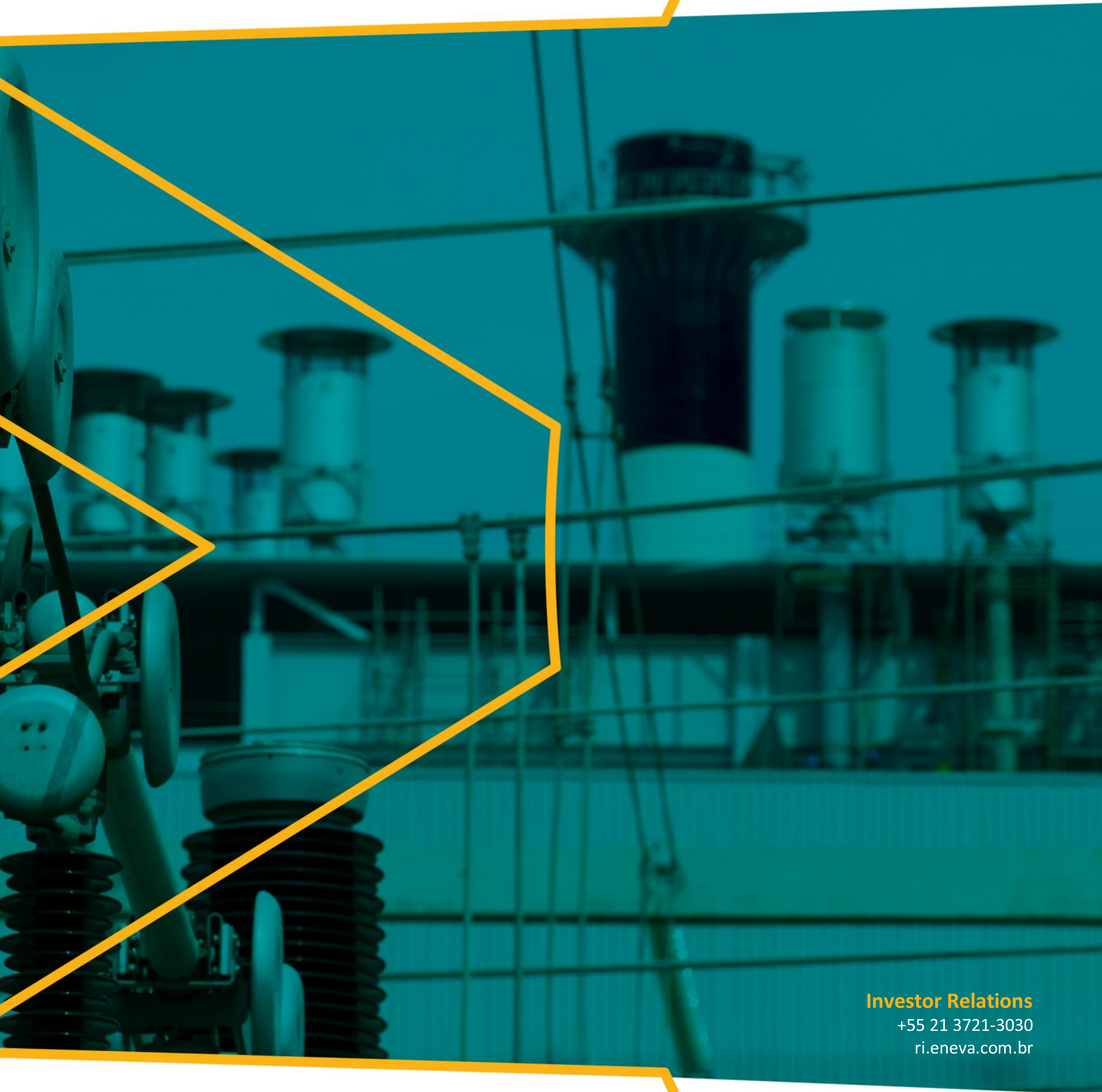
DISCLOSURE OF RESULTS

# Release **2Q20**

eneva



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**2Q20 Conference Call Results**

Wednesday, August 12, 2020
10a.m. (Brasilia Time) / 9a.m. (US ET)

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Índice Brasil 100 IBRX 100

# ENEVA Discloses Results for the Second Quarter of 2020

*In a scenario of crisis due to the COVID-19 pandemic, EBITDA reaches R$ 279 million demonstrating the resilience of the Company's business model*

***Rio de Janeiro, August 11, 2020*** *- ENEVA S.A. (B3: ENEV3) discloses today the results of the second quarter ended June 30, 2020 (2Q20). The following information is presented on a consolidated basis in accordance with the accounting practices used in Brazil, except where otherwise stated.*

## Highlights of 2Q20

- Adjusted EBITDA totaled R$ 279.2 million (-2% vs 2Q19), stating the resilience of the Company's business model in the context of the COVID-19 pandemic;
- As expected, generation TPP's were out of order of merit of dispatch in the quarter;
- Cash position and equivalents of R$ 2.4 billion at the end of the quarter and leverage (net debt/EBITDA over the last 12 months) of 2.8x;
- Consolidation of the Company's liquidity position, with the raising of R$ 1.15 billion in debt, with R$ 500 million in short term and R$ 650 million in long term. Release of the first two installments of the BNB financing for Parnaíba V, totaling R$ 0.2 billion;
- No default registered by any of the Company's counterparties;
- Conclusion of Azulão and Gavião Preto fields' development wells and of the programmed development of Gavião Branco;
- Despite stoppages in Parnaíba V, Azulão and Jaguatirica's works, they continued to advance.

| Main Indicators | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| Net Operating Revenues | 518.7 | 555.8 | -6.7% | 1,457.8 | 1,167.2 | 24.9% |
| EBITDA (as of ICVM 527/12) | 280.0 | 258.9 | 8.1% | 715.3 | 603.9 | 18.4% |
| EBITDA excluding dry wells [1] | 279.2 | 285.0 | -2.0% | 713.4 | 630.5 | 13.2% |
| EBITDA Margin excluding dry wells | 53.8% | 51.3% | 2.6 p.p. | 51.7% | 50.9% | 0.0 p.p. |
| Net Income | 85.8 | 15.8 | 443.4% | 265.5 | 145.6 | 82.4% |
| Investments | 710.1 | 189.6 | 274.5% | 1,235.0 | 279.8 | 341.3% |
| Operating Cash Flow | 259.0 | 306.8 | -15.6% | 756.4 | 564.3 | 34.0% |
| Net Debt (R$ Bi) | 4.5 | 3.9 | 15.6% | 4.5 | 3.9 | 15.6% |
| Net Debt/EBITDA LTM [2] | 2.8 | 2.8 | 1.5% | 2.8 | 2.8 | 1.5% |

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

[2] Calculated considering the accumulated EBITDA according to the guidelines of ICVM 527/12 of the last 12 months.

## Possible Economic-Financial and Operational Impacts of the COVID-19 Pandemic

Due the extent of the Coronavirus pandemic (COVID-19), the Company continues to adopt all protocols established by public health authorities for the safety and integrity of its employees (own and outsourced). The focus on preventive measures is aimed at controlling the pandemic in our facilities. Thus, in addition to the distance measures, for greater employee safety, the use of masks is now mandatory, body temperature is measured at the entrances of our offices & plants and remote work (for employees of the risk group and administrative staff) was adopted, besides the acquisition of 40 thousand rapid tests for all Eneva's operations and offices.

Also, as a way of contributing to the fight against the virus, the Company continues to carry out voluntary actions to assist families in situations of greater vulnerability and health professionals in the locations where the Group operates, such as the donation of personal hygiene kits, food parcels and pulmonary ventilation devices.

(1) **Recognition of the revenue and expected credit loss**: In addition, the Company kept the monitoring and assessment, qualitative and quantitative, of the main risk factors and uncertainties generated and which, perhaps, could cause economic-financial or operational impacts that could reflect directly or indirectly in its quarterly financial information.

The Company's revenues derive mainly (98%) from contracts for the supply of electricity in the regulated environment ("Power Purchase Agreement - PPA"), signed between the selling agent and the distribution agent, as a result of the electricity auctions, within the scope of the Regulated Market, with defined prices, volume and terms. This environment is strongly regulated, with mechanisms to mitigate the risk of default by its agents (buyers and sellers) and the financial security of the market is based on the model of multilateral and centralized clearinghouse, with settlement without indication of party and counterpart, supported by guarantee of the transfer of receivables from distributors through the Contract for the Establishment of Guarantees ("CCG").

Based on the evaluation of the dispatch yield for the three-month period ended June 30, 2020, the reduction for the same period of the last year was 7%, basically represented by the dispatch through the system of the Operating Reserve Recomposition (RRO) whereby Pecém II plant had dispatched in 2019.

Therefore, the Company has not identified any significant impact arising from the pandemic up to date in the operational revenues from the power generation segment (gas and coal-fired TPPs).

In addition, the risk matrix has not been changed in a way that such change would impact the likelihood of performance of the receivables in connection with this segment, as set forth in CPC 48 – Financial Instruments.

In relation to the revenue from the energy trading segment, the Company adopted strict criteria for evaluation of the credit risk of the counterparties. Accordingly, the Company does not perform transactions with agents that could be more impacted by COVID-19. In addition, additional collaterals are required so that new businesses could be performed. Accordingly, we have not identified any change in the risk matrix that could impact the recognition of revenue, as well as the likelihood of performance of such receivables, as set forth in CPC 47 – Revenue from Contracts with Clients and in CPC 48 – Financial Instruments.

In the second quarter of 2020, the Company reviewed and updated the assumptions adopted in the model for calculation of the net present value ("NPV") of the bilateral marked-to-market agreements, reflecting the results in the interim financial statements, not subject to additional impacts.

(2) **Preservation of short-term cash flow**: In view of the scenario described in the abovementioned item, some measures have been adopted in order to protect the cash flow on a preventive basis, in order to ensure the short-term obligations, such as: (i) raising of funds of R$ 410 million through the issuance of debentures, with a one year term. On April 13, 2020, the raising of additional funds of R$ 90 million through the bank credit note entered between the Company and China Construction Bank - Banco Múltiplo S.A. ("China Bank") was concluded. Upon completion of such raising of funds, the Company further expanded the bank relationship network, including in the portfolio of creditors another global financial institution; and (ii) adhesion to the measures established in Ordinances num. 139/2020 and num. 245/2020, issued by the Ministry of Economy, on April 3, 2020 and June 15, 2020, respectively, authorizing the extension of the payment of the federal taxes.

(3) **Implementation Evaluation of indicative of impairment of non-financial assets and deferred IRPJ and CSLL:** The Company monitored the main assumptions, both operational and macroeconomic, and concluded that there was no change in the base scenario projected and evaluated in the previous quarter. Accordingly, it did not identify any evidence that the assets would be recorded at amounts above their recoverable value.

**(4) Implementation schedule for projects under construction:**

**Azulão-Jaguatirica Integrated Project: Azulão Field (Amazonas State - AM) and Jaguatirica II TPP (Roraima State - RR)**

- Estimated delay in the construction schedule of 120 days, with request made to ANEEL to extend schedule and postpone delivery of energy date, including request of exclusion of liability.

**Parnaíba V TPP (Maranhão State - MA)**

- Estimated delay up to 150 days in the start of the commercial operation, compared to the previous schedule, which foresaw the start of commercial operation in July 2021. The PPA of this plant foresees the start of energy delivery in 2024.

Eneva has carried out extensive testing of employees (own and outsourced) before accessing the units and has identified and isolated employees belonging to risk groups. In addition, the Company intensified the cleaning of facilities, accommodation and buses, in order to rule out possible contamination vectors, and reinforced health structures by hiring additional doctors and providing more ICU ambulances in case of need for removal. Voluntary actions in this period were directed at prevention, assistance and income generation, mainly aimed at 87 communities in the Company's area of influence in the states of Maranhão, Ceará, Roraima and Amazonas.

## Operating Performance

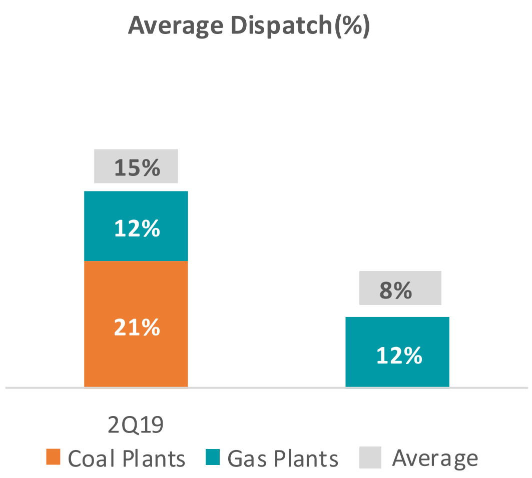
| Operating Data | | 2Q20 | 2Q19 | 1H20 | 1H19 |
|---|---|---|---|---|---|
| Itaqui | Availability (%) | 100% | 100% | 98% | 100% |
| | Dispatch (%) | 0% | 0% | 28% | 2% |
| | Net generation (GWh) | 0 | 0 | 367 | 27 |
| | Gross Generation (GWh) | 0 | 0 | 415 | 31 |
| Pecém II | Availability (%) | 100% | 96% | 99% | 98% |
| | Dispatch (%) | 0% | 43% | 25% | 47% |
| | Net generation (GWh) | 0 | 289 | 337 | 639 |
| | Gross Generation (GWh) | 0 | 324 | 379 | 717 |
| Parnaíba I | Availability (%) | 89% | 99% | 92% | 99% |
| | Dispatch (%) | 0% | 0% | 30% | 0% |
| | Net generation (GWh) | 7 | 5 | 810 | 5 |
| | Gross Generation (GWh) | 7 | 7 | 838 | 8 |
| Parnaíba II | Availability (%) | 94% | 99% | 96% | 99% |
| | Dispatch (%) | 33% | 32% | 47% | 28% |
| | Net generation (GWh) | 340 | 332 | 983 | 566 |
| | Gross Generation (GWh) | 359 | 349 | 1,035 | 595 |
| Parnaíba III | Availability (%) | 100% | 100% | 96% | 100% |
| | Dispatch (%) | 0% | 0% | 18% | 0% |
| | Net generation (GWh) | 0 | 1 | 125 | 1 |
| | Gross Generation (GWh) | 0 | 1 | 129 | 1 |
| Parnaíba IV | Availability (%) | 100% | 100% | 99% | 100% |
| | Dispatch (%) | 0% | 0% | 22% | 0% |
| | Net generation (GWh) | 0 | 0 | 48 | 0 |
| | Gross Generation (GWh) | 0 | 0 | 50 | 0 |
| *Upstream* | **Upstream - Parnaíba Basin** | | | | |
| | Dispatch in UTG (%) | 9% | 9% | 32% | 8% |
| | Production (Bi $m^3$) | 0.07 | 0.07 | 0.47 | 0.12 |
| | Remaining reserves (Bi $m^3$) | 23.6 | 21.3 | 23.6 | 21.3 |

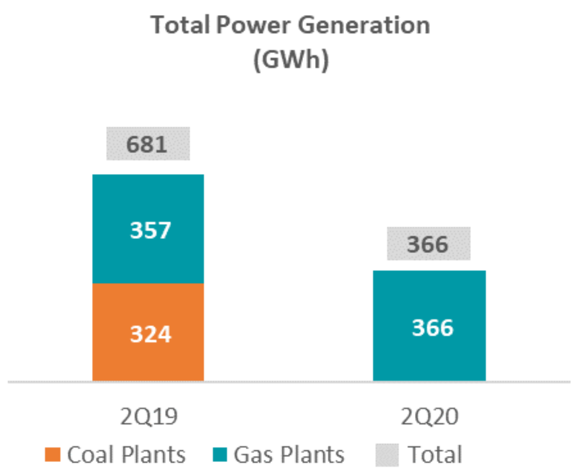
## Power generation

Following the usual trend for this period, Eneva's plants were not qualified for dispatch in the 2Q20. Usually, in this period of the year, the volumes of water stored in the reservoirs of the North and Northeast subsystems are higher by virtue of the rain; therefore, thermoelectric plants are generally deactivated. Solely Parnaíba II plant dispatched in June, when its contractual inflexibility period begins.

For purposes of comparison, in the 2Q19, the gas-fired TPP's dispatch level was similar to the 2Q20 (Parnaíba I, Parnaíba III and Parnaíba IV TPP did not operate; and Parnaíba II TPP operated only in June), however with coal, Pecém II TPP recorded a net generation of 289 GWh in the 2Q19, with an average dispatch of 43%. Basically, its total net generation was directed to the Operating Reserve Recomposition (RRO), with variable unit revenues (CVU), on average, equivalent to 130% of the plant's CVU. In the 2Q20, Pecém II and Itaqui's TPPs did not dispatch.

As a result, in the 2Q20 the average dispatch measured based on the installed capacity was 8%, with total gross generation of 366 GWh, basically related to the gas generation of Parnaíba II TPP.




In the 2Q20, the Hot Gas Path (HGP) maintenances were concluded in steam turbines 21 and 22 (Parnaíba I TPP) and 51 (Paranaíba III TPP). These maintenances are planned to take place each 32,000 hours of operation, in accordance with the manufacturer's preventive maintenance program. Both Parnaíba I and Parnaíba III TPP's maintenances were carried out within the expected deadline.

Additionally, at the Parnaíba II TPP, the boilers, vessels and pipes were inspected, in compliance with the requirements of the regulatory standard NR-13, as well as the revitalization of the cooling tower fans. At Parnaíba IV TPP, the gas engines were revitalized, within the maintenance program of the year.

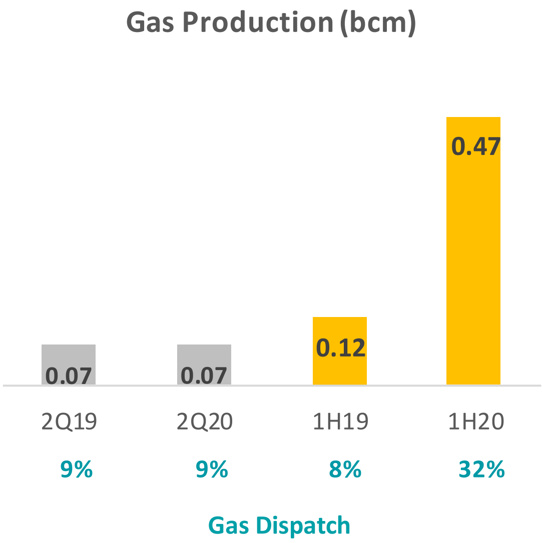
In all maintenance performed at gas plants, accident and incident rates were not recorded. In addition, availability verification tests were carried out at the end of each maintenance, demonstrating 100% availability.

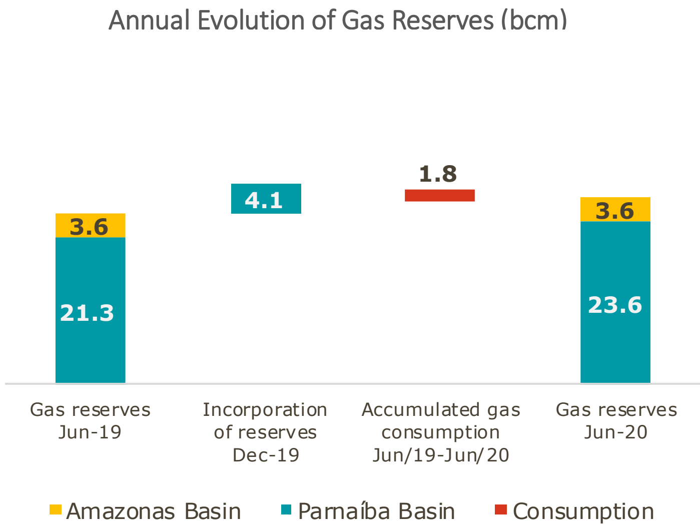
In Itaqui, in 2Q20, biannual preventive maintenance was carried out regarding the safety and integrity aspects provided for in Regulatory Standard number 13 (NR13), covering the inspection of boilers, pressure vessels and safety valves. On that occasion, maintenance was also carried out on equipment critical to the operation of the unit and auxiliary systems. During these activities, there was no record of accidents and incidents.

## *Upstream*

In the 2Q20, the Company produced 0.07 billion m³ of natural gas to meet the dispatch of the thermoelectric plants of the Parnaíba Complex. The dispatch of the Gas Treatment Unit in the 2Q20 was 9%.

The Company's remaining gas reserves at the end of the 2Q20 totaled 27.2 billion m³, considering the consumption of gas in the period, and including, in addition to the certified reserves of Parnaíba Basin, the reserves of the Azulão Field.




The Company has one Discovery Evaluation Plan (PAD) in effect, Fazenda Tianguar, located in Block PN-T-48 da R9. Through the ANP Resolution num. 815/2020, a 9-month extension was granted for all concession agreements under the Development Stage in order to minimize the impacts from the COVID-19 pandemic in the investment schedules in course. No collaterals were required for such extension. In this scenario, the maturity date of PAD Tianguar was postponed from 06/01/2021 to 03/01/2022.

The review of the Development Plan of Gavião Preto (GVP), which began upon request of the Company for purposes of incorporation of the area of PAD Angical to this Field, is in progress at the ANP.

## Financial and Economic Performance

| Consolidated Income Statement | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % (R$ million) |
|---|---|---|---|---|---|---|
| **Net Operating Revenues** | **518.7** | **555.8** | **-6.7%** | **1,457.8** | **1,167.2** | **24.9%** |
| Operating Costs | (244.9) | (293.4) | -16.5% | (767.9) | (624.0) | 23.1% |
| Depreciation and amortization | (84.7) | (89.0) | -4.8% | (198.5) | (171.9) | 15.5% |
| Operating Expenses | (109.0) | (99.7) | 9.4% | (195.2) | (165.6) | 17.8% |
| Dry Wells | 0.7 | (26.1) | N/A | 1.8 | (26.6) | N/A |
| Depreciation and amortization | (16.3) | (17.9) | -9.3% | (31.3) | (41.0) | -23.7% |
| Other revenue/expenses | 14.3 | (10.7) | N/A | (9.3) | 13.4 | N/A |
| **EBITDA (as of ICVM 527/12)** | **280.0** | **258.9** | **8.1%** | **715.3** | **603.9** | **18.4%** |
| **EBITDA excluding dry wells [1]** | **279.2** | **285.0** | **-2.0%** | **713.4** | **630.5** | **13.2%** |
| Net Financial Result | (64.8) | (110.6) | -41.4% | (129.3) | (195.2) | -33.7% |
| Equity Income | 0.4 | 0.0 | 802.1% | 0.4 | 0.2 | 131.0% |
| **EBT** | **114.7** | **41.5** | **176.4%** | **356.5** | **196.0** | **81.9%** |
| Current taxes | (8.1) | (7.7) | 5.7% | (23.7) | (17.0) | 39.9% |
| Deferred taxes | (21.1) | (18.1) | 16.5% | (67.7) | (34.0) | 99.3% |
| Minority Interest | (0.3) | (0.1) | 205.9% | (0.5) | (0.5) | -10.6% |
| **Net Income** | **85.8** | **15.8** | **443.4%** | **265.5** | **145.6** | **82.4%** |

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

As from the first quarter of 2020, the Company recorded the EBITDA as set forth in CVM Instruction num. 527/12 (ICVM 527/12) and respective Explanatory Note. EBITDA and the Adjusted EBITDA, excluding dry wells, included line item “Other revenues and expenses”, previously presented after the EBITDA line item. For purposes of comparison, the historical amounts of these indicators were also updated in accordance with ICVM 527/12.

The adjusted consolidated EBITDA (in order to exclude the expenses incurred with dry wells) totaled R$ 279.2 million in the 2Q20, a decrease of 2.0% compared to 2Q19, even in a crisis scenario, stating the resilience of the Company's business model. The adjusted EBITDA margin was 53.8%, an increase of 2.6 p.p. compared to the 2Q19.

As previously explained in the operating performance section, except for Pecém II TPP, the dispatch of the other plants remained unchanged compared to the 2Q19, that is, Itaqui, Parnaíba I, Parnaíba III and Parnaíba IV TPPs were not qualified to dispatch by Brazil’s Operator (ONS) and Parnaíba II solely dispatched in June, when the plant’s contractual inflexibility period begins. Pecém II TPP was not dispatched in the 2Q20; however, in the 2Q19, the plant recorded an average dispatch of 43% and basically the totality of its net generation was directed to the Operating Reserve Recomposition (RRO), with unit variable revenues, on average, equivalent to 130% of the plant’s CVU.

Accordingly, the EBITDA of the coal segment totaled R$ 126.2 million in the 2Q20, compared to R$ 129.2 million in the 2Q19, a decrease of 2.3% in the comparison between the quarters, a result of Pecém II TPP’s dispatch by RRO in the 2Q19, with variable revenues above CVU, which was partially offset by the expansion of the fixed margin of both plants in 2Q20.

In the Parnaíba Complex, the Adjusted EBITDA (excluding the expenses incurred with dry wells) totaled R$ 184.7 million, basically in line with the same quarter of the last year. This resulted from the inverse movements between the upstream segment, which recorded an EBITDA increase compared to the 2Q19 (of 33.2% or R$ 13.8 million), and the gas generation segment, which recorded an EBITDA decrease in the same period (of 11.2% or R$ 16.8 million). These movements resulted from the following adjustments: (i) fixed lease paid by Parnaíba III to the upstream segment, in September 2019; and (ii) retroactive adjustment from January 2019 of some components of the variable lease for adherence to contracts, elevating variable lease paid by the thermoelectric plans to the upstream segment, with impact in June 2020.

The Company’s net profit totaled R$ 85.8 million in the 2Q20, a significant R$ 15.8 million growth compared to 2Q19, basically due to (i) the difference in values accounted as dry wells (R$ 0.5 million in 2Q20 versus R$ 26.1 million in 2Q19), due to the strategy of starting the exploratory campaign from June 2020, prioritizing drilling of development wells, and (ii) the R$ 45.8 million improvement in net financial results, due to lower expenses with debt charges and interest on debentures, reflecting the strategy applied to the Company's liability management, with continuous efforts to reduce debt costs and extend terms.

## Consolidated Cash Flow

| Free Cash Flow | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **EBITDA (as of ICVM 527/12)** | **279.2** | **285.0** | **-2.0%** | **713.4** | **630.5** | **13.2%** |
| (+) Changes in Working Capital | (30.0) | (1.4) | 2060.5% | 79.3 | (87.8) | N/A |
| (+) Income Tax | (10.9) | (7.7) | 40.2% | (30.8) | (16.0) | 92.4% |
| (+) Other Assets & Liabilities | 20.6 | 30.9 | -33.3% | (5.6) | 37.7 | N/A |
| **Cash Flow from Operating Activities** | **259.0** | **306.8** | **-15.6%** | **756.4** | **564.3** | **34.0%** |
| Cash Flow from Investing Activities | (595.2) | (190.0) | 213.2% | (1,121.2) | (279.8) | 300.7% |
| Cash Flow from Financing Activities | 1,095.8 | 108.6 | 909.0% | 946.3 | (22.0) | N/A |
| New Debt and Others | 1,370.7 | 2,000.0 | -31.5% | 1,370.7 | 2,000.0 | -31.5% |
| Debt amortization | (125.5) | (1,718.4) | -92.7% | (165.7) | (1,758.4) | -90.6% |
| Interest | (122.0) | (112.4) | 8.6% | (149.0) | (151.6) | -1.8% |
| Other | (27.4) | (60.6) | -54.8% | (109.7) | (112.0) | -2.1% |
| **Total Cash Position [1]** | **2,369.7** | **1,622.0** | **46.1%** | **2,369.7** | **1,622.0** | **46.1%** |
| **Total Cash Position + Escrow Account [1]** | **2,535.7** | **1,800.7** | **40.8%** | **2,535.7** | **1,800.7** | **40.8%** |

1 – Includes cash and cash equivalents.

The operational cash flow totaled R$ 259.0 million in the 2Q20. The change compared to the 1Q20 was a result of the following effects:

- Working capital needs totaled R$ 30,0 million, leveraged by the: (i) reduction of the balance of accounts payable by R$ 83.3 million, mainly due to payments related to operational insurances, to maintenance carried out at the Parnaíba I, Parnaíba III and Itaqui plants and to the slower pace in the works at Parnaíba V for almost 20 days in compliance with the social distancing rules of the Ministry of Health and local authorities; and (ii) an increase in inventories of R$ 55.7 million due to the acquisition of coal to replenish inventory in Itaqui and Pecém II, carried out at the end of 1Q20 and beginning of 2Q20, considering the atypical dispatch scenario in 1Q20 and the context of uncertainties related to future fuel purchase conditions due to the COVID-19 pandemic. These effects were partially offset by the reduction of the balance of accounts receivable by R$ 110.4 million, as a result of the receival of installments related to the dispatch of the plants in 1Q20.
- Lower income tax payment (2Q20 vs 1Q20) due to the reduction in dispatch when compared to the 1Q20.
- The positive variation in the item “Other assets and liabilities” was basically due to the adherence to the measures established in Ordinances No. 139/2020 and No. 245/2020, issued by the Ministry of Economy, allowing the postponement of payments of federal taxes related to March, April and May 2020 that are due in August, October and November of this year.

Cash flow from the investing activities totaled a negative balance of R$ 595.2 million, as a result of the disbursements related to the projects under construction, maintenance of the operational plants and the exploration and development activities. Disbursements related to the development of the Azulão Field and the construction of the Jaguatirica II TPP totaled R$ 348.0 million, while the values related to the construction of the Parnaíba V TPP totaled R$ 150.0 million. Hot Gas Path maintenance in Parnaíba I TPP’s steam turbines totaled R$ 40.0 million, and the exploration and development of natural gas activities carried out in the Parnaíba Basin totaled R$ 36.0 million.

Cash flow from financing activities totaled R$ 1,095.8 million in the 2Q20, supported by the issuances of debentures and disbursements of new debt, totaling R$ 1,370.7 million, comprised of the following:

(i) two issuances of debentures at the Holding Company, totaling R$ 1,060 million;

(ii) R$ 220.7 million disbursed with the Banco do Nordeste do Brasil S.A. (BNB) for the construction of the Parnaíba V TPP;

(iii) R$ 90.0 million arising from a financial agreement entered with China Construction Bank (Brazil) Banco Múltiplo S.A., by the Holding Company.

The positive flow was partially offset by the payment of the principal and interest for the period, with payments of principal mainly related to debentures issued for Parnaíba I (Parnaíba Geração e Comercialização de Energia S.A. – PGC, currently), while the amortization of interest was mainly related to the debentures issued in the Holding Company, Parnaíba I and Parnaíba II.

ENEVA ended the 2Q20 with a consolidated free cash balance of R$ 2.4 billion, excluding the balance of deposits linked to the Company’s financing agreements, in the amount of R$ 165.9 million.

## Economic-Financial Performance per Segment

In the segment-adjusted EBITDA calculation, only the non-recurring effects with impact on the Company's consolidated results are excluded.

## Parnaíba Complex

### Natural Gas Thermal Generation

This segment is composed of subsidiaries Parnaíba II Geração de Energia S.A. (which owns Parnaíba II, Parnaíba III and Parnaíba IV TPPs), Parnaíba Geração e Comercialização de Energia S.A. – PGC (which owns Parnaíba I TPP, in addition to holding Parnaíba V TPP's development values) and Azulão Geração de Energia S.A. (SPE responsible for the implementation of the integrated project Azulão-Jaguatirica, except for the development of the Azulão Field).

| Income Statement Gas-Thermal Generation | (R$ million) | | | | | |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Gross Operating Revenues** | **318.7** | **321.3** | **-0.8%** | **937.6** | **659.2** | **42.2%** |
| **Fixed Revenues** | **318.5** | **310.6** | **2.5%** | **637.0** | **621.3** | **2.5%** |
| **Variable Revenues** | **0.2** | **10.6** | **-98.5%** | **300.6** | **37.9** | **693.8%** |
| CCEAR[1] | 0.7 | 6.2 | -89.5% | 121.7 | 24.9 | 388.4% |
| Short Term market | (0.5) | 4.4 | N/A | 179.0 | 13.0 | 1280.7% |
| Reestablishment of commercial backing -FID | - | 2.9 | N/A | 85.8 | 9.9 | 770.3% |
| Hedge ADOMP | - | - | N/A | - | - | N/A |
| Others | (0.5) | 1.5 | N/A | 93.2 | 3.1 | 2900.7% |
| **Deductions from Gross Revenues** | **(32.2)** | **(32.6)** | **-1.2%** | **(93.6)** | **(66.9)** | **40.0%** |
| Unavailability (ADOMP) | 0.0 | 0.0 | -100.0% | 1.5 | 0.0 | 8717.0% |
| **Net Operating Revenues** | **286.5** | **288.7** | **-0.8%** | **844.0** | **592.3** | **42.5%** |
| **Operating Costs** | **(173.2)** | **(163.2)** | **6.1%** | **(544.7)** | **(310.9)** | **75.2%** |
| **Fixed Costs** | **(106.0)** | **(100.7)** | **5.3%** | **(215.1)** | **(198.0)** | **8.6%** |
| Transmission and regulatory charges | (20.7) | (19.9) | 4.2% | (41.5) | (39.8) | 4.2% |
| O&M | (19.2) | (25.7) | -25.4% | (41.3) | (48.1) | -14.2% |
| GTU fixed lease | (66.2) | (55.2) | 19.9% | (132.4) | (110.2) | 20.2% |
| **Variable Costs** | **(38.3)** | **(32.5)** | **17.7%** | **(272.0)** | **(54.1)** | **402.7%** |
| Fuel (natural gas) | (20.5) | (20.5) | -0.1% | (150.4) | (33.2) | 352.6% |
| Gasmar - Gas distribution tariff | (1.6) | (1.9) | -12.4% | (10.8) | (3.4) | 222.4% |
| GTU variable lease | (11.7) | - | N/A | (24.5) | 0.0 | N/A |
| Reestablishment of commercial backing (FID) | - | (2.8) | N/A | (79.1) | (8.8) | 796.6% |
| Hedge ADOMP | - | - | N/A | - | - | N/A |
| Trading (P.IV) | - | (0.0) | N/A | - | (0.9) | N/A |
| Others | (4.5) | (7.4) | -38.2% | (7.2) | (7.8) | -6.9% |
| **Depreciation and Amortization** | **(28.8)** | **(29.9)** | **-3.5%** | **(57.7)** | **(58.8)** | **-1.8%** |
| **Operating Expenses** | **(7.7)** | **(4.7)** | **63.9%** | **(13.3)** | **(10.3)** | **29.3%** |
| SG&A | (7.6) | (5.4) | 42.2% | (13.2) | (10.6) | 24.5% |
| Depreciation and Amortization | (0.1) | 0.6 | N/A | (0.2) | 0.3 | N/A |
| **Other revenue/expenses** | **(1.8)** | **(0.6)** | **189.0%** | **(18.8)** | **(1.4)** | **1231.6%** |
| **EBITDA (as of ICVM 527/12)** | **132.7** | **149.4** | **-11.2%** | **325.0** | **328.2** | **-1.0%** |
| **% EBITDA Margin** | **46.3%** | **51.8%** | **-5.4 p.p.** | **38.5%** | **55.4%** | **-16.9 p.p.** |

[1] CCEAR = Regulated Market Power Purchase Agreement

In the 2Q20, net operating revenues from natural gas thermal generation totaled R$ 286.5 million, a decrease of 0.8% compared to the 2Q19, due to the combination of the following effects:

(i) increase of 2.5% or R$ 7.9 million of gross fixed revenues of the plants that have entered into agreements in the regulated market (Parnaíba I, Parnaíba II and Parnaíba III TPPs), compared to last year's same period, by virtue of the annual contractual adjustment for inflation;

(ii) reduction of R$ 5.6 million in variable contractual gross revenues – "CCEAR" (PPA), mainly explained by the request for dispatch of Parnaíba II TPP in May 2019 by the ONS, an event that did not occur due to a technical restriction of the network (constrained-off), but generated the contractual PPA revenue. Additionally, in 2Q20, Parnaíba I TPP registered revenues of R$ 0.7 million due to an adjustment made between the provisioned and realized amounts in February at Brazil's Electricity Trading Chamber (*Câmara de Comercialização de Energia Elétrica* - CCEE);

(iii) reduction of R$ 2.0 million in other variable revenues, relating to the accounting adjustments carried out by CCEE.

In the 2Q20, the plants Parnaíba I, Parnaíba III and Parnaíba IV were not dispatched by the ONS. The power generation for this period took place solely to confirm availability. Parnaíba II TPP's dispatch level was 33%, concentrated in June, when the plant's contractual inflexibility period began.

| Net Generation (GWh) | 2Q20 | 2Q19 |
|---|---|---|
| Parnaíba I (Regulated Market) | 7 | 5 |
| Parnaíba II (Regulated Market) | 340 | 332 |
| Parnaíba III (Regulated Market) | 0 | 1 |
| Parnaíba IV (Free Market) | 0 | 0 |
| **TOTAL** | **347** | **338** |

**Fixed operating costs** increased by 5.3% or R$ 5.3 million in the 2Q20 compared to the 2Q19, mainly due to two opposite effects: (i) a reduction in operating and maintenance costs, basically due to lower general and administrative expenses, in addition to lower travel costs; and (ii) the readjustment of the fixed lease paid by Parnaíba III to the upstream segment, in September 2019, effect eliminated in the consolidated result.

**Variable operating costs** increased by 17.7% or R$ 5.8 million compared to the 2Q19, mainly due to the following: (i) the retroactive adjustment to January 2019 of some components of the variable lease for adherence to the contracts, raising the variable lease paid by thermal plants to the Upstream segment, with impact in June 2020, an effect also eliminated in the consolidated result; and (iii) the energy purchase costs incurred by Parnaíba II in the 2Q19, when the plant was put in constrained-off by the ONS, differently from the 2Q20. As previously explained, despite of the fact that the plant did not generate energy in that period, the plant received its contractual variable revenues; however, the plant also incurred costs of approximately R$6.1 million, accounted in the line item Other variable operating costs.

The **EBITDA** of the segment totaled R$ 132.7 million in the 2Q20, a reduction of 11.2% compared to the 2Q19, basically due to the effects from the accounting adjustments of CCEE related to February, which negatively impacted revenues, and the retroactive adjustment of gas price, which increased the variable lease paid by the thermoelectric plants to the upstream segment. In addition, in the 2Q20, item "Other revenues/expenses" was negatively impacted in R$ 1.8 milllion by expenses relating to the efforts to control the Covid-19 in the plants.

## Upstream (E&P)

This segment is composed of subsidiaries Parnaíba Gás Natural S.A. (PGN) and Parnaíba B.V. Although PGN was incorporated into Eneva S.A. in the last quarter of 2018, Upstream results are presented separately to facilitate segment performance analysis.

| Income Statement Upstream | (R$ million) | | | | | |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Gross Operating Revenues** | **112.9** | **85.4** | **32.2%** | **346.9** | **163.7** | **111.9%** |
| **Fixed Revenues** | **76.4** | **63.3** | **20.8%** | **152.5** | **126.6** | **20.5%** |
| **Variable Revenues** | **36.5** | **22.1** | **64.9%** | **194.4** | **37.2** | **422.8%** |
| Gas Contract Sales | 23.6 | 21.7 | 8.4% | 165.8 | 36.4 | 355.4% |
| Variable leasing Contract | 12.8 | 0.0 | N/A | 27.0 | 0.0 | N/A |
| Condensate Sales and Others | 0.1 | 0.4 | -75.0% | 1.6 | 0.8 | 100.8% |
| **Deductions from Gross Revenues** | **(11.0)** | **(7.5)** | **46.4%** | **(39.1)** | **(16.3)** | **139.6%** |
| **Net Operating Revenues** | **101.9** | **77.9** | **30.8%** | **307.8** | **147.4** | **108.8%** |
| **Operating Costs** | **(27.5)** | **(31.6)** | **-12.9%** | **(99.4)** | **(59.7)** | **66.4%** |
| **Fixed Costs** | **(10.8)** | **(13.9)** | **-22.1%** | **(27.1)** | **(25.5)** | **6.3%** |
| O&M Cost (OPEX) | (10.8) | (13.9) | -22.1% | (27.1) | (25.5) | 6.3% |
| **Variable Costs** | **(4.3)** | **(4.7)** | **-8.0%** | **(19.6)** | **(10.6)** | **85.3%** |
| Government Contribution | (3.1) | (3.3) | -6.0% | (16.8) | (5.8) | 191.4% |
| Lifting Cost/Compression | (1.2) | (1.4) | -12.7% | (2.8) | (4.8) | -42.1% |
| **Depreciation and Amortization** | **(12.4)** | **(13.0)** | **-4.8%** | **(52.6)** | **(23.6)** | **123.0%** |
| **Operating Expenses** | **(35.8)** | **(51.7)** | **-30.8%** | **(73.1)** | **(68.2)** | **7.2%** |
| Exploration Expenses_Geology and geophysics (G&G) | (25.2) | (38.5) | -34.5% | (51.6) | (46.9) | 9.9% |
| Dry Wells | 0.5 | (26.1) | N/A | 0.6 | (26.6) | N/A |
| SG&A | (4.5) | (5.2) | -13.6% | (10.4) | (9.2) | 13.2% |
| Depreciation and Amortization | (6.1) | (8.0) | -24.2% | (11.1) | (12.1) | -8.0% |
| **Other revenue/expenses** | **(1.1)** | **0.0** | **N/A** | **(1.5)** | **30.9** | **N/A** |
| **EBITDA (as of ICVM 527/12)** | 55.9 | 15.6 | 259.0% | 197.6 | 86.1 | 129.5% |
| **EBITDA excluding dry wells [1]** | **55.5** | **41.7** | **33.2%** | **197.0** | **112.6** | **74.9%** |
| **% EBITDA Margin excluding dry wells** | **54.4%** | **53.5%** | **1.0 p.p.** | **64.0%** | **76.4%** | **-12.4 p.p.** |

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

**Net operating revenues** of the upstream segment totaled R$ 101.9 million in the 2Q20, an increase of 30.8% compared to the 2Q19, which resulted basically from the adjustments in fixed lease paid by Parnaíba III TPP and the variable lease paid by the gas thermals to the upstream segment, with impact in June 2020, as previously explained, being eliminated in the Consolidated view.

Due to the similarity of gas thermoelectric' s dispatch in the 2Q19 and in the 2Q20, **variable operating costs** remained in line. The **fixed operating costs** of the segment decreased by 22.1% or R$ 3.1 million, mainly due to the lower costs with maintenance materials and general supplies, in addition to the reduction of travel costs.

**Operating expenses** of the upstream segment, excluding depreciation and amortization, totaled R$ 29.7 million in the 2Q20, a R$ 14.0 million decrease versus 2Q19, basically impacted by the accounting of R$ 0.5 million in expenses with dry wells in the 2Q20 compared to R$ 26.1 million in the 2Q19, and the reduction of R$ 0.7 million in the SG&A, partially offset by the increase of R$ 13.2 million in the exploration expenses, due to the continuity of the seismic campaign launched in 2019, with the acquisition of 1,190 km (linear) of 2D seismic, concentrated on blocks PN-T-117, 118, 119, 133, 134 (ANP's Round 14) and 68A (Open Acreage). In the 2Q19, no seismic campaign was in progress.

In the 2Q20, the increase in the net operating revenue by virtue of the adjustments to fixed lease and variable lease paid by the gas thermoelectric plants, allied to a decrease in fixed O&M expenses, resulted in an increase of 33.2% in **Adjusted EBITDA** (excluding dry wells), totaling R$ 55.5 million.

## Other assets of generation

### Coal Thermal Generation

This segment is composed of subsidiaries Itaqui Geração de Energia S.A. and Pecém II Geração de Energia S.A.

| Income Statement Coal-Thermal Generation | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Gross Operating Revenues** | **213.3** | **272.3** | **-21.7%** | **615.3** | **598.4** | **2.8%** |
| **Fixed Revenues** | **209.0** | **203.8** | **2.5%** | **418.0** | **407.7** | **2.5%** |
| **Variable Revenues** | **4.3** | **68.4** | **-93.7%** | **197.3** | **190.7** | **3.5%** |
| CCEAR[1] | 0.9 | 5.6 | -84.6% | 105.9 | 27.0 | 291.5% |
| Short Term market | 3.5 | 62.8 | -94.5% | 91.4 | 163.6 | -44.1% |
| Reestablishment of commercial backing (FID) | - | 5.6 | N/A | 74.2 | 39.2 | 89.1% |
| Hedge ADOMP | 3.2 | - | N/A | 14.7 | - | N/A |
| Other | 0.2 | 57.2 | -99.6% | 2.6 | 124.4 | -97.9% |
| **Deductions from Gross Revenues** | **(22.0)** | **(28.1)** | **-21.6%** | **(67.5)** | **(61.7)** | **9.4%** |
| Unavailability (ADOMP) | 0.1 | - | N/A | (3.6) | 0.1 | N/A |
| **Net Operating Revenues** | **191.3** | **244.1** | **-21.7%** | **547.8** | **536.8** | **2.1%** |
| **Operating Costs** | **(107.6)** | **(153.5)** | **-29.9%** | **(369.9)** | **(361.7)** | **2.3%** |
| **Fixed Costs** | **(55.0)** | **(56.3)** | **-2.3%** | **(107.7)** | **(112.1)** | **-4.0%** |
| Transmission and regulatory charges | (13.7) | (12.7) | 8.1% | (27.4) | (25.4) | 8.1% |
| O&M | (41.3) | (43.6) | -5.4% | (80.3) | (86.8) | -7.5% |
| **Variable Costs** | **(5.6)** | **(49.3)** | **-88.6%** | **(168.5)** | **(156.4)** | **7.7%** |
| Fuel (natural gas) | 0.0 | (39.4) | N/A | (80.0) | (110.1) | -27.3% |
| Reestablishment of commercial backing (FID) | - | (5.4) | N/A | (67.3) | (35.3) | 90.3% |
| Hedge ADOMP | (3.4) | - | N/A | (10.6) | - | N/A |
| Other | (2.3) | (4.5) | -48.3% | (10.7) | (11.1) | -3.6% |
| **Depreciation and Amortization** | **(46.9)** | **(47.8)** | **-1.9%** | **(93.7)** | **(93.1)** | **0.6%** |
| **Operating Expenses** | **(5.6)** | **(6.0)** | **-6.8%** | **(10.9)** | **(11.1)** | **-1.9%** |
| SG&A | (5.4) | (5.8) | -6.9% | (10.6) | (10.4) | 1.4% |
| Depreciation and Amortization | (0.2) | (0.2) | -4.4% | (0.3) | (0.7) | -50.5% |
| **Other revenue/expenses** | **1.0** | **(3.5)** | **N/A** | **0.9** | **(8.7)** | **N/A** |
| **EBITDA (as of ICVM 527/12)** | **126.2** | **129.2** | **-2.3%** | **261.9** | **249.1** | **5.1%** |
| **% EBITDA Margin** | **66.0%** | **52.9%** | **13.1 p.p.** | **47.8%** | **46.4%** | **1.4 p.p.** |

[1] CCEAR = Regulated Market Power Purchase Agreement

**Net operating revenues** of the Coal Thermal Generation segment totaled R$ 191.3 million in the 2Q20, a decrease of 21.7% compared to the same quarter of the last year, mainly due to the dispatch difference in plant Pecém II, taking into account that Itaqui had not dispatched in the last two comparative quarters.

Pecém II did not dispatch in the 2Q20, while in the 2Q19, its average dispatch was 43%. In addition, basically the total of this dispatch was directed to Operating Reserve Recomposition (RRO), when the plant receives unit variable revenues, on average, equivalent to 130% of the CVU. The impact from the net generation directed to the RRO is recorded as variable revenues in the short-term market (line item "Other revenues").

In addition, other events that impacted net operating revenues of the segment included: (i) the increase of fixed gross revenue in accordance with the PPA in the amount of R$ 5.2 million; (ii) the decrease of gross revenues related to collateral recovery (FID), in the amount of R$ 5.6 million, offsetting in costs; and

(iii) increase of gross revenues from hedge transactions due to the costs for compensation of unavailability (ADOMP), in the amount of R$ 3.2 million, offsetting in costs.

**Operating costs** of the segment totaled R$ 107.6 million in the 2Q20, a decrease of 29.9% related to the 2Q19, basically due the lower variable costs, related to the generation of Pecém II in the 2Q19 and the non-generation of two coal plants in the 2Q20. It is important to note that the two coal-fired plants have been making efforts to reduce costs, reflecting the decrease in fixed O&M, mainly due to lower expenses with maintenance, industrial cleaning and travels.

The **EBITDA** of the segment totaled R$ 126.2 million in the 2Q20, compared to R$ 129.2 million in the 2Q19, a quarter-on-quarter decrease of 2.3%, due to the dispatch (RRO) of Pecém II in the 2Q19, compared to the lack of dispatch in the 2Q20, which was partially compensated by the increase in the fixed margin of the two plans and the improvement in item “Other revenues/expenses”.

## Energy Trading

This segment is composed of the indirect subsidiary ENEVA Comercializadora de Energia Ltda.

| Income Statement Energy Trading | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Net Operating Revenues** | **45.4** | **27.3** | **66.6%** | **240.7** | **81.0** | **197.1%** |
| **Operating Costs** | **(42.7)** | **(26.7)** | **60.0%** | **(234.7)** | **(80.7)** | **190.9%** |
| Power acquired for resale | (42.6) | (26.6) | 60.2% | (234.5) | (80.5) | 191.2% |
| Other | (0.1) | (0.1) | -11.2% | (0.2) | (0.2) | 30.9% |
| **Operating Expenses** | **(1.4)** | **(1.3)** | **4.2%** | **(2.8)** | **(2.1)** | **31.2%** |
| SG&A | (1.3) | (1.3) | 4.3% | (2.8) | (2.1) | 31.5% |
| Depreciation and Amortization | (0.0) | (0.0) | 0.0% | (0.0) | (0.0) | -1.2% |
| **Other revenue/expenses** | **(0.0)** | **0.0** | **N/A** | **(0.0)** | **(0.0)** | **250.0%** |
| **EBITDA (as of ICVM 527/12)** | **1.4** | **(0.7)** | **N/A** | **3.2** | **(1.8)** | **N/A** |
| **% EBITDA Margin** | **3.0%** | **-2.7%** | **5.6 p.p.** | **1.3%** | **-2.2%** | **3.5 p.p.** |

**Net operating revenues** from the commercialization segment grew 66% when compared to 2Q19. The variation is explained by the higher volume of energy sold, which reached 565 GWh in this quarter, compared to 370 GWh in 2Q19, and by the strategy defined by ENEVA Comercializadora de Energia based on the perspective of price reduction in the second quarter, which resulted in an improvement of about 3 times the **net revenue** and **operating costs** ratio, reaching 6.57% in 2Q20, compared to 2.24% in 2Q19.

The segment's **EBITDA** totaled R$ 1.4 million in 2Q20, compared to the negative EBITDA of R$ 0.7 million in 2Q19, driven by improved margins, revenue growth as explained above and maintenance of operating costs and expenses in the quarter.

Despite the unfavorable scenario of the COVID-19 pandemic on the free energy market, ENEVA's energy trading segment did not register an economic impact due to the correct payments of all its counterparties with no default, which is a result of credit risk management and negotiation strategy. However, a reduction in market liquidity was observed in the period, limiting trading volumes.

## Holding & Others

This segment consists of the holding companies ENEVA S.A. and ENEVA Participações S.A., in addition to the subsidiaries created for the origination and development of projects. Eneva S.A. also incorporates businesses in the Upstream segment. However, in order to allow a better analysis of the performance of the Company's business segments, it was decided here to present the results of the Upstream segment separately.

| Income Statement Holding & Other | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Net Operating Revenues** | **0.0** | **0.0** | **-5.2%** | **0.1** | **0.1** | **135.2%** |
| **Operating Costs** | **(0.3)** | **-** | **N/A** | **(0.8)** | **(0.1)** | **557.0%** |
| **Operating Expenses** | **(55.1)** | **(32.5)** | **69.5%** | **(88.2)** | **(61.2)** | **44.1%** |
| SG&A | (48.7) | (25.6) | 90.2% | (75.4) | (45.3) | 66.2% |
| Depreciation and Amortization | (6.5) | (6.9) | -6.9% | (12.8) | (15.8) | -19.1% |
| **Other revenue/expenses** | **16.1** | **(10.5)** | **N/A** | **9.8** | **(16.2)** | **N/A** |
| **EBITDA (as of ICVM 527/12)** | **(32.8)** | **(36.1)** | **-9.0%** | **(66.2)** | **(61.6)** | **7.4%** |

In the 2Q20, operating expenses for the segment, excluding depreciations and amortization, totaled R$ 48.7 million, compared to R$ 25.6 million in 2Q19. The annual increase is due to a combination of effects, including: i) expenses related to stock options and long-term incentives in the amount of R$ 11.7 million, ii) expenses with legal, accounting and financial advisors services related to the business combination proposal with AES Tietê of approximately R$ 6.9 million; iii) R$ 2.1 million in expenses with donations of respirators to combat Covid-19 in the states where we operate and; iv) an increase of R$ 2.0 million in personnel expenses to support our growth strategy. These values were partially offset due to lower expenses with third party services and travels in 2Q20.

The Company recorded net revenues of R$ 16.1 million in the item Other revenues/Expenses in 2Q20, compared to the net expense of R$ 10.5 million in 2Q19. Revenue in the quarter was positively impacted by revenues of R$ 18.0 million related to the conclusion of the sale of the entire interest held by Eneva in Seival Sul Mineração S.A.. This revenue was partially offset by R$ 2.4 million in expenses related to the prevention and combat of Covid-19, mostly comprised of the acquisition of igG/igM detection tests to be applied to the workforce.

As a result, EBITDA according to CVM Instruction No. 527/12 was a negative R$ 32.8 million in 2Q20, compared to a negative EBITDA of R$ 36.1 million in 2Q19.

## Consolidated Financial Results

| Net Financial Result | | | | | | (R$ million) |
|---|---|---|---|---|---|---|
| | 2Q20 | 2Q19 | % | 1H20 | 1H19 | % |
| **Financial Revenues** | **17.8** | **27.0** | **-34.1%** | **40.3** | **68.7** | **-41.4%** |
| Income from financial investments | 14.6 | 28.1 | -48.0% | 33.7 | 51.2 | -34.1% |
| Fines and interest earned | 1.7 | (4.6) | N/A | 2.5 | 2.4 | 5.5% |
| Interest on debentures | - | - | N/A | - | - | N/A |
| Others | 1.5 | 3.5 | -57.1% | 4.1 | 15.2 | -73.2% |
| **Financial Expenses** | **(82.6)** | **(137.6)** | **-40.0%** | **(169.6)** | **(263.9)** | **-35.7%** |
| Fines interest | (3.2) | 4.7 | N/A | (3.5) | (0.8) | 316.7% |
| Debt charges | (34.5) | (72.5) | -52.4% | (69.8) | (151.5) | -54.0% |
| Interest on provisions for abandonment | 0.7 | (1.6) | N/A | (0.4) | (3.5) | -89.3% |
| Fees and emoluments | (1.6) | (1.2) | 41.5% | (2.8) | (1.3) | 122.3% |
| IOF/IOC | (0.8) | (1.9) | -57.3% | (1.3) | (2.2) | -39.1% |
| Debentures Cost | (39.8) | (47.2) | -15.6% | (83.3) | (85.1) | -2.1% |
| Others | (0.3) | (12.5) | -97.2% | (17.8) | (21.3) | -16.4% |
| FX Exchange and monetary variation | (0.1) | (7.9) | -98.1% | 2.4 | (15.8) | N/A |
| Losses/gains on derivatives | (2.8) | 2.4 | N/A | 6.9 | 17.6 | -61.1% |
| **Net Financial Income (Expense)** | **(64.8)** | **(110.6)** | **-41.4%** | **(129.3)** | **(195.2)** | **-33.7%** |

The Company recorded a negative net financial result of R$ 64.8 million in 2Q20, compared to a negative result of R$ 110.6 million in the 2Q19. The improvement in the financial result was mainly due to the reduction of R$ 38.0 million in expenses with debt charges, supported by the pre-payment of old debts with the replacement of more costly loans by debenture issuances in better terms and by the reduction in the main indexers that update debts in 2Q20 over 2Q19 (such as SELIC/CDI, IPCA and TJLP).

The lower debt indexes in 2Q20 also contributed to the reduction of expenses with interest on debentures in the period, more than offsetting the increase in the financial volume of debentures and contributing to the improvement of the net financial result. On the other hand, the reduction in these indices was reflected in the reduction of revenues from financial investments, which partially offset the positive effects of the period.

## Investments

| Capex | | | | | | | (R$ million) |
|---|---|---|---|---|---|---|---|
| | 1Q19 | 2Q19 | 3Q19 | 4Q19 | 2019 | 1Q20 | 2Q20 |
| **Coal Generation** | **4.5** | **11.2** | **34.8** | **33.0** | **83.6** | **2.7** | **17.3** |
| Pecém II | 0.5 | 1.8 | 29.1 | 17.7 | 49.1 | 0.8 | 1.2 |
| Itaqui | 4.0 | 9.3 | 5.7 | 15.4 | 34.4 | 1.9 | 16.1 |
| **Gas Generation** | **11.8** | **7.4** | **35.3** | **54.6** | **109.0** | **4.5** | **92.3** |
| Parnaíba I | 10.4 | (1.4) | 32.7 | (3.8) | 37.9 | 0.7 | 59.0 |
| Parnaíba II[1] | 1.3 | 8.8 | 2.6 | 58.4 | 71.2 | 3.8 | 33.4 |
| **Parnaíba V** | **42.1** | **75.5** | **104.5** | **142.7** | **364.7** | **190.6** | **165.3** |
| **Azulão-Jaguatirica** | **0.5** | **53.7** | **144.0** | **101.9** | **300.2** | **285.7** | **383.8** |
| **Upstream** | **28.4** | **37.1** | **37.0** | **61.3** | **163.8** | **41.0** | **43.0** |
| Dry wells | 0.5 | 26.1 | 6.4 | 4.1 | 37.0 | 0.1 | 0.5 |
| **Distributed Generation** | - | - | - | **14.5** | **14.5** | **(1.7)** | **7.1** |
| **Holding** | **2.9** | **4.8** | **4.2** | **8.5** | **20.5** | **2.0** | **1.2** |
| **Total** | **90.2** | **189.6** | **359.8** | **416.6** | **1,056.2** | **524.9** | **710.1** |

[1] Parnaíba II CAPEX includes Parnaíba III and Parnaíba IV's values, following the corporate restructuring announced in 4Q18.

Consolidated investment reached R$ 710.1 million in 2Q20 (versus R$ 189.6 million in 2Q19), with 77% of that amount going to works in progress at the Parnaíba V TPP and the Azulão-Jaguatirica Integrated Project, and 12% related to HGP inspections carried out on the steam turbines of the Parnaíba I and III TPPs and the preparation for Parnaíba II TPP's HGP. Total investments in the quarter include:

- **Coal-fired TPP's:** In Itaqui, the integrity inspection (NR13) activities of the boiler and pressure vessels were carried out; safety valve repair and calibration activities completed; and all parts of the turbine and generator were received for the Major Overhaul. In Pecém II, parts of the condensate pump were purchased this year for an overhaul. Strategic spare parts were also purchased for both plants.
- **Gas-fired TPP's:** Hot Gas Path (HGP) maintenance services were carried out on the steam turbines of the Parnaíba I and Parnaíba III TPPs, and the availability verification tests at the end of the maintenance services. Preparation for the HGP of of Parnaíba II TPP's turbines with the fulfillment of contractual milestones – HGP to be carried out in 2021,.
- ***Upstream***:
    - Exploration: The drilling of well 3-ENV-11D-MA (Tianguar 3) was completed at the Tianguar PAD.
    - Development: Drilling of the development wells at the Gavião Preto (7-GVP-2D-MA and 7-GVP-3D-MA) and Gavião Branco (7-GVB-16-AM) fields was completed. Preparation for the construction of the Gavião Branco Oeste Cluster and its interconnection to the GVB Cluster, with the execution of tie-ins for the GVB pipeline, and the start of the earthworks of the duct strip have taken place. EIA/RIMA (Environmental Impact Assessment and Report) of the Gavião Tesoura production flow project is under preparation.
- **Parnaíba V:** Rotor tests performed on the generator, manufacture of the condenser is in progress and receipt of the modules, stacks, drums and boiler inlet at the site. Assembly of the formwork and reinforcement steel for the slab and foundation blocks of the steam turbine building was carried out

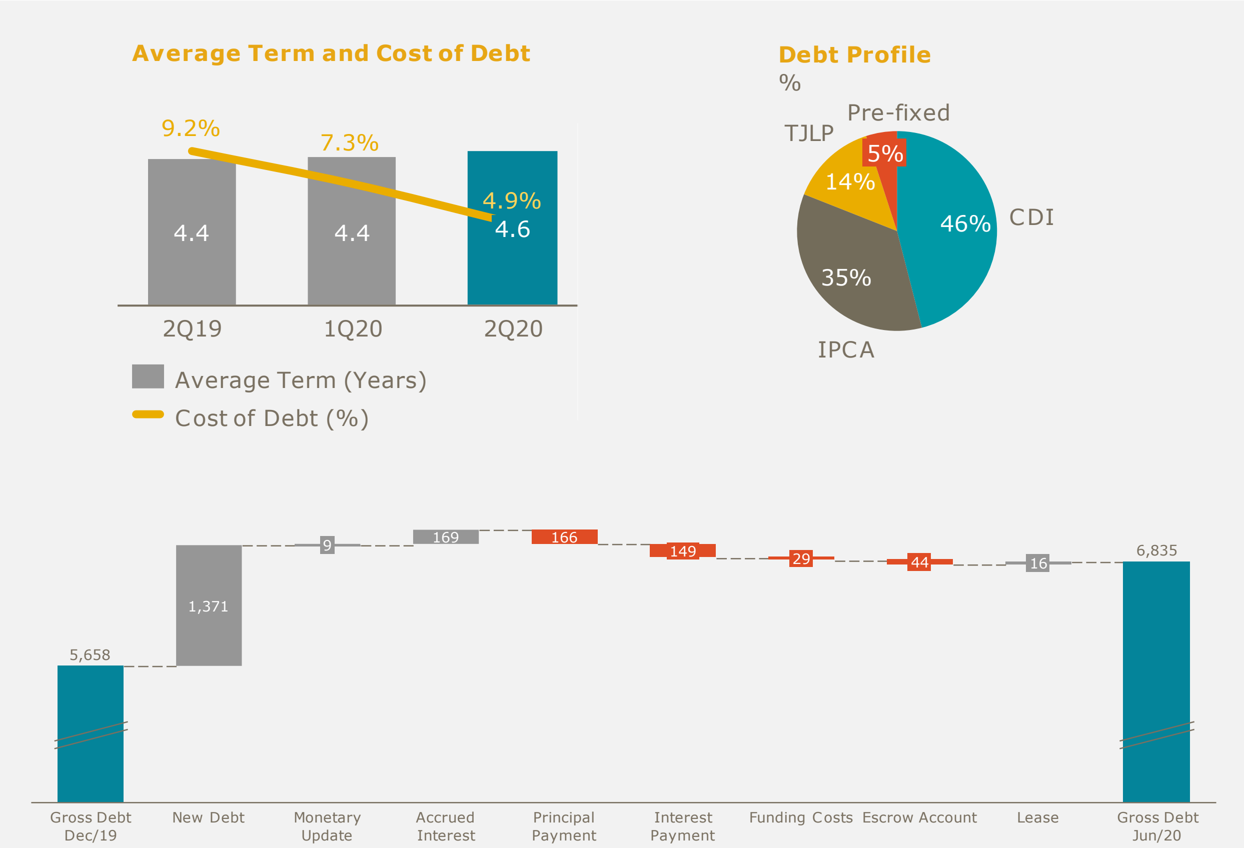
as well as the excavation and mounting of sections close to the turbine for the electrical gallery. Pre-assembly of boilers 31 and 32 and painting of the stairs completed.

- Azulão-Jaguatirica:
    - Azulão Field: 25 cryoboxes delivered in Brazil (in a total of 34), of which 16 at the Azulão site; 22 cryogenic trailers (in a total of 110) delivered and stocked at the NOMA factory and 7 auto generation generators arrived in Manaus. Start of the ADM building foundations and execution of pipe rack sleepers and auto generation and UTP foundations (Condensate/Fiscal Tanks). Regarding Upstream, the review of the Azulão geological and flow models were completed with information on the drilled development wells (AZU-2D, AZU-3, AZU-4DA).
    - Jaguatirica II TPP: construction of the electrical room and the administrative building (foundations and primary structure); concreting of the steam turbine base; execution of the foundation of the transmission line towers and foundation of the bus structure; soil adjustments for receiving the cranes. The unloading and assembly of the LNG isotanks and the foundation of the LNG unloading area and auxiliary equipment bases are in progress.

## Indebtedness

On June 30, 2020, the consolidated Gross Debt (net of the balance of deposits linked to financing agreements and transaction costs) totaled R$ 6,835 million, an increase of 24.6% when compared to the end of 2Q19 and 20.7% related to 1Q20 amounts. At the end of 2Q20, the average maturity date of consolidated debt was 4.6 years and the average effective cost of debt was 4.9%.

**Profile of the Consolidated Gross Debt**



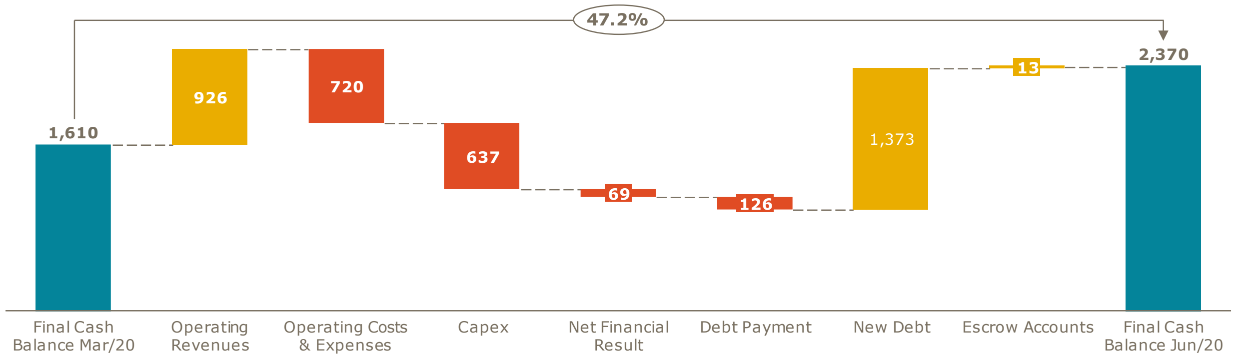

In April 2020, two debt collection processes at the Holding were concluded, both with an one-year term and cost of CDI + 2.5% p.a., of which R$ 410.0 million from the issuance of debentures in the form of CVM Instruction 476 and R$ 90.0 million from the signing of a Bank Credit Note with China Construction Bank (Brazil) Banco Múltiplo S.A.. Together, the total of R$ 500.0 million was destined to further strengthen our cash position, ensuring additional liquidity at a time of uncertainty and high volatility in the financial and capital markets and ensuring greater flexibility to take advantage of potential investment opportunities that may arise.

In April and May 2020, we made the first disbursements related to the agreement signed with BNB in June 2019 for the implementation of the Parnaíba V TPP. The amount disbursed in 2Q20 was R$ 220.7 million, out of a total contractual amount R$ 842.6 million.

In June 2020, ENEVA carried out the 5th issuance of simple unsecured debentures, not convertible into shares, in a single series, in the total amount of R$ 650.0 million, pursuant to CVM Instruction 476. The rate established was IPCA + 5.5% p.a., with maturity date in June 2030 and amortization of principal in 3 consecutive annual installments in June 2028, June 2029 and June 2030. The proceeds obtained will be used until the maturity date of the debentures for future payment and/or reimbursement, of spending, expenses and/or debts, which took place between January 1, 2020 and the closing date of the Offer and which are related to the execution of Project Parque dos Gaviões - Parnaíba Basin[1].

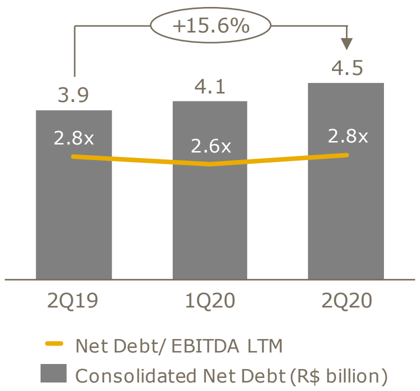
At the end of June, 2020, the Company's consolidated free cash balance was R$ 2.4 billion, a R$ 760.0 increase comparing to March, 2020's final balance – this balance does not include the amount of deposits linked to the Company's financing agreements, in a total of R$ 165.9 million.

**Evolution of cash balance and securities in 2Q20 (R$ million)**

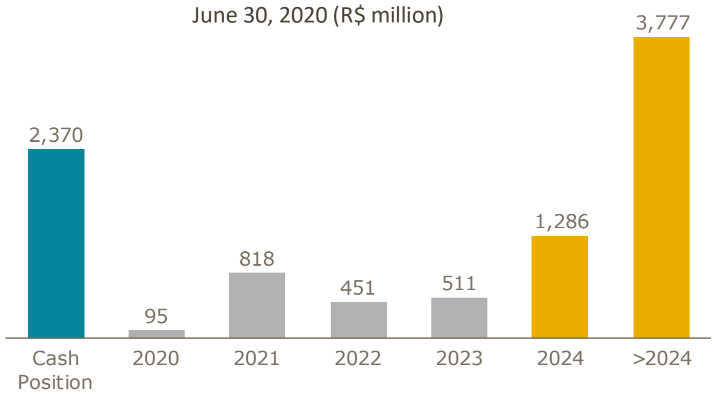



The consolidated net debt was R$ 4,465.1 million at the end of the period, equivalent to a 2.8x net debt/EBITDA ratio in LTM.

**Net Debt**




**Schedule of maturity of the consolidated debt (Principal)**
June 30, 2020 (R$ million)




[1] The Parque dos Gaviões Project was classified by the Ministry of Mines and Energy as a priority through Ordinance No. 327 issued in August 21, 2019, and published in the Federal Official Gazette on August 23, 2019, pursuant to Law No. 12,431, of June 24, 2011, as amended, and Decree No. 8,874, of October 11, 2016.

## Capital Markets

| ENEV3 | 2Q20 | 1Q20 | 2Q19 | 12 months |
|---|---|---|---|---|
| # Shares - end of period | 315,767,683 | 315,483,181 | 315,276,037 | - |
| Share price (Closing) - end of period (R$) | 44.98 | 34.75 | 24.12 | - |
| Traded shares (MM) - daily avg. | 2.0 | 1.6 | 1.5 | 1.7 |
| Turnover (R$ MM) - daily avg. | 66.3 | 48.5 | 24.1 | 53.5 |
| Market cap - end of period (R$ MM)[1] | 14,203 | 10,963 | 7,604 | - |
| Enterprise value - end of period (R$ MM)[2] | 18,668 | 15,014 | 12,000 | - |

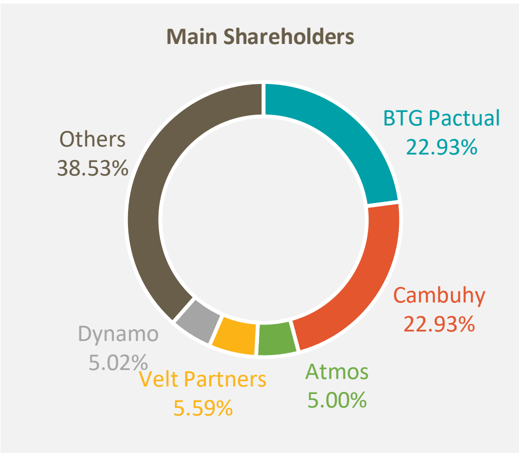
[1]Market Cap considers 100% of Eneva's free float, including shares held by the Company's Directors and Executive Officers

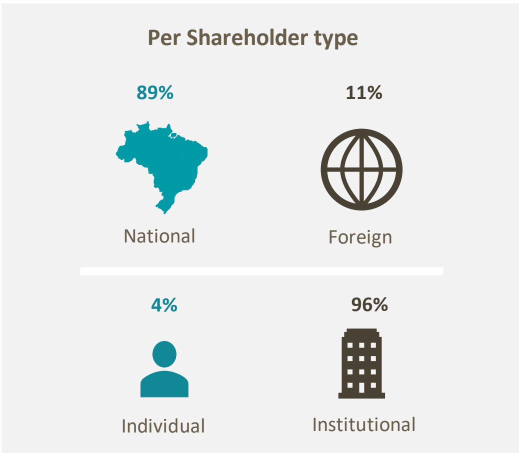
[2]Enterprise Value is equivalent to the sum of Eneva's Market Cap and Net Debt at the end of each period.

## Ownership

ENEVA has been listed on the *Novo Mercado* (New Market) segment since its IPO in 2007 and has no shareholders' agreement. The share capital on June 30, 2020 was composed of 315,767,683 common shares, with 99.89% of the shares in circulation. The shareholding structure is detailed below:

**Profile of Outstanding Shares of Eneva S.A.**
June 30, 2020



## 2T20 and subsequent events

**Strengthening of the liquidity position** with the issuance of debentures pursuant to CVM Instruction 476, in the amount of R$ 410 million (one year term and at a cost of CDI + 2.5%) and signing of a Bank Credit Note with China Bank, in the amount of R$ 90.0 million (one year term and at a cost of CDI + 2.5%).

**Issuance of incentivized debentures by Eneva S.A. under the terms of CVM Instruction 476,** in a single series, in the total amount of R$ 650 million, at the cost of IPCA + 5.5% p.a. The credit rating agency Standard & Poors Global Ratings rated this issuance of debentures 'brAAA,' having also reaffirmed our corporate credit rating.

**Completion of the sale of the entire interest held by Eneva in Seival Sul Mineração,** equivalent to 30% of the total shares, in Seival Sul Mineração S.A. to Copelmi Participações Ltda. pursuant to the Share Purchase and Sale Agreement and Other Covenants. The full price to be paid by Copelmi to Eneva for the sale of the Shares is R$ 18 million, and the operation also includes the sale of property owned by a company from within our group, located in the municipality of Candiota, State of Rio Grande do Sul, for an additional amount of R$ 3 million, totaling R$ 21 million for the total value of the operation.

**Statutory Audit Committee** – Our Board of Directors elected, to form the Statutory Audit Committee, Mr. Ricardo Baldin, external expert member and Committee Coordinator; Mr. Felipe Gottlieb; Mr. Guilherme Bottura; Mr. Sidnei Sanches; and Mr. Edson Teixer, all qualified as independent members, under the terms of B3's Novo Mercado Listing Regulation.

**Proposed business combination with AES Tietê** - at the end of July 2020, Eneva submitted to BNDES Participações S.A. - BNDESPAR, under the competitive process made public by BNDESPAR, a new proposal with new terms and conditions for a potential combination of operational businesses with AES Tietê Energia S.A. However, on July 28, we were notified by BNDESPAR that our proposal has been declined.

## Exhibits

The SPC's financial statements are available on the Company's Investor Relations website. The figures are presented proforma, considering Pecém II consolidation and ADOMP unavailability in gross revenue deductions.

| Income Statement - 2Q20 (R$ million) | Gas Generation | Upstream | Elimination Adjustments | Total | Coal Generation | Energy Trading | Holding & Other | Elimination Adjustments | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Operating Revenues** | **318.7** | **112.9** | **(112.8)** | **318.8** | **213.3** | **50.0** | **0.02** | **(7.0)** | **575.2** |
| Deductions from Gross Revenues | (32.2) | (11.0) | 14.4 | (28.9) | (22.0) | (4.6) | (0.00) | (0.9) | (56.5) |
| **Net Operating Revenues** | **286.5** | **101.9** | **(98.5)** | **289.9** | **191.3** | **45.4** | **0.02** | **(7.9)** | **518.7** |
| **Operating Costs** | **(173.2)** | **(27.5)** | **98.5** | **(102.3)** | **(107.6)** | **(42.7)** | **(0.26)** | **7.9** | **(244.9)** |
| Depreciation & amortization | (28.8) | (12.4) | 3.5 | (37.7) | (46.9) | - | (0.0) | - | (84.7) |
| **Operating Expenses** [1] | **(7.7)** | **(35.8)** | **-** | **(43.5)** | **(5.6)** | **(1.4)** | **(55.1)** | **(3.4)** | **(109.0)** |
| SG&A | (7.6) | (4.5) | - | (12.1) | (5.4) | (1.3) | (48.7) | - | (67.6) |
| Depreciation & amortization | (0.1) | (6.1) | - | (6.2) | (0.2) | (0.0) | (6.5) | (3.4) | (16.3) |
| **Other revenues/expenses** | **(1.8)** | **(1.1)** | **-** | **(2.9)** | **1.0** | **(0.0)** | **16.1** | **0.1** | **14.3** |
| **EBITDA (as of ICVM 527/12)** | **132.7** | **55.9** | **(3.5)** | **185.1** | **126.2** | **1.4** | **(32.8)** | **0.1** | **280.0** |
| Net Financial Result | (23.8) | (1.0) | (0.0) | (24.8) | (33.3) | (2.1) | (4.6) | - | (64.8) |
| Equity Income | - | - | - | - | - | - | 110.3 | (109.9) | 0.4 |
| **EBT** | **79.9** | **36.5** | **0.0** | **116.4** | **45.8** | **(0.8)** | **66.5** | **(113.2)** | **114.7** |
| Current Taxes | (2.8) | - | - | (2.8) | (1.6) | (0.5) | (3.2) | - | (8.1) |
| Deferred Taxes | (10.9) | - | - | (10.9) | (9.5) | - | (0.7) | - | (21.1) |
| Minority Interest | - | - | - | - | - | - | - | (0.3) | (0.3) |
| **Net Income** | **66.1** | **36.5** | **0.0** | **102.6** | **34.8** | **(1.3)** | **62.6** | **(112.9)** | **85.8** |

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

| Income Statement - 2Q19 (R$ million) | Gas Generation | Upstream | Elimination Adjustments | Total | Coal Generation | Energy Trading | Holding & Other | Elimination Adjustments | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Operating Revenues** | **321.3** | **85.4** | **(85.0)** | **321.7** | **272.3** | **30.0** | **0.02** | **(9.7)** | **614.4** |
| Deductions from Gross Revenues | (32.6) | (7.5) | 11.5 | (28.6) | (28.1) | (2.8) | (0.00) | 0.9 | (58.6) |
| **Net Operating Revenues** | **288.7** | **77.9** | **(73.5)** | **293.1** | **244.1** | **27.3** | **0.02** | **(8.8)** | **555.8** |
| **Operating Costs** | **(163.2)** | **(31.6)** | **72.8** | **(122.0)** | **(153.5)** | **(26.7)** | **-** | **8.8** | **(293.4)** |
| Depreciation & amortization | (29.9) | (13.0) | 1.8 | (41.1) | (47.8) | - | - | - | (89.0) |
| **Operating Expenses** [1] | **(4.7)** | **(51.7)** | **-** | **(56.4)** | **(6.0)** | **(1.3)** | **(32.5)** | **(3.4)** | **(99.7)** |
| SG&A | (5.4) | (5.2) | - | (10.6) | (5.8) | (1.3) | (25.6) | 0.0 | (43.3) |
| Depreciation & amortization | 0.6 | (8.0) | - | (7.4) | (0.2) | (0.0) | (6.9) | (3.4) | (17.9) |
| **Other revenues/expenses** | **(0.6)** | **-** | **-** | **(0.6)** | **(3.5)** | **0.0** | **(10.5)** | **3.9** | **(10.7)** |
| **EBITDA (as of ICVM 527/12)** | **149.4** | **15.6** | **(2.5)** | **162.6** | **129.2** | **(0.7)** | **(36.1)** | **3.9** | **258.9** |
| Net Financial Result | (42.8) | (0.5) | 0.6 | (42.7) | (45.1) | 3.2 | (26.1) | - | (110.6) |
| Equity Income | - | - | - | - | - | - | 89.5 | (89.4) | 0.0 |
| **EBT** | **77.3** | **(5.9)** | **0.0** | **71.4** | **36.1** | **2.5** | **20.4** | **(88.9)** | **41.5** |
| Current Taxes | (6.2) | - | - | (6.2) | (1.5) | - | - | - | (7.7) |
| Deferred Taxes | (8.4) | - | - | (8.4) | (9.4) | - | (0.4) | - | (18.1) |
| Minority Interest | - | - | - | - | - | - | - | (0.1) | (0.1) |
| **Net Income** | **62.8** | **(5.9)** | **0.0** | **56.8** | **25.2** | **2.5** | **20.0** | **(88.8)** | **15.8** |

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

| Income Statement - 1H20 (R$ million) | Gas Generation | Upstream | Elimination Adjustments | Total | Coal Generation | Energy Trading | Holding & Other | Elimination Adjustments | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Operating Revenues** | **937.6** | **346.9** | **(345.2)** | **939.3** | **615.3** | **265.2** | **0.16** | **(218.9)** | **1,601.1** |
| Deductions from Gross Revenues | (93.6) | (39.1) | 61.2 | (71.5) | (67.5) | (24.5) | (0.01) | 20.2 | (143.3) |
| **Net Operating Revenues** | **844.0** | **307.8** | **(284.1)** | **867.8** | **547.8** | **240.7** | **0.14** | **(198.6)** | **1,457.8** |
| **Operating Costs** | **(544.7)** | **(99.4)** | **282.9** | **(361.2)** | **(369.9)** | **(234.7)** | **(0.75)** | **198.6** | **(767.9)** |
| Depreciation & amortization | (57.7) | (52.6) | 5.4 | (104.9) | (93.7) | - | (0.0) | - | (198.5) |
| **Operating Expenses [1]** | **(13.3)** | **(73.1)** | **-** | **(86.4)** | **(10.9)** | **(2.8)** | **(88.2)** | **(6.8)** | **(195.2)** |
| SG&A | (13.2) | (10.4) | - | (23.6) | (10.6) | (2.8) | (75.4) | - | (112.3) |
| Depreciation & amortization | (0.2) | (11.1) | - | (11.3) | (0.3) | (0.0) | (12.8) | (6.8) | (31.3) |
| **Other revenues/expenses** | **(18.8)** | **(1.5)** | **-** | **(20.3)** | **0.9** | **(0.0)** | **9.8** | **0.3** | **(9.3)** |
| **EBITDA (as of ICVM 527/12)** | **325.0** | **197.6** | **(6.6)** | **516.0** | **261.9** | **3.2** | **(66.2)** | **0.3** | **715.3** |
| Net Financial Result | (51.6) | (1.8) | 1.2 | (52.2) | (75.0) | 7.7 | (9.9) | - | (129.3) |
| Equity Income | - | - | - | - | - | - | 271.8 | (271.3) | 0.4 |
| **EBT** | **215.6** | **132.1** | **0.0** | **347.7** | **92.9** | **10.9** | **182.9** | **(277.8)** | **356.5** |
| Current Taxes | (17.5) | - | - | (17.5) | (2.3) | (0.8) | (3.2) | - | (23.7) |
| Deferred Taxes | (31.9) | - | - | (31.9) | (32.5) | (0.9) | (2.4) | - | (67.7) |
| Minority Interest | - | - | - | - | - | - | - | (0.5) | (0.5) |
| **Net Income** | **166.2** | **132.1** | **0.0** | **298.3** | **58.2** | **9.1** | **177.3** | **(277.4)** | **265.5** |

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

| Income Statement - 1H19 (R$ million) | Gas Generation | Upstream | Elimination Adjustments | Total | Coal Generation | Energy Trading | Holding & Other | Elimination Adjustments | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Operating Revenues** | **659.2** | **163.7** | **(163.0)** | **660.0** | **598.4** | **89.3** | **0.07** | **(53.6)** | **1,294.1** |
| Deductions from Gross Revenues | (66.9) | (16.3) | 21.2 | (62.0) | (61.7) | (8.3) | (0.01) | 5.0 | (127.0) |
| **Net Operating Revenues** | **592.3** | **147.4** | **(141.8)** | **598.0** | **536.8** | **81.0** | **0.06** | **(48.6)** | **1,167.2** |
| **Operating Costs** | **(310.9)** | **(59.7)** | **140.5** | **(230.1)** | **(361.7)** | **(80.7)** | **(0.11)** | **48.6** | **(624.0)** |
| Depreciation & amortization | (58.8) | (23.6) | 3.6 | (78.8) | (93.1) | - | - | - | (171.9) |
| **Operating Expenses [1]** | **(10.3)** | **(68.2)** | **-** | **(78.5)** | **(11.1)** | **(2.1)** | **(61.2)** | **(12.6)** | **(165.6)** |
| SG&A | (10.6) | (9.2) | - | (19.8) | (10.4) | (2.1) | (45.3) | 0.0 | (77.6) |
| Depreciation & amortization | 0.3 | (12.1) | - | (11.8) | (0.7) | (0.0) | (15.8) | (12.7) | (41.0) |
| **Other revenues/expenses** | **(1.4)** | **30.9** | **-** | **29.5** | **(8.7)** | **(0.0)** | **(16.2)** | **8.8** | **13.4** |
| **EBITDA (as of ICVM 527/12)** | **328.2** | **86.1** | **(4.9)** | **409.4** | **249.1** | **(1.8)** | **(61.6)** | **8.8** | **603.9** |
| Net Financial Result | (87.1) | 7.6 | 1.3 | (78.2) | (87.4) | 17.8 | (47.4) | - | (195.2) |
| Equity Income | - | - | - | - | - | - | 224.8 | (224.6) | 0.2 |
| **EBT** | **182.7** | **58.0** | **0.0** | **240.7** | **67.8** | **16.0** | **99.9** | **(228.4)** | **196.0** |
| Current Taxes | (15.0) | - | - | (15.0) | (2.0) | - | - | - | (17.0) |
| Deferred Taxes | (21.1) | - | - | (21.1) | (17.5) | - | 4.6 | - | (34.0) |
| Minority Interest | - | - | - | - | - | - | - | (0.5) | (0.5) |
| **Net Income** | **146.5** | **58.0** | **0.0** | **204.6** | **48.4** | **16.0** | **104.5** | **(227.9)** | **145.6** |

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment