

Copel acquires Vilas Wind Complex (186.7 MW)

Companhia Paranaense de Energia – COPEL (“Company”), a company that generates, transmits, distributes and sells power, with shares listed on B3 (CPLE3, CPLE5, CPLE6, CPLE11), the NYSE (ELPVY) and the LATIBEX (XCOP, XCOPU, XCOPO), hereby informs its shareholders and the market in general that, on this date, Copel Geração e Transmissão (“Copel GeT”) signed an agreement for the acquisition of 100% of the Vilas Wind Complex (“Enterprise”), with 186.7 MW of installed capacity.

The acquisition is part of the Company's strategy for sustainable growth in renewable energy, expands the diversification of the generation matrix, and is fully in compliance with the Investment Policy recently approved earlier this year.

The transaction value represents an Enterprise Value of R\$1,059 million, considering that the enterprise has long-term financings (maturing up to 2040) contracted with Banco do Nordeste (BNB). Closing date of the transaction will occur on November 30, 2021, after fulfillment of conditions precedent.

Operational Assets and Privileged Location

The enterprise will be fully operational by the closing date of the acquisition (Brownfield) and is comprised of a set of 5 wind farms, currently owned by Voltalia Energia do Brasil S/A, located in the Municipality of Serra do Mel - RN, a region considered to be one of the best in the world for wind power generation, allowing for a high capacity factor of 56.9% and certified energy (P50) of 106.3 average MW.

Long Term Energy Contracting

A portion of the enterprise's energy was traded in the regulated environment (ACR), with supply starting in 2023 and 2024 and a 20-year term, as detailed below:

Complexo Eólico Vilas	Capacity installed (MW)	Certified Energy		Start Commercial Operation	Energy trade - Regulated Contracts (ACR)					End of Authorization
		P90 (average MW) ⁵	P50 (average MW) ⁵		Auction	Amount (averageMW)	Price (R\$/MWh) ³	Start of Supply	End of Supply	
Vila Maranhão I ¹ Vila Maranhão II ¹ Vila Paraíba III ¹ Vila Paraíba IV ¹	127.8	67.1	74.9	in operation	A-6/2018 (28 ^o LEN)	33.0	R\$ 104.60	Jan-24	Dec-43	Jan-54
Vila Mato Grosso ²	58.9	27.7	31.4	Jun/21 ⁴	A-4/2019 (29 ^o LEN)	3.3	R\$ 87.26	Jan-23	Dec-42	Dec-54
Total / Average	186.7	94.8	106.3			36.3	R\$ 103.02			

¹ Used Siemens Gamesa G132 wind turbines - 3.55 MW (Total 38 wind turbines)

² Uses Nordex-Acciona AW 132 wind turbines - 3.46 MW (Total of 17 wind turbines)

³ Considers the price of R\$79.92, on the base date on 06/28/19 (Vila Mato Grosso) and R\$93.00 on the base date of 08/31/18 (other SPes), updated by the IPCA until 04/21.

⁴ Expected

⁵ Does not consider losses from the basic network.

In the free environment (ACL), nearly 51% of the certified energy (P50) is already contracted until 2030, with the remaining ~13% of energy available for new contracts. It should be noted that, until the start of the supply of energy in the regulated environment in 2023 and 2024, the energy is already traded in the free environment (ACL).

Material Fact - 10/21

Potential Synergies and more Incentivized Energy in the Consolidated Portfolio

With the acquisition, the Company's wind power generation installed capacity will be increased by 29%, with the same operational management structure, thus allowing for operational synergies within Group companies that share the same structure.

Additionally, approximately half of the operation, maintenance (O&M) and management services will be provided by Copel GeT.

With the additional capacity, wind power will represent 13% of Copel's energy generation portfolio, which benefits the portfolio by increasing energy incentives while reducing exposure to hydrological risk.

Besides the enterprise being included in the assumed profit, there is also a benefit of 50% in the TUST (Transmission System Use Tariff) cost.

Applicable Approvals

The acquisition is subject to approval by CADE, creditors, and other conditions precedent usual for this type of operation, including the commercial operation of all parks.

Since the acquisition will be performed by Copel GeT, it will not be necessary to hold a Company's general to approve the operation, and there will be no withdrawal rights for Company's dissenting shareholders, pursuant to article 256, paragraph 1 of Law 6,404/76.

Clarifications about the transaction can be made in the conference call with investors that the Company will hold tomorrow (May 18, 2021) at 12:00 pm BRT/11:00 am ET. The details to access the conference call will be available at Copel's Investor Relations website (<https://ri.copel.com/en/>).

Curitiba, May 17, 2021.

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For more information, please contact the Investor Relations team:
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