



CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA

Publicly-Held Company

Corporate Taxpayer ID (CNPJ/MF) 02.998.611/0001-04

Company Registry (NIRE) 35300170571

MATERIAL FACT

Conclusion of the acquisition of Piratininga – Bandeirantes Transmissora de Energia (PBTE)

CTEEP- Companhia de Transmissão de Energia Eletrica Paulista (“ISA CTEEP”, “Company”), continuing the Material Fact notice published on December 2, 2020, hereby announces that today it concluded the acquisition of all the shares making up the capital stock of Piratininga - Bandeirantes Transmissora de Energia (“PBTE”) after the fulfillment of precedent conditions established in the share purchase agreement, such as approval from CADE, Brazil’s antitrust authority, and Aneel, the Brazilian Electricity Regulatory Agency.

PBTE holds the concession to an underground transmission line spanning 30km (double circuit of 15km) in the city of São Paulo. The PBTE line connects two ISA CTEEP substations (Bandeirantes and Piratininga 2) and it started-up operating in April 2020. The concession contract expires in November 2046. The Permitted Annual Revenue (RAP) in the 2020/21 cycle is BRL172 million and it is annually adjusted by inflation (IPCA). The Company expects to operate this asset with a marginal increase in costs, considering the synergies with its current operations.

The final acquisition price (equity value) was BRL1,571 million, considering the price adjustment mechanisms established in the share purchase agreement, as well as net debt of BRL330 million on the baseline date of December 31, 2020.

São Paulo, March 2, 2021

Alessandro Gregori Filho

Chief Financial and Investor Relations Officer