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51	Dec-52	Dec-53	Dec-54	Dec-55	Apr-56
Gross Revenue	**2,544,500**	**2,624,776**	**2,707,587**	**2,800,647**	**2,881,138**	**2,972,046**	**3,065,826**	**3,171,211**	**3,262,366**	**3,357,088**	**3,463,033**	**1,017,868**
Deductions	(366,266)	(377,805)	(389,708)	(403,056)	(414,652)	(427,717)	(441,193)	(456,305)	(469,435)	(483,148)	(498,373)	(146,466)
Net Revenue	**2,178,234**	**2,246,971**	**2,317,879**	**2,397,591**	**2,466,486**	**2,544,330**	**2,624,633**	**2,714,906**	**2,792,931**	**2,873,940**	**2,964,661**	**871,402**
Operating Costs	(414,419)	(427,432)	(440,853)	(454,696)	(468,974)	(483,699)	(498,887)	(514,553)	(530,710)	(547,374)	(564,561)	(258,008)
Gross Profit	**1,763,815**	**1,819,539**	**1,877,026**	**1,942,895**	**1,997,513**	**2,060,630**	**2,125,745**	**2,200,353**	**2,262,222**	**2,326,567**	**2,400,099**	**613,394**
Operating Expenses	(325,791)	(336,021)	(346,572)	(357,454)	(368,678)	(380,255)	(392,195)	(404,509)	(417,211)	(430,311)	(443,823)	(130,074)
EBITDA	**1,438,024**	**1,483,518**	**1,530,454**	**1,585,441**	**1,628,835**	**1,680,376**	**1,733,551**	**1,795,844**	**1,845,011**	**1,896,255**	**1,956,276**	**483,321**
Income Tax and Social Contribution	(488,928)	(504,396)	(520,354)	(539,050)	(553,804)	(571,328)	(589,407)	(610,587)	(627,304)	(644,727)	(665,134)	(164,329)
Net Income (Loss)	**949,096**	**979,122**	**1,010,100**	**1,046,391**	**1,075,031**	**1,109,048**	**1,144,143**	**1,185,257**	**1,217,707**	**1,251,528**	**1,291,142**	**318,992**
CAC (before tax)	(67,379)	(50,851)	(33,495)	(20,452)	5,722	35,153	42,994	50,787	58,598	66,416	105,470	48,411
Cash Flow	881,717	928,271	976,604	1,025,939	1,080,753	1,144,201	1,187,138	1,236,044	1,276,304	1,317,945	1,396,612	367,403
discount factor	0.11	0.10	0.09	0.08	0.07	0.07	0.06	0.05	0.05	0.05	0.04	0.04
Present Value - Cash Flow	**93,185**	**89,247**	**85,417**	**81,631**	**78,228**	**75,344**	**71,113**	**67,358**	**63,273**	**59,438**	**57,299**	**14,152**

Present Value of the Concession Agreement	(0)
Lifespan	**35**
Subtotal	(0)
TAB	(0)
Fair value (rounded)	**(0)**

8 Exhibits

Exhibit 1C: CESP - *CAC*

CAC (% of net revenue))	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38
Working Capital	**52,708**	**111,879**	**121,276**	**103,592**	**101,199**	**101,691**	**106,742**	**110,249**	**115,219**	**118,856**	**122,609**	**126,636**	**130,474**	**134,593**	**138,843**	**143,404**	**147,751**	**152,417**
CAC (after tax)	979	8,545	9,262	7,912	7,729	7,766	8,152	8,420	8,800	9,077	9,364	9,672	9,965	10,279	10,604	10,952	11,284	11,641
CAC (after tax) % of net revenue	**0.1%**	**0.5%**	**0.6%**	**0.6%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**
Property, Plant and Equipment	**8,935,124**	**8,731,066**	**8,200,352**	**7,668,915**	**7,134,533**	**6,600,352**	**6,066,850**	**5,534,317**	**5,003,478**	**4,547,467**	**4,095,767**	**3,657,642**	**3,281,090**	**2,953,508**	**2,625,945**	**2,298,400**	**1,970,875**	**1,643,370**
Opening Balance	8,935,124	8,731,066	8,200,352	7,668,915	7,134,533	6,600,352	6,066,850	5,534,317	5,003,478	4,547,467	4,095,767	3,657,642	3,281,090	2,953,508	2,625,945	2,298,400	1,970,875	1,643,370
(+) Capex	1,126	10,315	9,884	7,188	7,414	7,647	7,887	8,134	8,390	8,653	8,925	9,205	9,494	9,792	10,100	10,417	10,744	11,081
(-) Depreciation	(205,184)	(541,029)	(541,322)	(541,570)	(541,594)	(541,149)	(540,420)	(538,973)	(464,401)	(460,353)	(447,050)	(385,758)	(337,076)	(337,355)	(337,644)	(337,942)	(338,249)	(338,464)
Closing Balance	8,731,066	8,200,352	7,668,915	7,134,533	6,600,352	6,066,850	5,534,317	5,003,478	4,547,467	4,095,767	3,657,642	3,281,090	2,953,508	2,625,945	2,298,400	1,970,875	1,643,370	1,315,987
Average for the Period	8,833,095	8,465,709	7,934,633	7,401,724	6,867,442	6,333,601	5,800,583	5,268,898	4,775,473	4,321,617	3,876,705	3,469,366	3,117,299	2,789,726	2,462,173	2,134,638	1,807,123	1,479,678
CAC (after tax) - return on	211,444	840,171	787,465	734,577	681,553	628,572	575,673	522,907	473,937	428,895	384,740	344,314	309,373	276,864	244,356	211,850	179,346	146,849
CAC (after tax) - return of	135,421	357,079	357,273	357,436	357,452	357,158	356,677	355,722	306,504	303,833	295,053	254,600	222,470	222,655	222,845	223,042	223,244	223,387
CAC (before tax)	346,865	1,197,250	1,144,738	1,092,013	1,039,005	985,730	932,350	878,629	780,442	732,728	679,793	598,914	531,843	499,518	467,201	434,892	402,591	370,236
CAC (after tax) % Net Revenue	**52.5%**	**68.7%**	**72.8%**	**76.7%**	**73.6%**	**68.9%**	**62.4%**	**56.9%**	**49.7%**	**45.3%**	**40.7%**	**34.7%**	**29.9%**	**27.2%**	**24.7%**	**22.2%**	**20.0%**	**17.8%**
Workforce	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**
CAC (after tax)	2,269	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407
CAC (after tax) % of net revenue	**0.3%**	**0.5%**	**0.6%**	**0.7%**	**0.7%**	**0.7%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.6%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**
Aggregate CAC (% Net Revenue)	**53.0%**	**69.8%**	**74.0%**	**78.0%**	**74.8%**	**70.1%**	**63.6%**	**58.0%**	**50.9%**	**46.4%**	**41.8%**	**35.8%**	**31.0%**	**28.3%**	**25.8%**	**23.3%**	**21.0%**	**18.9%**

CAC (% of net revenue))	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51	Dec-52	Dec-53	Dec-54	Dec-55	Apr-56
Working Capital	**143,341**	**125,840**	**129,615**	**133,716**	**137,947**	**142,538**	**146,816**	**151,462**	**156,255**	**161,457**	**166,303**	**171,567**	**176,998**	**182,891**	**188,382**	**193,585**	**199,715**	**-**
CAC (after tax)	10,947	9,611	9,899	10,212	10,535	10,886	11,213	11,568	11,934	12,331	12,701	13,103	13,518	13,968	14,387	14,785	15,253	-
CAC (after tax) % of net revenue	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.0%**
Property, Plant and Equipment	**1,315,987**	**988,641**	**661,317**	**334,016**	**6,844**	**(320,284)**	**(532,819)**	**(681,181)**	**(825,540)**	**(963,855)**	**(1,102,142)**	**(1,218,912)**	**(1,305,264)**	**(1,391,586)**	**(1,477,875)**	**(1,564,132)**	**(1,650,356)**	**(1,685,232)**
Opening Balance	1,315,987	988,641	661,317	334,016	6,844	(320,284)	(532,819)	(681,181)	(825,540)	(963,855)	(1,102,142)	(1,218,912)	(1,305,264)	(1,391,586)	(1,477,875)	(1,564,132)	(1,650,356)	(1,685,232)
(+) Capex	11,429	11,788	12,158	12,540	12,934	13,340	13,759	14,191	14,636	15,096	15,570	16,059	16,563	17,083	17,620	18,173	18,743	-
(-) Depreciation	(338,775)	(339,112)	(339,459)	(339,712)	(340,062)	(225,875)	(162,121)	(158,549)	(152,951)	(153,383)	(132,340)	(102,411)	(102,885)	(103,373)	(103,877)	(104,396)	(53,620)	(3,964)
Closing Balance	988,641	661,317	334,016	6,844	(320,284)	(532,819)	(681,181)	(825,540)	(963,855)	(1,102,142)	(1,218,912)	(1,305,264)	(1,391,586)	(1,477,875)	(1,564,132)	(1,650,356)	(1,685,232)	(1,689,196)
Average for the Period	1,152,314	824,979	497,667	170,430	(156,720)	(426,551)	(607,000)	(753,361)	(894,697)	(1,032,998)	(1,160,527)	(1,262,088)	(1,348,425)	(1,434,731)	(1,521,004)	(1,607,244)	(1,667,794)	(1,687,214)
CAC (after tax) - return on	114,360	81,874	49,390	16,914	(15,554)	(42,333)	(60,241)	(74,767)	(88,793)	(102,519)	(115,175)	(125,255)	(133,823)	(142,388)	(150,951)	(159,509)	(165,519)	(54,064)
CAC (after tax) - return of	223,591	223,814	224,043	224,210	224,441	149,077	107,000	104,643	100,948	101,233	87,345	67,591	67,904	68,226	68,559	68,901	35,389	2,616
CAC (before tax)	337,952	305,688	273,434	241,124	208,887	106,745	46,759	29,876	12,154	(1,286)	(27,831)	(57,663)	(65,919)	(74,162)	(82,392)	(90,608)	(130,130)	(51,448)
CAC (after tax) % Net Revenue	**16.8%**	**16.3%**	**14.2%**	**12.2%**	**10.2%**	**5.0%**	**2.1%**	**1.3%**	**0.5%**	**-0.1%**	**-1.1%**	**-2.3%**	**-2.5%**	**-2.7%**	**-3.0%**	**-3.2%**	**-4.4%**	**-5.9%**
Workforce	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**	**94,300**
CAC (after tax)	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	9,407	3,037
CAC (after tax) % of net revenue	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.5%**	**0.4%**	**0.4%**	**0.4%**	**0.4%**	**0.4%**	**0.4%**	**0.4%**	**0.4%**	**0.3%**	**0.3%**	**0.3%**	**0.3%**	**0.3%**
Aggregate CAC (% Net Revenue)	**17.8%**	**17.4%**	**15.2%**	**13.1%**	**11.2%**	**6.0%**	**3.1%**	**2.3%**	**1.4%**	**0.9%**	**-0.2%**	**-1.4%**	**-1.6%**	**-1.9%**	**-2.1%**	**-2.3%**	**-3.6%**	**-5.6%**

Average (% of net revenue)	**25.9%**

8 Exhibits

Exhibit 1D: CESP - Workforce

Positi	Number of employees	Costs of recruitment	Costs of Productivity	Lost of training	Total Costs
Executives	23	3,406	402,605	15,100	9,685,563
Sales	6	5,127	33,547	7,433	276,643
Administrative	138	61,536	363,251	7,208	59,615,373
Operation	56	20,510	411,322	9,327	24,704,899
Total	**223**	**90,579**	**1,210,726**	**39,069**	**94,282,479**

Workforce (Rounded - R$thousand)	**94,300**

8 Exhibits

Exhibit 2A: VdP I - DRE

Income Statement R$ thousand	Dec-18	Dec-19	Dec-20	Sep-21	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34
Net Revenue	**290,691**	**178,698**	**188,811**	**156,792**	**52,709**	**208,696**	**218,025**	**232,284**	**234,339**	**239,463**	**248,367**	**256,396**	**263,227**	**270,987**	**281,062**	**290,148**	**297,878**	**306,659**
Opex	(89,541)	(35,448)	(41,066)	(30,514)	(12,898)	(46,119)	(54,666)	(60,497)	(62,341)	(64,265)	(66,306)	(62,837)	(59,236)	(61,088)	(63,031)	(65,015)	(67,034)	(69,130)
EBITDA	**201,150**	**143,249**	**147,745**	**126,278**	**39,811**	**162,577**	**163,359**	**171,787**	**171,998**	**175,198**	**182,061**	**193,559**	**203,991**	**209,899**	**218,031**	**225,133**	**230,844**	**237,530**
Depreciation	(57,880)	(58,182)	(58,381)	(43,832)	(16,149)	(64,797)	(64,742)	(64,735)	(64,701)	(64,685)	(64,685)	(64,685)	(64,685)	(63,826)	(62,597)	(62,597)	(62,597)	(62,597)
EBIT	**143,270**	**85,067**	**89,363**	**82,446**	**23,662**	**97,780**	**98,617**	**107,052**	**107,297**	**110,513**	**117,376**	**128,874**	**139,306**	**146,073**	**155,434**	**162,536**	**168,247**	**174,933**
Financial Income (Loss)	(80,668)	(75,667)	(62,781)	(48,450)														
Non-Operating Income (Loss)	57,272	10,903	29,918	41,646														
EBT	**119,874**	**20,303**	**56,501**	**75,643**	**23,662**	**97,780**	**98,617**	**107,052**	**107,297**	**110,513**	**117,376**	**128,874**	**139,306**	**146,073**	**155,434**	**162,536**	**168,247**	**174,933**
Income Tax and Social Contribution	(11,071)	(7,623)	(7,317)	(6,067)	(1,684)	(6,671)	(6,970)	(7,427)	(7,493)	(7,658)	(7,943)	(8,201)	(8,420)	(8,669)	(8,992)	(9,284)	(9,532)	(9,813)
Net Income (Loss)	**108,803**	**12,680**	**49,184**	**69,576**	**21,978**	**91,109**	**91,647**	**99,625**	**99,804**	**102,855**	**109,433**	**120,673**	**130,886**	**137,404**	**146,441**	**153,252**	**158,716**	**165,119**

Income Statement R$ thousand	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51
Net Revenue	**318,061**	**328,343**	**337,091**	**273,988**	**285,266**	**295,033**	**303,462**	**312,990**	**322,818**	**333.871**	**343,409**	**354,193**	**365,314**	**377,822**	**388,616**	**400,819**	**76,604**
Opex	(71,329)	(73,573)	(75,858)	(77,059)	(79,521)	(82,031)	(84,593)	(87,250)	(89,989)	(92,830)	(95,729)	(98,735)	(101,836)	(105,050)	(107,583)	(110,961)	(21,595)
EBITDA	**246,732**	**254,770**	**261,233**	**196,930**	**205,745**	**213,002**	**218,868**	**225,741**	**232,829**	**241.041**	**247,680**	**255,457**	**263,479**	**272,772**	**281,034**	**289,858**	**55,009**
Depreciation	(62,597)	(62,597)	(60,035)	(7,763)	(2,461)	(1,808)	(12,762)	(23,458)	(23,458)	(23,458)	(23,458)	(23,458)	(23,458)	(23,458)	(23,143)	(22,115)	(22,115)
EBIT	**184,135**	**192,173**	**201,198**	**189,166**	**203,284**	**211,194**	**206,106**	**202,283**	**209,371**	**217.584**	**224,222**	**232,000**	**240,021**	**249,314**	**257,890**	**267,743**	**32,894**
Financial Income (Loss)																	
Non-Operating Income (Loss)																	
EBT	**184,135**	**192,173**	**201,198**	**189,166**	**203,284**	**211,194**	**206,106**	**202,283**	**209,371**	**217.584**	**224,222**	**232,000**	**240,021**	**249,314**	**257,890**	**267,743**	**32,894**
Income Tax and Social Contribution	(10,179)	(10,509)	(10,790)	(8,774)	(9,135)	(9,449)	(9,720)	(10,026)	(10,341)	(10,696)	(11,002)	(11,348)	(11,706)	(12,107)	(12,454)	(12,846)	(2,483)
Net Income (Loss)	**173,956**	**181,664**	**190,408**	**180,393**	**194,148**	**201,745**	**196,387**	**192,257**	**199,030**	**206.888**	**213,220**	**220,651**	**228,315**	**237,207**	**245,437**	**254,897**	**30,411**

8 Exhibits
Exhibit 2B: VdP I - *MPEE*

Authorization Concession (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35
Gross Revenue	**54,882**	**217,367**	**227,081**	**241,907**	**244,066**	**249,411**	**258,680**	**267,041**	**274,160**	**282,244**	**292,732**	**302,194**	**310,251**	**319,399**	**331,268**
Deductions	(2,173)	(8,671)	(9,056)	(9,623)	(9,727)	(9,948)	(10,313)	(10,645)	(10,933)	(11,257)	(11,670)	(12,046)	(12,372)	(12,739)	(13,206)
Net Revenue	**52,709**	**208,696**	**218,025**	**232,284**	**234,339**	**239,463**	**248,367**	**256,396**	**263,227**	**270,987**	**281,062**	**290,148**	**297,878**	**306,659**	**318,061**
Operating Costs	(12,898)	(46,119)	(54,666)	(60,497)	(62,341)	(64,265)	(66,306)	(62,837)	(59,236)	(61,088)	(63,031)	(65,015)	(67,034)	(69,130)	(71,329)
EBITDA	**39,811**	**162,577**	**163,359**	**171,787**	**171,998**	**175,198**	**182,061**	**193,559**	**203,991**	**209,899**	**218,031**	**225,133**	**230,844**	**237,530**	**246,732**
Income Tax and Social Contribution	(1,684)	(6,671)	(6,970)	(7,427)	(7,493)	(7,658)	(7,943)	(8,201)	(8,420)	(8,669)	(8,992)	(9,284)	(9,532)	(9,813)	(10,179)
Net Income (Loss)	**38,127**	**155,906**	**156,389**	**164,360**	**164,505**	**167,540**	**174,118**	**185,358**	**195,571**	**201,229**	**209,039**	**215,850**	**221,313**	**227,716**	**236,553**
CAC (before tax)	(37,760)	(154,234)	(147,346)	(141,422)	(134,880)	(134,292)	(127,812)	(121,342)	(114,771)	(114,833)	(108,190)	(101,400)	(94,493)	(95,215)	(88,351)
Cash Flow	**367**	**1,672**	**9,043**	**22,938**	**29,625**	**33,248**	**46,306**	**64,016**	**80,800**	**86,396**	**100,849**	**114,449**	**126,820**	**132,501**	**148,203**
Discount factor | WACC @ 11.5%	0.99	0.92	0.83	0.74	0.66	0.60	0.53	0.48	0.43	0.39	0.35	0.31	0.28	0.25	0.22
Present Value - Cash Flow	**362**	**1,540**	**7,472**	**16,996**	**19,684**	**19,810**	**24,740**	**30,670**	**34,713**	**33,283**	**34,838**	**35,453**	**35,228**	**33,004**	**33,103**

Authorization Concession (R$ thousand)	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51
Gross Revenue	**341,975**	**351,092**	**285,637**	**297,382**	**307,560**	**316,351**	**326,284**	**336,530**	**348,048**	**357,995**	**369,236**	**380,831**	**393,865**	**405,122**	**417,843**	**81,404**
Deductions	(13,632)	(14,001)	(11,649)	(12,116)	(12,527)	(12,889)	(13,294)	(13,711)	(14,177)	(14,586)	(15,044)	(15,516)	(16,043)	(16,506)	(17,024)	(4,800)
Net Revenue	**328,343**	**337,091**	**273,988**	**285,266**	**295,033**	**303,462**	**312,990**	**322,818**	**333,871**	**343,409**	**354,193**	**365,314**	**377,822**	**388,616**	**400,819**	**76,604**
Operating Costs	(73,573)	(75,858)	(77,059)	(79,521)	(82,031)	(84,593)	(87,250)	(89,989)	(92,830)	(95,729)	(98,735)	(101,836)	(105,050)	(107,583)	(110,961)	(21,595)
EBITDA	**254,770**	**261,233**	**196,930**	**205,745**	**213,002**	**218,868**	**225,741**	**232,829**	**241,041**	**247,680**	**255,457**	**263,479**	**272,772**	**281,034**	**289,858**	**55,009**
Income Tax and Social Contribution	(10,509)	(10,790)	(8,774)	(9,135)	(9,449)	(9,720)	(10,026)	(10,341)	(10,696)	(11,002)	(11,348)	(11,706)	(12,107)	(12,454)	(12,846)	(2,483)
Net Income (Loss)	**244,261**	**250,443**	**188,156**	**196,609**	**203,553**	**209,149**	**215,715**	**222,488**	**230,345**	**236,678**	**244,109**	**251,773**	**260,665**	**268,580**	**277,012**	**52,526**
CAC (before tax)	(81,321)	(74,160)	(76,822)	(72,007)	(67,155)	(95,198)	(101,989)	(72,753)	(70,466)	(68,173)	(65,888)	(63,608)	(61,337)	(58,313)	(55,478)	(48,465)
Cash Flow	**162,940**	**176,284**	**111,334**	**124,602**	**136,398**	**113,951**	**113,726**	**149,735**	**159,879**	**168,505**	**178,221**	**188,166**	**199,328**	**210,267**	**221,534**	**4,061**
Discount factor | WACC @ 11.5%	0.20	0.18	0.16	0.14	0.13	0.12	0.10	0.09	0.08	0.08	0.07	0.06	0.05	0.05	0.04	0.04
Present Value - Cash Flow	**32,635**	**31,661**	**17,931**	**17,995**	**17,664**	**13,233**	**11,843**	**13,982**	**13,387**	**12,652**	**12,000**	**11,361**	**10,792**	**10,208**	**9,644**	**166**

Present Value of Authorization Granting	**598,051**

8 Exhibits

Exhibit 2C: VdP I - *CAC*

CAC (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35
Working Capital	**(7,276)**	**11,178**	**(8,140)**	**(17,598)**	**(33,162)**	**11,247**	**(3,798)**	**(19,005)**	**(35,226)**	**15,442**	**(1,509)**	**(19,930)**	**(39,529)**	**17,808**	**(1,374)**
CAC (after tax)	(174)	1,109	(807)	(1,745)	(3,289)	1,115	(377)	(1,885)	(3,493)	1,531	(150)	(1,976)	(3,920)	1,766	(136)
CAC (after-tax) % Net Revenue	**-0.3%**	**0.5%**	**-0.4%**	**-0.8%**	**-1.4%**	**0.5%**	**-0.2%**	**-0.7%**	**-1.3%**	**0.6%**	**-0.1%**	**-0.7%**	**-1.3%**	**0.6%**	**0.0%**
Property, Plant and Equipment	**1,050,475**	**1,046,441**	**997,803**	**949,166**	**900,542**	**851,949**	**803,381**	**754,838**	**706,295**	**657,751**	**609,208**	**560,665**	**512,121**	**463,580**	**415,040**
Opening Balance	1,050,475	1,046,441	997,803	949,166	900,542	851,949	803,381	754,838	706,295	657,751	609,208	560,665	512,121	463,580	415,040
(+) Capex	8,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	(12,109)	(48,638)	(48,638)	(48,623)	(48,593)	(48,568)	(48,543)	(48,543)	(48,543)	(48,543)	(48,543)	(48,543)	(48,542)	(48,540)	(48,540)
Closing Balance	1,046,441	997,803	949,166	900,542	851,949	803,381	754,838	706,295	657,751	609,208	560,665	512,121	463,580	415,040	366,500
Average for the Period	1,048,458	1,022,122	973,485	924,854	876,246	827,665	779,110	730,566	682,023	633,480	584,936	536,393	487,850	439,310	390,770
CAC (after tax) - return on	25,825	104,488	99,516	94,544	89,575	84,609	79,646	74,683	69,721	64,758	59,796	54,833	49,871	44,909	39,947
CAC (after tax) - return of	12,109	48,638	48,638	48,623	48,593	48,568	48,543	48,543	48,543	48,543	48,543	48,543	48,542	48,540	48,540
CAC (before tax)	37,934	153,126	148,154	143,168	138,169	133,177	128,189	123,226	118,264	113,302	108,339	103,377	98,413	93,449	88,487
CAC (after tax) % Net Revenue	**72.0%**	**73.4%**	**68.0%**	**61.6%**	**59.0%**	**55.6%**	**51.6%**	**48.1%**	**44.9%**	**41.8%**	**38.5%**	**35.6%**	**33.0%**	**30.5%**	**27.8%**
Aggregate CAC (% Net Revenue)	**71.6%**	**73.9%**	**67.6%**	**60.9%**	**57.6%**	**56.1%**	**51.5%**	**47.3%**	**43.6%**	**42.4%**	**38.5%**	**34.9%**	**31.7%**	**31.0%**	**27.8%**

CAC (R$ thousand)	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51
Working Capital	**(22,220)**	**(44,399)**	**32,481**	**33,963**	**35,074**	**36,130**	**37,264**	**38,434**	**39,691**	**40,886**	**42,170**	**43,494**	**44,916**	**46,421**	**47,879**	**-**
CAC (after tax)	(2,204)	(4,403)	3,221	3,368	3,478	3,583	3,695	3,812	3,936	4,055	4,182	4,313	4,454	4,604	4,748	-
CAC (after-tax) % Net Revenue	**-0.7%**	**-1.3%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**1.2%**	**0.0%**
Property, Plant and Equipment	**366,500**	**317,960**	**269,420**	**220,881**	**172,341**	**123,801**	**504,629**	**455,405**	**431,812**	**408,219**	**384,626**	**361,033**	**337,439**	**313,846**	**291,056**	**268,949**
Opening Balance	366,500	317,960	269,420	220,881	172,341	123,801	504,629	455,405	431,812	408,219	384,626	361,033	337,439	313,846	291,056	268,949
(+) Capex	-	-	-	-	-	440,322	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	(48,540)	(48,540)	(48,540)	(48,540)	(48,540)	(59,494)	(49,224)	(23,593)	(23,593)	(23,593)	(23,593)	(23,593)	(23,593)	(22,790)	(22,106)	(22,101)
Closing Balance	317,960	269,420	220,881	172,341	123,801	504,629	455,405	431,812	408,219	384,626	361,033	337,439	313,846	291,056	268,949	246,849
Average for the Period	342,230	293,690	245,150	196,611	148,071	314,215	480,017	443,609	420,015	396,422	372,829	349,236	325,643	302,451	280,003	257,899
CAC (after tax) - return on	34,985	30,023	25,061	20,099	15,137	32,121	49,070	45,348	42,937	40,525	38,113	35,701	33,289	30,918	28,624	26,364
CAC (after tax) - return of	48,540	48,540	48,540	48,540	48,540	59,494	49,224	23,593	23,593	23,593	23,593	23,593	23,593	22,790	22,106	22,101
CAC (before tax)	83,525	78,563	73,601	68,639	63,677	91,615	98,294	68,942	66,530	64,118	61,706	59,294	56,882	53,709	50,730	48,465
CAC (after tax) % Net Revenue	**25.4%**	**23.3%**	**26.9%**	**24.1%**	**21.6%**	**30.2%**	**31.4%**	**21.4%**	**19.9%**	**18.7%**	**17.4%**	**16.2%**	**15.1%**	**13.8%**	**12.7%**	**63.3%**
Aggregate CAC (% Net Revenue)	**24.8%**	**22.0%**	**28.0%**	**25.2%**	**22.8%**	**31.4%**	**32.6%**	**22.5%**	**21.1%**	**19.9%**	**18.6%**	**17.4%**	**16.2%**	**15.0%**	**13.8%**	**63.3%**

8 Exhibits

Exhibit 3A: VdP II and III - Income Statement

Income Statement R$ thousand	Dec-18	Dec-19	Dec-20	Sep-21	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35
Net Revenue	**-**	**-**	**-**	**0**	**-**	**214,248**	**408.59 6**	**370.36 5**	**377,085**	**381,149**	**393,109**	**406,563**	**418,183**	**431,314**	**444,858**	**457,985**	**492,349**	**508,042**	**523,995**
Opex	-	-	-	(2,453)	(2)	(29,753)	(73.46 4)	(75,656)	(78,099)	(80,471)	(87,812)	(97,307)	(102,788)	(109,423)	(112,906)	(119,786)	(128,537)	(132.63 2)	(136,854)
EBITDA	**-**	**-**	**-**	**(2,453)**	**(2)**	**184,496**	**335.13 1**	**294.70 9**	**298,986**	**300,678**	**305,297**	**309,256**	**315,395**	**321,891**	**331,952**	**338,199**	**363,812**	**375,410**	**387,141**
Depreciation	-	-	-	(46)	-	(21,869)	(48.60 5)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)
EBIT	**-**	**-**	**-**	**(2,499)**	**(2)**	**162,627**	**286.52 7**	**245.96 4**	**250,242**	**251,934**	**256,552**	**260,511**	**266,650**	**273,146**	**283,207**	**289,454**	**315,067**	**326,666**	**338,397**
Financial Income (Loss)	-	-	-	(1,105)															
Non-Operating Income (Loss)	-	-	-	1															
EBT	**-**	**-**	**-**	**(3,602)**	**(2)**	**162,627**	**286.527**	**245.964**	**250,242**	**251,934**	**256,552**	**260,511**	**266,650**	**273,146**	**283,207**	**289,454**	**315,067**	**326,666**	**338,397**
Income Tax and Social Contribution	-	-	-	(1,304)	-	(6,825)	(13.03	(11,815)	(12,030)	(12,160)	(12,542)	(12,973)	(13,344)	(13,764)	(14,197)	(14,616)	(15,715)	(16,216)	(16,726)
Net Income (Loss)	**-**	**-**	**-**	**(4,906)**	**(2) 15**	**5,802**	**273.48**	**234.14**	**238,212**	**239,774**	**244,010**	**247,539**	**253,306**	**259.38 2**	**269.0 10**	**274 .838**	**299,353**	**310,449**	**321,670 3**

Income Statement R$ thousand	Dec-36	Dec-37	Dec-38	Dec-3	Dec-40	Dec-	d 7 and z) -42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	of z-51 th e	De c -52	Dec-	Dec- 54	Dec-55
Opex	(141,233)	(149,950)	(160,666)	(165,780)	(171,084)	(176.50 2)	(182,120)	(187,916)	(193,928)	(200,070)	(195,689)	(186,870)	(192,852)	(198.95 4)	(205,286)	(211,819)	(224,777)	(240.54 1)	(248,196)	(233,209)
EBITDA	**400,696**	**407,469**	**414,255**	**427,194**	**442,185**	**454,296**	**468,485**	**483,117**	**500,072**	**513,766**	**540,561**	**572,499**	**592,507**	**608,852**	**627,885**	**647,513**	**663,966**	**673,605**	**694,653**	**656,65 4**
Depreciation	(48,745)	(48,745)	(48,741)	(48,714)	(48,714)	(48.71 4)	(52,304)	(61,450)	(68,915)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70.82 4)	(70,824)	(64,809)
EBIT	**351,951**	**358,724**	**365,514**	**378,480**	**393,471**	**405,582**	**416,180**	**421,667**	**431,157**	**442,942**	**469,737**	**501,675**	**521,683**	**538,028**	**557,061**	**576,689**	**593,142**	**602,781**	**623,829**	**591,84 5**
Financial Income (Loss)																				
Result no Operational																				
EBT	**351,951**	**358,724**	**365,514**	**378,480**	**393,471**	**405,582**	**416,180**	**421,667**	**431,157**	**442,942**	**469,737**	**501,675**	**521,683**	**538,028**	**557,061**	**576,689**	**593,142**	**602,781**	**623,829**	**591,84 5**
Income Tax and Social Contribution	(17,300)	(17,795)	(18,354)	(18,931)	(19,580)	(20.14 1)	(20,774)	(21,427)	(22,161)	(22,795)	(23,512)	(24,251)	(25,081)	(25,799)	(26,610)	(27,446)	(28,386)	(29.19 8)	(30,116)	(28,422)
Net Income (Loss)	**334,652**	**340,929**	**347,160**	**359,548**	**373,891**	**385,441**	**395,407**	**400,240**	**408,996**	**420,147**	**446,225**	**477,424**	**496,601**	**512,229**	**530,451**	**549,243**	**564,756**	**573,583**	**593,713**	**563,42 3**

8 Exhibits

Exhibit 3B: VdP II and III - MPEE

1 Executive Summary
2 Context
3 CESP
4 VTRM
5 Summarized Figures
6 Overall Limits
7 Exhibits
8 Exhibits

Authorization Concession (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38
Gross Revenue	**-**	**222,365**	**424,074**	**384,395**	**391,370**	**395,588**	**408,001**	**421,965**	**434,025**	**447,654**	**461,710**	**475,335**	**511,001**	**527,289**	**543,845**	**562,459**	**578,535**	**596,701**
Deductions	-	(8,116)	(15,479)	(14,030)	(14,285)	(14,439)	(14,892)	(15,402)	(15,842)	(16,339)	(16,852)	(17,350)	(18,652)	(19,246)	(19,850)	(20,530)	(21,117)	(21,780)
Net Revenue	**-**	**214,248**	**408,596**	**370,365**	**377,085**	**381,149**	**393,109**	**406,563**	**418,183**	**431,314**	**444,858**	**457,985**	**492,349**	**508,042**	**523,995**	**541,929**	**557,419**	**574,922**
Operating Costs	(2)	(29,753)	(73,464)	(75,656)	(78,099)	(80,471)	(87,812)	(97,307)	(102,788)	(109,423)	(112,906)	(119,786)	(128,537)	(132,632)	(136,854)	(141,233)	(149,950)	(160,666)
EBITDA	**(2)**	**184,496**	**335,131**	**294,709**	**298,986**	**300,678**	**305,297**	**309,256**	**315,395**	**321,891**	**331,952**	**338,199**	**363,812**	**375,410**	**387,141**	**400,696**	**407,469**	**414,255**
Income Tax and Social Contribution	-	(6,825)	(13,037)	(11,815)	(12,030)	(12,160)	(12,542)	(12,973)	(13,344)	(13,764)	(14,197)	(14,616)	(15,715)	(16,216)	(16,726)	(17,300)	(17,795)	(18,354)
Net Income (Loss)	**(2)**	**177,671**	**322,094**	**282,894**	**286,956**	**288,518**	**292,754**	**296,283**	**302,051**	**308,127**	**317,755**	**323,583**	**348,097**	**359,194**	**370,415**	**383,396**	**389,674**	**395,901**
CAC (before tax)	(17,232)	(181,353)	(283,966)	(279,206)	(274,006)	(268,776)	(263,571)	(258,353)	(253,170)	(247,983)	(242,825)	(237,627)	(232,611)	(227,467)	(222,325)	(217,189)	(212,017)	(206,832)
Cash Flow	**(17,234)**	**(3,682)**	**38,127**	**3,687**	**12,951**	**19,743**	**29,183**	**37,930**	**48,881**	**60,144**	**74,930**	**85,956**	**115,487**	**131,727**	**148,090**	**166,208**	**177,657**	**189,069**
Discount factor | WACC @ 11.9%	0.99	0.92	0.82	0.73	0.66	0.59	0.52	0.47	0.42	0.37	0.34	0.30	0.27	0.24	0.21	0.19	0.17	0.15
Present Value - Cash Flow	**(16,994)**	**(3,385)**	**31,334**	**2,709**	**8,505**	**11,590**	**15,315**	**17,794**	**20,499**	**22,548**	**25,111**	**25,751**	**30,928**	**31,535**	**31,692**	**31,797**	**30,382**	**28,904**

Authorization Concession (R$ thousand)	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51	Dec-52	Dec-53	Dec-54	Dec-55
Gross Revenue	**615,438**	**636,501**	**654,694**	**675,251**	**696,454**	**720,291**	**740,878**	**764,142**	**788,136**	**815,110**	**838,408**	**864,734**	**891,886**	**922,412**	**948,776**	**978,568**	**923,574**
Deductions	(22,463)	(23,232)	(23,896)	(24,647)	(25,421)	(26,291)	(27,042)	(27,891)	(28,767)	(29,752)	(30,602)	(31,563)	(32,554)	(33,668)	(34,630)	(35,718)	(33,710)
Net Revenue	**592,974**	**613,269**	**630,797**	**650,604**	**671,033**	**694,000**	**713,836**	**736,250**	**759,369**	**785,359**	**807,806**	**833,171**	**859,332**	**888,744**	**914,146**	**942,850**	**889,863**
Operating Costs	(165,780)	(171,084)	(176,502)	(182,120)	(187,916)	(193,928)	(200,070)	(195,689)	(186,870)	(192,852)	(198,954)	(205,286)	(211,819)	(224,777)	(240,541)	(248,196)	(233,209)
EBITDA	**427,194**	**442,185**	**454,296**	**468,485**	**483,117**	**500,072**	**513,766**	**540,561**	**572,499**	**592,507**	**608,852**	**627,885**	**647,513**	**663,966**	**673,605**	**694,653**	**656,654**
Income Tax and Social Contribution	(18,931)	(19,580)	(20,141)	(20,774)	(21,427)	(22,161)	(22,795)	(23,512)	(24,251)	(25,081)	(25,799)	(26,610)	(27,446)	(28,386)	(29,198)	(30,116)	(28,422)
Net Income (Loss)	**408,262**	**422,605**	**434,155**	**447,711**	**461,690**	**477,911**	**490,971**	**517,050**	**548,248**	**567,426**	**583,053**	**601,275**	**620,067**	**635,580**	**644,407**	**664,538**	**628,232**
CAC (before tax)	(201,677)	(196,557)	(191,436)	(207,243)	(255,034)	(292,053)	(295,900)	(288,509)	(281,161)	(273,700)	(266,240)	(258,788)	(251,342)	(243,853)	(236,342)	(228,910)	(208,877)
Cash Flow	**206,585**	**226,048**	**242,719**	**240,468**	**206,656**	**185,858**	**195,072**	**228,541**	**267,087**	**293,726**	**316,813**	**342,487**	**368,725**	**391,727**	**408,065**	**435,627**	**419,355**
Discount factor | WACC @ 11.9%	0.14	0.12	0.11	0.10	0.09	0.08	0.07	0.06	0.06	0.05	0.04	0.04	0.04	0.03	0.03	0.03	0.02
Present Value - Cash Flow	**28,232**	**27,615**	**26,507**	**23,475**	**18,035**	**14,499**	**13,604**	**14,247**	**14,884**	**14,633**	**14,109**	**13,634**	**13,122**	**12,462**	**11,605**	**11,074**	**9,575**

Present Value of Authorization Granting 627,329

8 Exhibits

Exhibit 3C: VdP II and III - CAC

CAC (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38
Working Capital	**-**	**16,643**	**31,207**	**27,863**	**28,405**	**28,657**	**29,161**	**29,533**	**30,251**	**30,922**	**31,891**	**32,461**	**34,833**	**35,943**	**37,069**	**38,247**	**39,079**	**39,814**
CAC (after tax)	-	1,676	3,142	2,805	2,860	2,885	2,936	2,974	3,046	3,113	3,211	3,268	3,507	3,619	3,732	3,851	3,935	4,009
CAC (after tax) % of net revenue	**n/a**	**0.8%**	**0.8%**	**0.8%**	**0.8%**	**0.8%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**
Property, Plant and Equipment	**573,711**	**755,586**	**2,171,881**	**2,135,971**	**2,087,226**	**2,038,482**	**1,989,737**	**1,940,992**	**1,892,247**	**1,843,503**	**1,794,758**	**1,746,013**	**1,697,268**	**1,648,524**	**1,599,779**	**1,551,034**	**1,502,290**	**1,453,545**
Opening Balance	573,711	755,586	2,171,881	2,135,971	2,087,226	2,038,482	1,989,737	1,940,992	1,892,247	1,843,503	1,794,758	1,746,013	1,697,268	1,648,524	1,599,779	1,551,034	1,502,290	1,453,545
(+) Capex	181,876	1,438,163	12,695	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	-	(21,869)	(48,605)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,745)	(48,741)
Closing Balance	755,586	2,171,881	2,135,971	2,087,226	2,038,482	1,989,737	1,940,992	1,892,247	1,843,503	1,794,758	1,746,013	1,697,268	1,648,524	1,599,779	1,551,034	1,502,290	1,453,545	1,404,804
Average for the Period	664,649	1,463,733	2,153,926	2,111,599	2,062,854	2,014,109	1,965,364	1,916,620	1,867,875	1,819,130	1,770,386	1,721,641	1,672,896	1,624,151	1,575,407	1,526,662	1,477,917	1,429,174
CAC (after tax) - return on	17,232	157,808	232,220	227,656	222,401	217,146	211,890	206,635	201,380	196,125	190,869	185,614	180,359	175,103	169,848	164,593	159,338	154,082
CAC (after tax) - return of	-	21,869	48,605	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,745	48,741
CAC (before tax)	17,232	179,677	280,824	276,401	271,146	265,890	260,635	255,380	250,125	244,869	239,614	234,359	229,103	223,848	218,593	213,338	208,082	202,824
CAC (after tax) % Net Revenue	**n/a**	**83.9%**	**68.7%**	**74.6%**	**71.9%**	**69.8%**	**66.3%**	**62.8%**	**59.8%**	**56.8%**	**53.9%**	**51.2%**	**46.5%**	**44.1%**	**41.7%**	**39.4%**	**37.3%**	**35.3%**
Aggregate CAC (% Net Revenue)	**0.0%**	**84.6%**	**69.5%**	**75.4%**	**72.7%**	**70.5%**	**67.0%**	**63.5%**	**60.5%**	**57.5%**	**54.6%**	**51.9%**	**47.2%**	**44.8%**	**42.4%**	**40.1%**	**38.0%**	**36.0%**

CAC (R$ thousand)	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49	Dec-50	Dec-51	Dec-52	Dec-53	Dec-54	Dec-55
Working Capital	**41,061**	**42,369**	**43,673**	**45,041**	**46,451**	**47,930**	**49,406**	**51,836**	**54,697**	**56,433**	**58,179**	**60,002**	**61,882**	**63,339**	**64,586**	**66,609**	**-**
CAC (after tax)	4,134	4,266	4,397	4,535	4,677	4,826	4,975	5,219	5,507	5,682	5,858	6,041	6,231	6,377	6,503	6,707	-
CAC (after tax) % of net revenue	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.7%**	**0.0%**
Property, Plant and Equipment	**1,404,804**	**1,356,090**	**1,307,376**	**1,258,662**	**1,531,444**	**1,972,936**	**2,076,933**	**2,006,109**	**1,935,285**	**1,864,461**	**1,793,636**	**1,722,812**	**1,651,988**	**1,581,163**	**1,510,339**	**1,439,515**	**1,368,691**
Opening Balance	1,404,804	1,356,090	1,307,376	1,258,662	1,531,444	1,972,936	2,076,933	2,006,109	1,935,285	1,864,461	1,793,636	1,722,812	1,651,988	1,581,163	1,510,339	1,439,515	1,368,691
(+) Capex	-	-	-	325,087	502,942	172,911	-	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	(48,714)	(48,714)	(48,714)	(52,304)	(61,450)	(68,915)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(70,824)	(64,809)
Closing Balance	1,356,090	1,307,376	1,258,662	1,531,444	1,972,936	2,076,933	2,006,109	1,935,285	1,864,461	1,793,636	1,722,812	1,651,988	1,581,163	1,510,339	1,439,515	1,368,691	1,303,882
Average for the Period	1,380,447	1,331,733	1,283,019	1,395,053	1,752,190	2,024,935	2,041,521	1,970,697	1,899,873	1,829,048	1,758,224	1,687,400	1,616,576	1,545,751	1,474,927	1,404,103	1,336,286
CAC (after tax) - return on	148,829	143,577	138,325	150,404	188,908	218,313	220,101	212,465	204,830	197,194	189,558	181,922	174,287	166,651	159,015	151,379	144,068
CAC (after tax) - return of	48,714	48,714	48,714	52,304	61,450	68,915	70,824	70,824	70,824	70,824	70,824	70,824	70,824	70,824	70,824	70,824	64,809
CAC (before tax)	197,543	192,291	187,039	202,708	250,357	287,227	290,925	283,290	275,654	268,018	260,382	252,747	245,111	237,475	229,839	222,204	208,877
CAC (after tax) % Net Revenue	**33.3%**	**31.4%**	**29.7%**	**31.2%**	**37.3%**	**41.4%**	**40.8%**	**38.5%**	**36.3%**	**34.1%**	**32.2%**	**30.3%**	**28.5%**	**26.7%**	**25.1%**	**23.6%**	**23.5%**
Aggregate CAC (% Net Revenue)	**34.0%**	**32.1%**	**30.3%**	**31.9%**	**38.0%**	**42.1%**	**41.5%**	**39.2%**	**37.0%**	**34.9%**	**33.0%**	**31.1%**	**29.2%**	**27.4%**	**25.9%**	**24.3%**	**23.5%**

8 Exhibits

Exhibit 4A: VdA III - DRE

Income Statement R$ thousand	Dec-18	Dec-19	Dec-20	Sep-21	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33
Net Revenue	**186,437**	**253,505**	**200,998**	**45,899**	**70,046**	**287,211**	**290,300**	**311,711**	**319,504**	**332,593**	**329,724**	**347,391**	**356,796**	**374,280**	**372,675**	**393,122**	**403,764**
Opex	(44,221)	(62,525)	(53,773)	(50,221)	(16,616)	(76,141)	(81,643)	(81,628)	(84,462)	(89,009)	(91,591)	(95,072)	(98,381)	(101,571)	(104,529)	(107,939)	(109,465)
EBITDA	**142,216**	**190,979**	**147,225**	**(4,322)**	**53,430**	**211,070**	**208,657**	**230,083**	**235,042**	**243,583**	**238,133**	**252,319**	**258,414**	**272,709**	**268,146**	**285,183**	**294,299**
Depreciation	(43,963)	(75,441)	(75,700)	(56,870)	(23,277)	(93,161)	(93,161)	(93,140)	(93,006)	(92,892)	(92,892)	(92,892)	(92,850)	(91,689)	(88,957)	(88,957)	(88,957)
EBIT	**98,253**	**115,538**	**71,525**	**(61,193)**	**30,153**	**117,910**	**115,496**	**136,944**	**142,036**	**150,691**	**145,241**	**159,427**	**165,564**	**181,020**	**179,189**	**196,226**	**205,342**
Financial Income (Loss)	(83,865)	(123,047)	(101,829)	(77,096)													
Non-Operating Income (Loss)	14,369	(728)	(17,839)	(120,276)													
EBT	**28,757**	**(8,237)**	**(48,143)**	**(258,565)**	**30,153**	**117,910**	**115,496**	**136,944**	**142,036**	**150,691**	**145,241**	**159,427**	**165,564**	**181,020**	**179,189**	**196,226**	**205,342**
Income Tax and Social Contribution	(9,040)	(10,864)	(7,369)	(4,099)	(2,233)	(9,157)	(9,256)	(9,940)	(10,190)	(10,608)	(10,516)	(11,081)	(11,382)	(11,941)	(11,889)	(12,543)	(12,883)
Net Income (Loss)	**19,717**	**(19,102)**	**(55,512)**	**(262,664)**	**27,920**	**108,752**	**106,240**	**127,003**	**131,846**	**140,084**	**134,725**	**148,346**	**154,183**	**169,079**	**167,300**	**183,683**	**192,459**

Income Statement R$ thousand	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49
Net Revenue	**423,550**	**421,734**	**444,873**	**457,652**	**484,314**	**485,926**	**509,032**	**523,581**	**540,022**	**556,978**	**576,041**	**592,506**	**611,110**	**630,299**	**651,872**	**336,862**
Opex	(111,705)	(114,970)	(118,738)	(122,448)	(126,490)	(130,243)	(134,459)	(138,658)	(143,012)	(147.502)	(152,159)	(156,911)	(161,838)	(166,920)	(172,189)	(89,273)
EBITDA	**311,846**	**306,765**	**326,134**	**335,204**	**357,825**	**355,682**	**374,573**	**384,923**	**397,010**	**409,476**	**423,882**	**435,595**	**449,272**	**463,380**	**479,682**	**247,589**
Depreciation	(88,957)	(88,957)	(88,957)	(84,835)	(886)	(703)	(19,791)	(38,363)	(38,177)	(38,177)	(38,177)	(38,177)	(38,177)	(38,177)	(38,177)	(19,194)
EBIT	**222,889**	**217,808**	**237,177**	**250,370**	**356,938**	**354,979**	**354,782**	**346,560**	**358,833**	**371,299**	**385,705**	**397,418**	**411,096**	**425,203**	**441,506**	**228,395**
Financial result Result not Operational																
EBT	**222,889**	**217,808**	**237,177**	**250,370**	**356,938**	**354,979**	**354,782**	**346,560**	**358,833**	**371,299**	**385,705**	**397,418**	**411,096**	**425,203**	**441,506**	**228,395**
Income Tax and Social Contribution	(13,516)	(13,457)	(14,197)	(14,606)	(15,458)	(15,509)	(16,248)	(16,713)	(17,239)	(17,781)	(18,390)	(18,917)	(19,511)	(20,125)	(20,814)	(10,744)
Net Income (Loss)	**209,373**	**204,350**	**222,980**	**235,764**	**341,480**	**339,470**	**338,534**	**329,847**	**341,594**	**353,518**	**367,315**	**378,502**	**391,585**	**405,078**	**420,691**	**217,650**

8 Exhibits

Exhibit 4B: VdA III - *MPEE*

Authorization Concession (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35
Gross Revenue	**72,699**	**298,091**	**301,297**	**323,520**	**331,608**	**345,192**	**342,215**	**360,551**	**370,312**	**388,459**	**386,793**	**408,015**	**419,060**	**439,596**	**437,711**
Deductions	(2,654)	(10,880)	(10,997)	(11,808)	(12,104)	(12,600)	(12,491)	(13,160)	(13,516)	(14,179)	(14,118)	(14,893)	(15,296)	(16,045	(15,976)
Net Revenue	**70,046**	**287,211**	**290,300**	**311,711**	**319,504**	**332,593**	**329,724**	**347,391**	**356,796**	**374,280**	**372,675**	**393,122**	**403,764**	**423,550**	**421,734**
Operating Costs	(16,616)	(76,141)	(81,643)	(81,628)	(84,462)	(89,009)	(91,591)	(95,072)	(98,381)	(101,571)	(104,529)	(107,939)	(109,465)	(111,705)	(114,970)
EBITDA	**53,430**	**211,070**	**208,657**	**230,083**	**235,042**	**243,583**	**238,133**	**252,319**	**258,414**	**272,709**	**268,146**	**285,183**	**294,299**	**311,846**	**306,765**
Income Tax and Social Contribution	(2,233)	(9,157)	(9,256)	(9,940)	(10,190)	(10,608)	(10,516)	(11,081)	(11,382)	(11,941)	(11,889)	(12,543)	(12,883)	(13,516	(13,457)
Net Income (Loss)	**51,197**	**201,913**	**199,401**	**220,143**	**224,852**	**232,976**	**227,617**	**241,238**	**247,033**	**260,768**	**256,257**	**272,640**	**281,416**	**298,330**	**293,307**
CAC (before tax)	(57,209)	(247,904)	(238,562)	(228,750)	(219,520)	(213,769)	(204,889)	(194,467)	(184,824)	(179,247)	(170,360)	(159,716)	(149,965)	(144,805)	(135,888)
Cash Flow	**(6,013)**	**(45,991)**	**(39,161)**	**(8,607)**	**5,332**	**19,206**	**22,728**	**46,772**	**62,209**	**81,521**	**85,897**	**112,924**	**131,451**	**153,525**	**157,419**
Discount factor | WACC @ 11.5%	0.99	0.92	0.83	0.74	0.66	0.60	0.53	0.48	0.43	0.39	0.35	0.31	0.28	0.25	0.22
Present Value - Cash Flow	**(5,931)**	**(42,383)**	**(32,365)**	**(6,379)**	**3,544**	**11,449**	**12,150**	**22,423**	**26,746**	**31,432**	**29,701**	**35,017**	**36,555**	**38,288**	**35,208**

Authorization Concession (R$ thousand)	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49
Gross Revenue	**461,726**	**474,989**	**502,661**	**504,334**	**528,316**	**543,416**	**560,479**	**578,078**	**597,863**	**614,951**	**634,261**	**654,177**	**676,566**	**349,623**
Deductions	(16,853)	(17,337)	(18,347)	(18,408)	(19,284)	(19,835)	(20,457)	(21,100)	(21,822)	(22,446)	(23,151)	(23,877)	(24,695)	(12,761)
Net Revenue	**444,873**	**457,652**	**484,314**	**485,926**	**509,032**	**523,581**	**540,022**	**556,978**	**576,041**	**592,506**	**611,110**	**630,299**	**651,872**	**336,862**
Operating Costs	(118,738)	(122,448)	(126,490)	(130,243)	(134,459)	(138,658)	(143,012)	(147,502)	(152,159)	(156,911)	(161,838)	(166,920)	(172,189)	(89,273)
EBITDA	**326,134**	**335,204**	**357,825**	**355,682**	**374,573**	**384,923**	**397,010**	**409,476**	**423,882**	**435,595**	**449,272**	**463,380**	**479,682**	**247,589**
Income Tax and Social Contribution	(14,197)	(14,606)	(15,458)	(15,509)	(16,248)	(16,713)	(17,239)	(17,781)	(18,390)	(18,917)	(19,511)	(20,125)	(20,814)	(10,744)
Net Income (Loss)	**311,937**	**320,599**	**342,367**	**340,173**	**358,325**	**368,210**	**379,771**	**391,695**	**405,492**	**416,678**	**429,761**	**443,255**	**458,868**	**236,845**
CAC (before tax)	(124,982)	(115,245)	(112,636)	(112,496)	(160,253)	(205,484)	(158,296)	(107,332)	(103,346)	(99,356)	(95,377)	(91,403)	(87,441)	(57,288)
Cash Flow	**186,955**	**205,354**	**229,730**	**227,676**	**198,072**	**162,726**	**221,475**	**284,363**	**302,146**	**317,322**	**334,384**	**351,852**	**371,427**	**179,556**
Discount factor | WACC @ 11.5%	0.20	0.18	0.16	0.14	0.13	0.12	0.10	0.09	0.08	0.08	0.07	0.06	0.05	0.05
Present Value - Cash Flow	**37,499**	**36,938**	**37,059**	**32,937**	**25,697**	**18,933**	**23,109**	**26,609**	**25,355**	**23,881**	**22,568**	**21,296**	**20,161**	**8,980**

Present Value of Authorization Granting	**556,476**

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Exhibit 4C: VdA III - *CAC*

CAC (R$ thousand)	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35
Working Capital	**(259,079)**	**(68,752)**	**(75,629)**	**(87,000)**	**(92,269)**	**(62,586)**	**(64,530)**	**(82,467)**	**(92,545)**	**(61,623)**	**(64,077)**	**(84,252)**	**(95,396)**	**(60,241)**	**(63,009)**
CAC (after tax)	(6,197)	(6,818)	(7,500)	(8,628)	(9,150)	(6,207)	(6,399)	(8,178)	(9,178)	(6,111)	(6,355)	(8,355)	(9,460)	(5,974)	(6,249)
CAC (after-tax) % Net Revenue	**-8.8%**	**-2.4%**	**-2.6%**	**-2.8%**	**-2.9%**	**-1.9%**	**-1.9%**	**-2.4%**	**-2.6%**	**-1.6%**	**-1.7%**	**-2.1%**	**-2.3%**	**-1.4%**	**-1.5%**
Property, Plant and Equipment	**1,724,459**	**1,705,400**	**1,620,685**	**1,535,970**	**1,451,280**	**1,366,642**	**1,282,049**	**1,197,498**	**1,112,948**	**1,028,397**	**943,847**	**859,296**	**774,745**	**690,198**	**605,653**
Opening Balance	1,724,459	1,705,400	1,620,685	1,535,970	1,451,280	1,366,642	1,282,049	1,197,498	1,112,948	1,028,397	943,847	859,296	774,745	690,198	605,653
(+) Capex	2,107	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) Depreciation	(21,165)	(84,715)	(84,715)	(84,690)	(84,638)	(84,593)	(84,551)	(84,551)	(84,551)	(84,551)	(84,551)	(84,551)	(84,548)	(84,544)	(84,544)
Closing Balance	1,705,400	1,620,685	1,535,970	1,451,280	1,366,642	1,282,049	1,197,498	1,112,948	1,028,397	943,847	859,296	774,745	690,198	605,653	521,109
Average for the Period	1,714,930	1,663,043	1,578,327	1,493,625	1,408,961	1,324,346	1,239,774	1,155,223	1,070,673	986,122	901,571	817,021	732,472	647,925	563,381
CAC (after tax) - return on	42,241	170,007	161,347	152,688	144,033	135,383	126,738	118,094	109,451	100,808	92,164	83,521	74,878	66,235	57,592
CAC (after tax) - return of	21,165	84,715	84,715	84,690	84,638	84,593	84,551	84,551	84,551	84,551	84,551	84,551	84,548	84,544	84,544
CAC (before tax)	63,407	254,722	246,062	237,378	228,671	219,976	211,288	202,645	194,002	185,358	176,715	168,072	159,425	150,780	142,137
CAC (after tax) % Net Revenue	**90.5%**	**88.7%**	**84.8%**	**76.2%**	**71.6%**	**66.1%**	**64.1%**	**58.3%**	**54.4%**	**49.5%**	**47.4%**	**42.8%**	**39.5%**	**35.6%**	**33.7%**
Aggregate CAC (% Net Revenue)	**81.7%**	**86.3%**	**82.2%**	**73.4%**	**68.7%**	**64.3%**	**62.1%**	**56.0%**	**51.8%**	**47.9%**	**45.7%**	**40.6%**	**37.1%**	**34.2%**	**32.2%**

CAC (R$ thousand)	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42	Dec-43	Dec-44	Dec-45	Dec-46	Dec-47	Dec-48	Dec-49
Working Capital	**(85,830)**	**(96,866)**	**(36,026)**	**49,714**	**52,168**	**53,765**	**55,453**	**57,194**	**59,036**	**60,842**	**62,753**	**64,723**	**66,807**	**-**
CAC (after tax)	(8,512)	(9,606)	(3,573)	4,930	5,174	5,332	5,499	5,672	5,855	6,034	6,223	6,419	6,625	-
CAC (after-tax) % Net Revenue	**-1.9%**	**-2.1%**	**-0.7%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**1.0%**	**0.0%**
Property, Plant and Equipment	**521,109**	**436,564**	**352,020**	**267,475**	**182,931**	**823,602**	**701,396**	**615,932**	**575,153**	**534,373**	**493,593**	**452,814**	**412,034**	**371,254**
Opening Balance	521,109	436,564	352,020	267,475	182,931	823,602	701,396	615,932	575,153	534,373	493,593	452,814	412,034	371,254
(+) Capex	-	-	-	-	744,303	-	-	-	-	-	-	-	-	-
(-) Depreciation	(84,544)	(84,544)	(84,544)	(84,544)	(103,633)	(122,205)	(85,464)	(40,780)	(40,780)	(40,780)	(40,780)	(40,780)	(40,780)	(20,378)
Closing Balance	436,564	352,020	267,475	182,931	823,602	701,396	615,932	575,153	534,373	493,593	452,814	412,034	371,254	350,876
Average for the Period	478,837	394,292	309,748	225,203	503,266	762,499	658,664	595,543	554,763	513,983	473,204	432,424	391,644	361,065
CAC (after tax) - return on	48,950	40,307	31,664	23,022	51,447	77,947	67,333	60,880	56,711	52,543	48,374	44,205	40,036	36,910
CAC (after tax) - return of	84,544	84,544	84,544	84,544	103,633	122,205	85,464	40,780	40,780	40,780	40,780	40,780	40,780	20,378
CAC (before tax)	133,494	124,852	116,209	107,566	155,080	200,153	152,797	101,660	97,491	93,322	89,154	84,985	80,816	57,288
CAC (after tax) % Net Revenue	**30.0%**	**27.3%**	**24.0%**	**22.1%**	**30.5%**	**38.2%**	**28.3%**	**18.3%**	**16.9%**	**15.8%**	**14.6%**	**13.5%**	**12.4%**	**17.0%**
Aggregate CAC (% Net Revenue)	**28.1%**	**25.2%**	**23.3%**	**23.2%**	**31.5%**	**39.2%**	**29.3%**	**19.3%**	**17.9%**	**16.8%**	**15.6%**	**14.5%**	**13.4%**	**17.0%**

8 Exhibits

Exhibit 5A: Balance Sheets CBA Energia and Invested

Individual Balance Sheets September 2021 (R$ thousand)

ASSETS	Baesa	Enercan	CBA Energia	LIABILITIES	Baesa	Enercan	CBA Energia
Cash and Cash Equivalents	55,634	107,083	45,279	Suppliers	71,304	48,491	33,410
Trade Receivables	57,635	186,045	19,147	Debentures CP	-	128,189	-
Taxes and Contributions Recoverable	4,934	4,894	4,969	Payroll, Provisions and Social Contribution	775	784	-
Dividends Receivable	-	-	62,633	Income Tax and Social Contribution	-	100,304	7,992
Prepaid expenses	-	607	-	Taxes Collectable	5,069	12,181	-
Other Credits CP	453	6,281	-	Use of the Public Asset (UBP) CP	34,275	4,411	-
Current	**118,656**	**304,910**	**132,028**	Sector Charges CP	7,503	9,678	-
				Dividends	53,173	229,820	49,707
				Other Liabilities CP	451	97	-
Court Deposits	-	83,029	-	**Current**	**172,549**	**533,954**	**91,110**
Deferred Income Tax and Social Contribution	29,033	30,171	-				
Other Receivables LP	11,570	7,505	-	Use of the Public Asset (UBP) LP	384,189	34,824	
Investments	1,089	1,089	224,758	Sector Charges LP	7,483	9,697	
Property, Plant and Equipment	759,479	785,361	-	Provision for Lawsuits	9,244	88,750	
Intangible Assets	72,241	8,184	-	Other Liabilities LP	317	27,853	
Noncurrent	**873,412**	**915,340**	**224,758**	**Noncurrent**	**401,234**	**161,123**	**-**
				Shareholders' Equity	**418,285**	**525,171**	**265,676**
Total Assets	**992,069**	**1,220,249**	**356,786**	**Total Liabilities**	**992,069**	**1,220,249**	**356,786**

8 Exhibits

Exhibit 5B: Pollarix and Investee Balance Sheets

Individual Balance Sheets
September 2021 (R$ thousand)

ASSETS	CCBE	LDO	HPP Picada	Igarapava	LDR	Enercan	Pollarix
Cash and Cash Equivalents	2,402	21,939	19,311	487	10,521	107,083	12,106
Trade Receivables	-	5,587	6,360	-	6,527	186,045	24,039
Inventories	4,699	608	206	-	-	-	-
Expenses paid in advance CP	517	77	183	237	66	607	-
Taxes and Contributions Recoverable	-	-	-	-	-	4,894	2,865
Dividends							74,764
Other Credits CP	2,766	413	124	46	463	6,281	-
Current	**10,385**	**28,624**	**26,185**	**770**	**17,578**	**304,910**	**113,774**
Restricted financial investments	-	-	-	-	-	-	-
Prepaid expenses LP	-	-	-	-	-	-	-
Judicial deposits	3.450	436	-	29	7	83.029	-
Deferred Income Tax and Social Contribution	-	-	11	-	-	30,171	-
Right of Use on Lease Agreements	-	-	19	-	-	-	-
Other LP credits	-	-	-	-	-	7.505	-
Investments	-	-	-	-	-	1,089	283,163
Property, Plant and Equipment	635,087	82,621	115,263	147,407	35,462	785,361	-
Intangible Assets	25,014	17,345	24,080	26	13,409	8,184	-
Noncurrent	**663,552**	**100,401**	**139,373**	**147,462**	**48,878**	**915,340**	**283,163**
Total Assets	**673,937**	**129,025**	**165,557**	**148,232**	**66,456**	**1,220,249**	**396,937**

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Exhibit 5B: Pollarix and Investee Balance Sheets

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Individual Balance Sheets
September 2021 (R$ thousand)

LIABILITIES	CCBE	LDO	HPP Picada	Igarapava	LDR	Enercan	Pollarix
Suppliers	709	5,665	12,018	381	6,280	48,491	24,293
Debentures CP	-	-	-	-	-	128,189	-
Payroll, Provisions and Social Contribution	483	68	72	181	59	784	-
Leases CP	-	-	22	-	-	-	-
Income Tax and Social Contribution	-	-	-	-	-	100,304	-
Taxes Collectable	99	2,813	3,333	181	3,152	12,181	8,548
Use of the Public Asset (UBP) CP	5,384	2,640	19,614	-	-	4,411	-
Sector Charges CP	993	134	-	828	844	9,678	-
Dividends	-	0	-	-	26,545	229,820	32,580
Other Liabilities CP	2,300	669	304	487	-	97	-
Current	**9,968**	**11,989**	**35,362**	**2,057**	**36,880**	**533,954**	**65,421**
Leases LP	-	-	-	-	-	-	-
Use of the Public Asset (UBP) LP	41,129	13,035	78,381	-	-	34.824	-
Sector Charges LP	-	-	-	-	-	9.697	-
Provision for Lawsuits	98,291	12,416	-	-	-	88,750	-
Other Liabilities LP	-	-	-	-	-	27.853	-
Noncurrent	**139,419**	**25,450**	**78,381**	**-**	**-**	**161.123**	**-**
Shareholders' Equity	**524,550**	**91,586**	**51,814**	**146,175**	**29,576**	**525,171**	**331,517**
Total Liabilities	**673,937**	**129,025**	**165,557**	**148,232**	**66,456**	**1,220,249**	**396,937**

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Exhibit 5C: Balance Sheets Pinheiro Machado and Investees

Individual Balance Sheets
September 2021 (R$thousand)

ASSETS	Machadinho	VC Machadinho	Pinheiro Machado	LIABILITIES	Machadinho	VC Machadinho	Pinheiro Machado
Cash and Cash Equivalents	737.8	117.7	39.0	Suppliers	1,001.9	-	0.3
Prepaid expenses	2,168.9	-	-	Labor Liabilities	31.2	-	-
Taxes and compensable contributions	65.3	1.4	-	Tax Obligations	8.9	0.2	-
Advances	409.1	-	-	Debts with consortium	2,844.9	-	-
Credits with consortium members	483.0	-	-	Dividends Payable	-	0.1	-
Current	**3,864.1**	**119.1**	**39.0**	**Current**	**3,887.0**	**0.3**	**0.3**
Property, Plant and Equipment	421,985.3	-	-				
Investments	-	-	118,8	Leases Payable LP	89.8	-	-
Right of Use	112.6	-	-	Goods in consortium	421,985.3	-	-
Noncurrent	**422,097.9**	**-**	**118,8**	**Noncurrent**	**422,075.0**	**-**	**-**
				Shareholders' Equity	**-**	**118.8**	**157.5**
Total assets	**425.962,0**	**119,1**	**157,8**	**Total liabilities**	**425.962,0**	**119,1**	**157,8**

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Exhibit 6A: Forecast Financial Information - CBA

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Discounted cash flow	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30
EBIT	34,291	153,268	195,381	213,063	230,398	245,624	260,236	198,672	133,318	138,475
IR&CS	(11,397)	(50,077)	(64,821)	(72,432)	(78,326)	(83,503)	(88,471)	(67,539)	(45,319)	(47,072)
NOPAT	**22,894**	**103,192**	**130,560**	**140,631**	**152,072**	**162,121**	**171,765**	**131,133**	**87,999**	**91,403**
Depreciation	6,711	26,781	26,787	26,806	26,844	26,878	26,918	26,959	27,000	27,042
UBP	3,433	5,543	4,640	4,467	4,180	3,861	3,401	2,773	1,941	865
Capex	(2,979)	(1,950)	(694)	(858)	(772)	(895)	(897)	(898)	(900)	(901)
Working Capital Variation	(12,780)	(3,027)	(4,505)	(2,179)	(2,368)	(2,311)	(2,321)	11,666	12,153	(1,141)
Free Cash Flows	**17,279**	**130,539**	**156,787**	**168,868**	**179,955**	**189,655**	**198,867**	**171,633**	**128,194**	**117,266**
Months (end of period)	3	15	27	39	51	63	75	87	99	111
Months (mid-period)	2	9	21	33	45	57	69	81	93	105
Discount factor | WACC @ 10.3%	0.99	0.93	0.84	0.76	0.69	0.63	0.57	0.52	0.47	0.42
Discounted Cash Flow	**17,069**	**121,300**	**132,106**	**129,019**	**124,670**	**119,140**	**113,279**	**88,650**	**60,040**	**49,801**

Discounted cash flow	Dec-31	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Mar-40
EBIT	143,931	154,672	169,544	188,321	195,504	203,831	157,998	81,635	86,792	13,907
IR&CS	(48,927)	(52,579)	(57,636)	(64,020)	(66,462)	(69,293)	(53,710)	(27,752)	(29,506)	(4,725)
NOPAT	**95,004**	**102,093**	**111,908**	**124,301**	**129,042**	**134,537**	**104,288**	**53,882**	**57,286**	**9,182**
Depreciation	27,083	22,707	13,553	1,461	1,473	1,515	1,557	749	756	763
UBP	(502)	(2,214)	(4,336)	(6,943)	(10,119)	(13,967)	(17,276)	(19,533)	(25,061)	(7,249)
Capex	(903)	(905)	(906)	(908)	(909)	(911)	(913)	(160)	(160)	(160)
Working Capital Variation	(1,183)	(1,230)	(1,276)	(1,329)	(1,384)	(1,444)	11,453	(534)	(574)	14,981
Free Cash Flows	**119,499**	**120,451**	**118,943**	**116,583**	**118,103**	**119,730**	**99,110**	**34,405**	**32,248**	**17,518**
Months (end of period)	123	135	147	159	171	183	195	207	219	231
Months (mid-period)	117	129	141	153	165	177	189	201	213	225
Discount factor | WACC @ 10.3%	0.39	0.35	0.32	0.29	0.26	0.24	0.21	0.19	0.18	0.16
Discounted cash flow	**46,018**	**42,059**	**37,660**	**33,471**	**30,746**	**28,264**	**21,215**	**6,678**	**5,676**	**2,796**

Balance Breakdown	R$ thousand
Operational Balance	**1,209,655**
Net non-operating assets and liabilities	(91,821)
Net Debt	3,328
Business Balance (Rounded)	**1,121,200**

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Exhibit 6B: Forecast financial information - Pollarix

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Discounted cash flow	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32
EBIT	45,866	191,982	239,534	260,134	288,487	321,194	352,526	293,215	216,796	214,921	211,251	176,926
IR&CS	(10,870)	(45,701)	(54,104)	(57,903)	(61,943)	(65,983)	(69,799)	(52,136)	(33,001)	(33,882)	(34,602)	(34,797)
NOPAT	**34,996**	**146,282**	**185,429**	**202,231**	**226,544**	**255,211**	**282,727**	**241,078**	**183,796**	**181,039**	**176,649**	**142,129**
Depreciation	8,629	34,574	34,758	34,889	35,080	35,075	31,716	31,802	31,888	31,974	32,061	29,622
UBP	203	(1,009)	(1,471)	(1,819)	(2,166)	(2,552)	(2,982)	(3,481)	(3,997)	(4,596)	(5,267)	(6,044)
Capex	(4,104)	(6,023)	(4,129)	(4,406)	(4,671)	(3,441)	(1,882)	(1,887)	(1,893)	(1,899)	(1,905)	(1,823)
Working Capital Variation	(18,521)	(2,398)	(5,209)	(2,339)	(3,465)	(3,924)	(3,527)	10,804	12,615	(207)	3,451	274
Free Cash Flows	**21,204**	**171,426**	**209,377**	**228,556**	**251,323**	**280,370**	**306,053**	**278,316**	**222,408**	**206,311**	**204,988**	**164,158**
Months (end of period)	3	15	27	39	51	63	75	87	99	111	123	135
Months (mid-period)	2	9	21	33	45	57	69	81	93	105	117	129
Discount factor | WACC @ 11.9%	0.99	0.92	0.82	0.73	0.66	0.59	0.53	0.47	0.42	0.38	0.34	0.30
Discounted cash flow	**20,940**	**158,483**	**174,258**	**171,249**	**169,399**	**169,819**	**166,591**	**135,823**	**96,971**	**80,647**	**72,104**	**52,642**

Discounted cash flow	Dec-32	Dec-33	Dec-34	Dec-35	Dec-36	Dec-37	Dec-38	Dec-39	Dec-40	Dec-41	Dec-42
EBIT	176,926	173,404	193,367	202,950	211,651	173,394	105,658	109,483	113,789	54,602	34,195
IR&CS	(34,797)	(37,452)	(40,937)	(42,295)	(43,834)	(29,088)	(4,964)	(5,121)	(5,297)	(2,376)	(1,368)
NOPAT	**142,129**	**135,952**	**152,430**	**160,655**	**167,817**	**144,306**	**100,694**	**104,362**	**108,492**	**52,225**	**32,827**
Depreciation	29,622	23,672	10,384	7,747	6,889	4,715	4,047	4,100	4,152	3,260	1,038
UBP	(6,044)	(6,870)	(7,825)	(8,903)	(10,147)	(10,328)	(8,975)	(9,767)	(10,652)	(2,788)	(668)
Capex	(1,823)	(1,828)	(1,832)	(1,837)	(1,842)	(1,847)	(1,186)	(1,189)	(1,193)	(1,196)	(446)
Working Capital Variation	274	280	(1,145)	(1,183)	(1,223)	10,179	(386)	(400)	(414)	8,526	4,497
Free Cash Flows	**164,158**	**151,206**	**152,011**	**156,479**	**161,494**	**147,025**	**94,195**	**97,106**	**100,385**	**60,027**	**37,248**
Months (end of period)	135	147	159	171	183	195	207	219	231	243	255
Months (mid-period)	129	141	153	165	177	189	201	213	225	237	249
Discount factor | WACC @ 11.9%	0.30	0.27	0.24	0.21	0.19	0.17	0.15	0.14	0.12	0.11	0.10
Discounted cash flow	**52,642**	**43,882**	**39,687**	**36,776**	**34,166**	**27,559**	**14,420**	**13,290**	**12,283**	**6,566**	**3,643**

Balance Breakdown	R$ thousand
Operational Balance	**1,701,196**
Net non-operating assets and liabilities	(88,488)
Net Debt	15,301
Business Balance (Rounded)	**1,628,000**

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Exhibit 6C: Forecast financial information – Pinheiro Machado

Discounted cash flow	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27	Dec-28	Dec-29	Dec-30	Dec-31	Dec-32
EBIT	7,896	32,177	34,011	35,413	36,529	37,761	39,029	36,629	33,937	36,968	38,899	20,027
IR&CS	(330)	(1,346)	(1,413)	(1,466)	(1,509)	(1,557)	(1,606)	(1,537)	(1,458)	(1,504)	(1,551)	(799)
NOPAT	**7,567**	**30,831**	**32,598**	**33,947**	**35,019**	**36,204**	**37,423**	**35,092**	**32,479**	**35,464**	**37,348**	**19,227**
Depreciation	661	2,654	2,670	2,680	2,682	2,685	2,687	2,689	2,691	810	65	67
Capex	(170)	(438)	(467)	(100)	(119)	(50)	(50)	(50)	(51)	(51)	(51)	(51)
Working Capital Variation	(94)	(3)	(5)	(3)	(3)	(3)	(3)	5	5	(3)	(3)	107
Free Cash Flows	**7,963**	**33,044**	**34,797**	**36,523**	**37,579**	**38,835**	**40,056**	**37,735**	**35,124**	**36,220**	**37,359**	**19,351**
Months (end of period)	3	15	27	39	51	63	75	87	99	111	123	135
Months (mid-period)	2	9	21	33	45	57	69	81	93	105	117	129
Discount factor | WACC @ 11.9%	0.99	0.92	0.82	0.73	0.66	0.59	0.52	0.47	0.42	0.37	0.33	0.30
Discounted cash flow	**7,852**	**30,376**	**28,590**	**26,821**	**24,666**	**22,783**	**21,004**	**17,686**	**14,714**	**13,562**	**12,502**	**5,788**

Balance Breakdown	R$ thousand
Operational Balance	**226,343**
Net non-operating assets and liabilities	(43)
Net Debt	41
Business Balance (Rounded)	**226,342**

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Exhibit 7A: WACC VGE investees - Real Profit

Company Name (Comparable)	Ticker	Leveraged Beta	D/E Unleveraged Beta Tax Rate		
CPFL Energia S.A.	BOVESPA:CPFE3	0.83	0.38	0.27	0.65
EDP - Energias do Brasil S.A.	BOVESPA:ENBR3	0.82	0.44	0.25	0.61
Companhia Paranaense de Energia - COPEL	BOVESPA:CPLE6	0.88	0.40	0.24	0.67
Alupar Investimento S.A.	BOVESPA:ALUP11	0.56	0.60	0.26	0.39
Average		**0.77**	**45.5%**	**25.7%**	**0.58**
Median		**0.82**	**41.8%**	**25.8%**	**0.63**

Calculation of the cost of equity (Ke)		
Description		**Parameters**
Unleveraged beta	[a]	0.58
Third-party capital / Equity	[a]	45.5%
Income Tax and Social Contribution Rate	[b]	34.0%
Beta re-leveraged		0.76
Market risk premium	[c]	6.0%
Risk-Free Rate (RF EUA)	[d]	2.0%
Brazil Risk EMBI +	[e]	2.9%
Size/Specific Award	[f]	0.8%
Inflation differential	[g]	1.2%
CAPM (Ke)		

Calculation of the cost of debt (Kd)			
Cost before tax	[h]		11.5%
Expected Tax Rate	[b]	-	34.0%
Cost after tax			**7.6%**

Weighted Average Capital Cost (WACC)			
Third-party capital (D)	31.3%	Kd	7.6%
Equity (E)	68.7%	Ke	11.5%
WACC = (D x Kid) + (E x Ke) | rounded			

Notes:
(a) Source: Capital IQ.
(b) According to Brazilian legislation
(c) Source: EY LLP - Market risk premium is based on historical risk premium and future risk premium expectations
(d) Source: Federal Reserve (6-month historical average of 20-year T-bonds)
(e) Source: JP Morgan EMBI+ (6-month historical average)
(f) Specific risk premium, including size premium. Source: Duff & Phelps.
(g) Source: Central Bank of Brazil and Oxford Economics
(h) Based on market average cost of debt.

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Exhibit 7B: WACC VGE investees - Assumed Profit

Company Name (Comparable)	Ticker	Leveraged Beta	D/E	Unleveraged Beta	Tax Rate
CPFL Energia S.A.	BOVESPA:CPFE3	0.83	0.38	0.27	0.65
EDP - Energias do Brasil S.A.	BOVESPA:ENBR3	0.82	0.44	0.25	0.61
Companhia Paranaense de Energia - COPEL	BOVESPA:CPLE6	0.88	0.40	0.24	0.67
Alupar Investimento S.A.	BOVESPA:ALUP11	0.56	0.60	0.26	0.39
Average		**0.77**	**45.5%**	**25.7%**	**0.58**
Median		**0.82**	**41.8%**	**25.8%**	**0.63**

Calculation of the cost of equity (Ke)

Description		**Parameters**
Unleveraged beta	[a]	0.58
Third-party capital / Equity	[a]	45.5%
Income Tax and Social Contribution Rate	[b]	0.0%
Beta re-leveraged		0.85
Market risk premium	[c]	6.0%
Risk-free rate (RF USA)	[d]	2.0%
Brazil Risk EMBI +	[e]	2.9%
Size/Specific Award	[f]	0.8%
Inflation differential	[g]	1.2%
CAPM (Ke)		

Calculation of the cost of debt (Kd)

Cost before tax	[h]	11.5%
Expected Tax Rate	[b]	- 0.0%
Cost after tax		**11.5%**

Weighted average cost of capital (WACC)

Third-party capital (D)	31.3%	Kd	11.5%
Equity (E)	68.7%	Ke	12.1%
WACC = (D x Kid) + (E x Ke) | rounded			

Notes:

(a) Source: Capital IQ.
(b) According to Brazilian legislation
(c) Source: EY LLP - Market risk premium is based on historical risk premium and future risk premium expectations
(d) Source: Federal Reserve (6-month historical average of 20-year T-bonds)
(e) Source: JP Morgan EMBI+ (6-month historical average)
(f) Specific risk premium, including size premium. Source: Duff & Phelps.
(g) Source: Central Bank of Brazil and Oxford Economics
(h) Based on market average cost of debt.

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Exhibit 7C: WACC CESP - Real Profit

Company Name (Comparable)	Ticker	Leveraged Beta	D/E	Unleveraged Beta	Tax Rate
CPFL Energia S.A.	BOVESPA:CPFE3	0.83	0.38	0.27	0.65
EDP - Energias do Brasil S.A.	BOVESPA:ENBR3	0.82	0.44	0.25	0.61
Companhia Paranaense de Energia - COPEL	BOVESPA:CPLE6	0.88	0.40	0.24	0.67
Alupar Investimento S.A.	BOVESPA:ALUP11	0.56	0.60	0.26	0.39
CESP - Energy Company of São Paulo	BOVESPA:CESP6	0.80	0.19	0.40	0.72
Average		**0.78**	**40.2%**	**28.6%**	**0.61**
Median		**0.82**	**39.7%**	**26.4%**	**0.65**

Calculation of the cost of equity (Ke)

Description		**Parameters**
Unleveraged beta	[a]	0.61
Third-party capital / Equity	[a]	40.2%
Income Tax and Social Contribution Rate	[b]	34.0%
Beta re-leveraged		0.77
Market risk premium	[c]	6.0%
Risk-Free Rate (RF EUA)	[d]	2.0%
Brazil Risk EMBI +	[e]	2.9%
Size/Specific Award	[f]	0.8%
Inflation differential	[g]	1.2%
CAPM (Ke)		

Calculation of the cost of debt (Kd)

Cost before tax	[h]	9.0%
Expected Tax Rate	[b] -	34.0%
Cost after tax		**5.9%**

Weighted Average Capital Cost (WACC)

Third-party capital (D)	28.7%	Kd	5.9%
Equity (E)	71.3%	Ke	11.6%
WACC = (D x Kid) + (E x Ke) | rounded			

Notes:

(a) Source: Capital IQ.
(b) According to Brazilian legislation.
(c) Source: EY LLP - Market risk premium is based on historical risk premium and future risk premium expectations.
(d) Source: Federal Reserve (6-month historical average of 20-year T-bonds).
(e) Source: JP Morgan EMBI+ (6-month historical average).
(f) Specific risk premium, including size premium. Source: Duff & Phelps.
(g) Source: Central Bank of Brazil and Oxford Economics.
(h) Based on market average cost of debt.

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Exhibit 7D: WACC VdP I and VdA III - Assumed Profit

Company Name (comparable)	Ticker	Leveraged Beta	D / E	Tax Rate - Tax	Beta Unleveraged
CPFL Energia S.A.	BOVESPA:CPFE3	0.83	0.38	0.27	0.65
EDP - Energias do Brasil S.A.	BOVESPA:ENBR3	0.82	0.44	0.25	0.61
Companhia Paranaense de Energia - COPEL	BOVESPA:CPLE6	0.88	0.40	0.24	0.67
Alupar Investimento S.A.	BOVESPA:ALUP11	0.56	0.60	0.26	0.39
Average		**0.77**	**45.5%**	**25.7%**	**0.58**
Median		**0.82**	**41.8%**	**25.8%**	**0.63**

Calculation of the cost of equity (E)		
Description		**Parameters**
Unleveraged beta	[a]	0.58
Third-party capital / Equity	[a]	45.5%
Income Tax and Social Contribution Rate	[b]	0.0%
Beta re-leveraged		0.85
Market risk premium	[c]	6.0%
Risk-free rate (RF USA)	[d]	2.0%
Brazil Risk EMBI +	[e]	2.9%
Size/Specific Award	[f]	0.8%
Inflation differential	[g]	1.2%
CAPM (Ke)		

Calculation of the cost of third-party capital (Kd)		
Cost before tax	[h]	9.0%
Expected Tax Rate	[b]	0.0%
Cost after tax		**9.0%**

Weighted average cost of capital (WACC)			
Third-party capital (D)	31.3%	Kd	9.0%
Equity (E)	68.7%	Ke	12.1%
WACC = (D x Kid) + (E x Ke) | rounded			

Notes:

(a) Source: Capital IQ.
(b) According to Brazilian legislation
(c) Source: EY LLP - Market risk premium is based on historical risk premium and future risk premium expectations
(d) Source: Federal Reserve (6-month historical average of 20-year T-bonds)
(e) Source: JP Morgan EMBI+ (6-month historical average)
(f) Company specific award.
(g) Source: Central Bank of Brazil and Oxford Economics
(h) Based on market average cost of debt.

EY

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Exhibit 7E: WACC VdP II and III - Assumed Profit

Company Name (comparable)	Ticker	Leveraged Beta	D / E	Tax Rate - Tax	Beta Unleveraged
CPFL Energia S.A.	BOVESPA:CPFE3	0.83	0.38	0.27	0.65
EDP - Energias do Brasil S.A.	BOVESPA:ENBR3	0.82	0.44	0.25	0.61
Companhia Paranaense de Energia - COPEL	BOVESPA:CPLE6	0.88	0.40	0.24	0.67
Alupar Investimento S.A.	BOVESPA:ALUP11	0.56	0.60	0.26	0.39
Average		**0.77**	**45.5%**	**25.7%**	**0.58**
Median		**0.82**	**41.8%**	**25.8%**	**0.63**

Calculation of the cost of equity (Ke)

Description		**Parameters**
Unleveraged beta	[a]	0.58
Third-party capital / Equity	[a]	45.5%
Income Tax and Social Contribution Rate	[b]	0.0%
Beta re-leveraged		0.85
Market risk premium	[c]	6.0%
Risk-Free Rate (RF EUA)	[d]	2.0%
Brazil Risk EMBI +	[e]	2.9%
Size/Specific Award	[f]	1.3%
Inflation differential	[g]	1.2%
CAPM (Ke)		

Calculation of the cost of debt (Kd)

Cost before tax	[h]	9.0%
Expected Tax Rate	[b]	0.0%
Cost after tax		**9.0%**

Weighted Average Capital Cost (WACC)

Third-party capital (D)	31.3%	Kd	9.0%
Equity (E)	68.7%	Ke	12.6%
WACC = (D x Kid) + (E x Ke) | rounded			

Notes:

(a) Source: Capital IQ.
(b) According to Brazilian legislation
(c) Source: EY LLP - Market risk premium is based on historical risk premium and future risk premium expectations
(d) Source: Federal Reserve (6-month historical average of 20-year T-bonds)
(e) Source: JP Morgan EMBI+ (6-month historical average)
(f) Company specific award.
(g) Source: Central Bank of Brazil and Oxford Economics
(h) Based on market average cost of debt.

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