

2Q20 | EARNINGS

RE SULTS

INVESTOR
RELATIONS
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RESULTS PRESENTATION

AUGUST 14TH, 2020

Portuguese

2:00PM (Brasilia) - 1:00PM (EST)

Zoom ID: 851-4975-2314

English

3:00PM (Brasilia) - 2:00PM (EST)

Zoom ID: 878-9126-3019

EBITDA

R\$145 MM

NET INCOME

-R\$45 MM

NET DEBT

R\$6,699 MM

LIGT
B3 LISTED NM

IBRX100 B3

IEE B3

ISE B3

Rio de Janeiro, August 13, 2020.

Amidst the Covid-19 pandemic, Light continues to deliver results from its turnaround plan

Decreased energy losses and judicial contingencies, efficient control and management of OPEX, lower interest payments and excellence in the quality of supply, notwithstanding the negative impacts of the pandemic

Financial Highlights

- **Consolidated EBITDA totaled R\$145 million in 2Q20**, representing a decrease of R\$240 million, or 62.4%, compared to 2Q19. This decrease is primarily due to the impacts of the Covid-19 pandemic on the results of the Distribution Company. There was a significant decrease in the billed market (-15.6%), decrease in collection and, consequently, increase in PECLD (+R\$152 million).
- **EBITDA of Light SESA totaled a negative amount of R\$14 million**, representing a decrease of R\$230 million compared to the same period in the previous year. The effects of the pandemic in the quarter overshadowed the operating improvement of the Company in combatting losses, decreasing judicial contingencies and decreasing PMS.
- **EBITDA of Light Energia totaled R\$153 million**, representing a 3.5% increase compared to the result in 2Q19, due to an improvement of 4 p.p. in operating margin, as a result of a better management in the purchase and sale of energy.
- **In 2Q20, the consolidated net loss totaled R\$45 million**, compared to a net income of R\$11 million in 2Q19. We highlight the **income of R\$70 million of the Generation Company in 2Q20**, compared to a loss of R\$2 million in the same quarter in the previous year.
- **Consolidated PMSO decreased by R\$20 million** compared to 2Q19, or 8.7%. **In 2Q20, consolidated PMS decreased by R\$27 million, or 10.4%.**
- **In 2Q20, PECLD totaled R\$223 million (compared to R\$71 million in 2Q19), accounting for 3.3% of gross revenue (12 months).** The index increased by 1 p.p. compared to the index recorded in March 2020, due to: worsened collection as a result of the restriction on energy cuts set forth by ANEEL, the economic impacts of social isolation and the advance in customer regularization initiatives.
- **In 2Q20, the Net Debt/EBITDA ratio was 3.07x**, in line with the amount recorded in 1Q20 (3.06x) and below the limit of 3.75x, set forth as covenant in most debt agreements. **In the end of June 2020, net debt totaled R\$6,699 million.**
- **In 2Q20, consolidated cash totaled R\$995 million**, compared to a debt amount of R\$357 million payable by the end of the year. In April 2020, Light received **R\$105 million in transfer of sector funds, raised R\$400 million in debentures** and, in order to protect cash, its **shareholders approved, at a Shareholders' Meeting, the withholding of dividends of 2019**, which will be paid in future fiscal years. **Until August 13, the Company's cash was reinforced with the raising of R\$500 million in debentures and the receipt of R\$1,010 million from the Covid Account.**

Financial Highlights (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Net Revenue*	2,356	2,632	-10.5%	5,251	5,811	-9.6%
PMSO	217	237	-8.7%	458	463	-1.0%
Adjusted EBITDA ¹	145	385	-62.4%	610	959	-36.4%
Net Income	(45)	11	-	122	175	-30.3%
Net Debt/EBITDA - covenants (x)	3.07	3.69	-16.8%	3.07	3.69	-16.8%
PECLD/ROB	3.3%	1.8%	1.5 p.p.	3.3%	1.8%	1.5 p.p.
CAPEX Light	205	203	1.3%	387	366	5.7%
Net operating cash generation	118	246	-52.1%	326	400	-18.4%

* Does not consider construction revenue.

Operating Highlights

- **At the end of 2Q20, total loss on grid load (12 months) was 25.29%, representing a 0.15 p.p. decrease** compared to 25.44% in March 2020. Total loss on grid load (12 months) decreased by 439 GWh, from 9,264 GWh in 1Q20 to 8,825 GWh in 2Q20. In the semester, total loss on grid load decreased significantly, by 911 GWh.
- **The non-technical loss over the low voltage market (12 months) closed 2Q20 at 49.53%, 0.72 p.p. lower than** in March 2020.
- **The grid load decreased by 16.5% compared to 2Q19, mainly due to the reflexes of Covid-19 and also the decrease in temperature.**
- **The billed market recorded a 15.6% decrease**, lower than the decrease in grid load, primarily due to the result of the plan to **combat losses**.
- In June 20, Light recorded a **record result in the quality of services provided**, in line with the best and largest distribution companies in Brazil. **In 2Q20, DEC (12 months) was 6.42 hours**, representing an 8.2% decrease compared to DEC reported in 1Q20, while **FEC (12 months) was 4.27x in 2Q20**, in line with the result of March 20. **Both indicators are below the limits established by ANEEL.**
- **The 11.3% increase in the number of own employees** is due to the strategy to insource labor related to the activities to combat losses, emergencies and new connections. This strategy was key for the delivery of operating results in the quarter.

Operational Highlights	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Grid Load* (GWh)	7,681	9,195	-16.5%	17,536	20,036	-12.5%
Billed Market (GWh)	5,837	6,913	-15.6%	13,031	14,621	-10.9%
Sold Energy - Generation (MWm)	483	510	-5.4%	547	541	1.0%
Commercialized Energy - Com (MWm)	537	630	-14.7%	596	642	-7.2%
Total Loss/Grid Load (12 months)	25.29%	25.76%	-0.47 p.p.	25.29%	25.76%	-0.47 p.p.
DEC - Hours (12 Months)	6.42	8.36	-23.2%	6.42	8.36	-23.2%
FEC - Times (12 Months)	4.27	4.38	-2.5%	4.27	4.38	-2.5%
Number of own staff	5,321	4,745	12.1%	5,321	4,745	12.1%
Number of outsourced staff	6,358	7,432	-14.5%	6,358	7,432	-14.5%

* Own Load + Use of Network

1- Adjusted EBITDA is CVM EBITDA adjusted by equity income and other operating income (expenses). The Company adopted Adjusted EBITDA to conduct the analyses described in this document.

Disclaimer

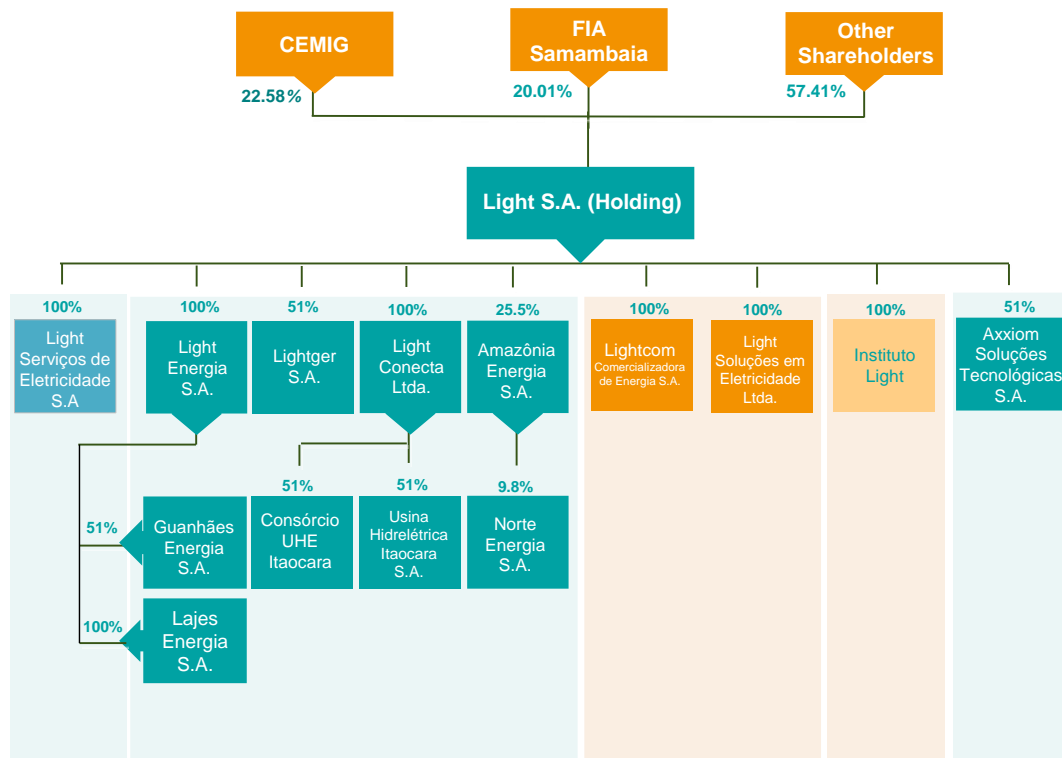
Operating information and information relating to Management's expectations on the future performance of the Company have not been reviewed by the independent auditors. Forward-looking statements are subject to risks and uncertainties. These statements are based on Management's judgment and assumptions and information currently available to the Company. Forward-looking statements include information about our current plans, opinions or expectations, as well as the plans, opinions or expectations of the members of the Board of Directors and Board of Executive Officers of the Company. Forward-looking statements and information also include information about potential or assumed results of operations, as well as statements that are preceded or followed by, or include the terms "believe," "may," "will," "continue," "expect," "predict," "intend," "estimate" or similar words. Forward-looking statements and information are not an assurance of future performance. They involve risks, uncertainties, and assumptions as they relate to future events and therefore are contingent on circumstances which may or may not occur. Future results and the creation of shareholder value may differ significantly from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and amounts are beyond the control of or cannot be predicted by LIGHT S.A.

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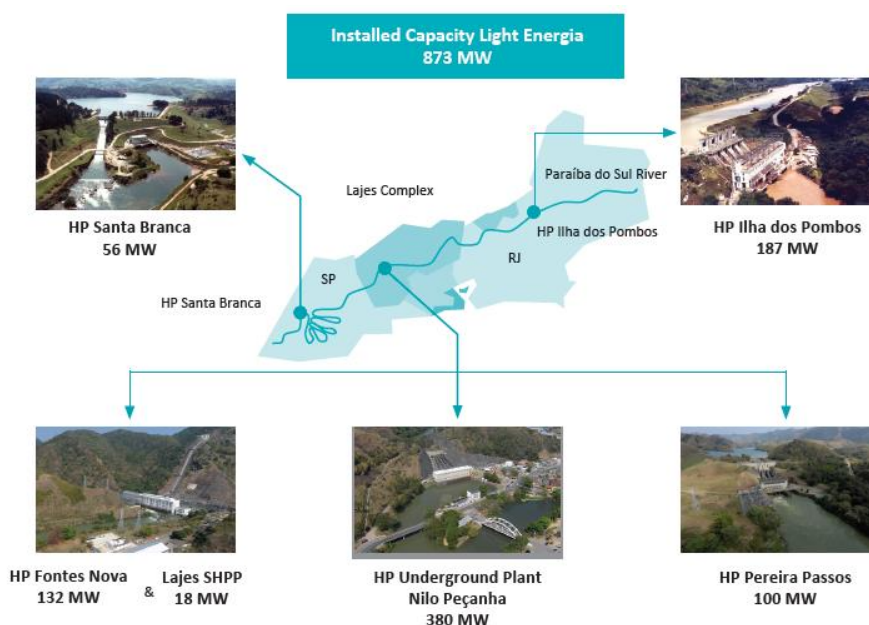
1. Profile and Corporate Structure

Light is an integrated company of the energy industry in Brazil, headquartered in Rio de Janeiro, operating in the energy generation, distribution and trading segments.



The State of Rio de Janeiro has an area of 43,781 km² and a population of approximately 17.2 million people. The Company's concession area corresponds to 26% (11,307 thousand km²) of the State and encompasses 11 million people, accounting for 64% of the total population. Of the 92 cities in the State, with a total of 7 million consumers of electricity, the Company operates in 31 cities, with a base of approximately 4.4 million customers.

The Company's generation complex comprises five hydroelectric power plants and one small hydroelectric power plant, totaling an installed capacity of 873 MW. These power plants are: (i) Fontes Nova, Nilo Peçanha, Pereira Passos and PCH Lajes, which comprise the Lajes Complex (in the city of Pirai); (ii) Ilha dos Pombos, in the city of Carmo, State of Rio de Janeiro; and (iii) Santa Branca, in the city of Santa Branca, State of São Paulo. The Lajes Complex also comprises two pumping plants: Santa Cecília and Vigário. Including the interest held in PCH Paracambi, PCH Guanhões e UHE Belo Monte, the Company has a total installed capacity of 1,188 MW.



2. Material Events in the Period

2.1 Settlement of the 18th issuance of debentures of Light Sesa

On April 15, the 18th issuance of debentures of Light Sesa was settled, in the total amount of R\$400 million. The debentures accrue interest at the CDI rate + 2.51% p.a. and mature within one year. The proceeds were used to reinforce the working capital of Light Sesa.

2.2 Proof of claim regarding credits resulting from the exclusion of ICMS from the calculation basis of PIS/COFINS

On April 9, the Brazilian Revenue Office accepted the proof of claim regarding tax credits confirmed by the final and unappealable judgement rendered in the lawsuit that sought the exclusion ICMS from the calculation basis of PIS/COFINS, which amount to approximately R\$6 billion, adjusted for inflation. This was the last step for Light to begin using these tax credits to offset federal taxes payable.

2.3 Loan granted by Light Energia to Light Sesa

On April 14, ANEEL approved the loan between Light Energia and Light Sesa, in the amount of up to R\$500 million, maturing in 24 months. On May 4, Light Energia granted the loan to Light Sesa, in the amount of R\$500 million. The proceeds were used to reinforce the working capital of Light Sesa.

2.4 Fitch reaffirmed Light's rating

On April 24, rating agency Fitch Ratings reaffirmed Light's rating of A+ (bra), on the national scale, and BB-, on the international scale, changing both ratings from a stable outlook to a negative outlook.

2.5 Annual and Extraordinary Shareholders' Meeting (AGO/E) and Extraordinary Shareholders' Meeting (AGE)

On April 28, Light held a Shareholders' Meeting that approved the financial statements for 2019; the use of the result for 2019, which will be retained in a special reserve for subsequent distribution; the installation of the Fiscal Council, with the reelection of sitting members and alternates; and the determination of the annual global compensation of members of management for 2020. This shareholders' meeting also approved the election of Mr. Hélio Paulo Ferraz as member of the Board of Directors, replacing Mr. Ivan Monteiro, who resigned on February 11. Accordingly, the Board of Directors of the Company has the following composition:

David Zylbersztajn, Chairman
Independent Member

Carlos Marcio Ferreira, Vice-Chairman
Independent Member

Antonio Rodrigues dos Santos e Junqueira
Member

Carlos Alberto da Cruz
Member

Carlos da Costa Parcias Júnior
Independent Member

Helio Paulo Ferraz
Independent Member

Octávio Cortes Pereira Lopes
Independent Member

Patrícia Gracindo Marques de Assis Bentes
Independent Member

Ricardo Reisen de Pinho
Independent Member

On the same day, another meeting was held, which approved the amendment to the Bylaws of the Company. Accordingly, the officers started to coordinate and manage the processes related to the following areas:

NAME / STATUTORY POSITION	AREAS OF OPERATION
Ana Marta Horta Veloso <i>Chief Executive Officer and Investor Relations Officer</i>	Investor Relations Regulation Human Resources Internal Audit, Compliance and Corporate Risks Institutional Relations / Communication Corporate Governance Ombudsman
Roberto Caixeta Barroso <i>Officer</i>	Finance Supplies / Equity Information Technology
Déborah Meirelles Rosa Brasil <i>Officer</i>	Legal
Alessandra Genu Dutra Amaral <i>Officer</i>	Energy and Commercialization
Dalmer Alves de Souza <i>Officer</i>	Planning of Distribution
Marcus Auguste Pimenta <i>Officer</i>	Operation of Distribution

2.6 Change in share ownership

On June 9, FIA Samambaia informed that it became the holder of 60,817,410 common shares of Light (20.01%).

3. Subsequent Events

3.1 Accession to the Covid Account

On July 3, Light Sesa expressed its interest in acceding to the Covid Account, requesting from Aneel a cap in the amount of R\$1,326 billion. This amount will be disbursed in monthly installments, the first installment, in the amount of R\$885 million, was received on July 31, and the second installment, in the amount of R\$126 million, was received on August 12. The funds will be disbursed in accordance with the following schedule:

(R\$ million)

July/20	Aug/20	Sept/20	Oct/20	Nov/20	Dec/20
885	126	117	91	54	53

Taking into account that the treatment related to restoring economic equilibrium, pursuant to the Concession Agreement, is expected to be determined in the next months, Light Sesa, together with the other distribution companies, will continue working to recognize the extraordinary effects of the pandemic as financial assets in its operating result.

3.2 Settlement of the 19th issuance of debentures of Light Sesa

On July 29, the 19th issuance of debentures of Light Sesa was settled, in the total amount of R\$500 million. The debentures accrue interest at the IPCA rate + 5.80% p.a. and mature on July 15, 2025. The proceeds will be used in investments related to the implementation, expansion, renewal or improvement of the infrastructure of distribution of energy.

3.3 Change in the Statutory Audit Committee

On July 31, the Board of Directors elected Mr. Hélio Paulo Ferraz for the Statutory Audit Committee, which now comprises:

STATUTORY AUDIT COMMITTEE
Ricardo Reisen de Pinho <i>Coordinator</i>
Carlos Marcio Ferreira
Carlos Alberto da Cruz
Antonio Rodrigues dos Santos e Junqueira
Hélio Paulo Ferraz

4. Light S.A. – Consolidated

4.1. Consolidated Financial Performance

Income Statement (R\$ MN)	2Q20	2Q19	Var. %	1H20	1H19	Var. %
Gross Operating Revenue	3,983	4,638	-14.1%	8,763	10,053	-12.8%
Deductions	(1,627)	(2,006)	-18.9%	(3,512)	(4,242)	-17.2%
Net Operating Revenue	2,356	2,632	-10.5%	5,251	5,811	-9.6%
Operating Expense	(2,358)	(2,394)	-1.5%	(4,937)	(5,144)	-4.0%
PMSO	(217)	(237)	-8.7%	(458)	(463)	-1.0%
Personnel	(102)	(118)	-13.3%	(225)	(223)	0.8%
Material	(6)	(6)	4.1%	(13)	(12)	5.4%
Outsourced Services	(122)	(133)	-8.5%	(239)	(266)	-10.3%
Others	14	19	-30.6%	19	39	-52.1%
Purchased Energy	(1,704)	(1,851)	-8.0%	(3,697)	(4,081)	-9.4%
Depreciation	(148)	(147)	0.7%	(297)	(293)	1.4%
Provisions	(68)	(88)	-23.4%	(140)	(164)	-15.0%
PECLD	(223)	(71)	216.1%	(346)	(144)	141.2%
Adjusted EBITDA*	145	385	-62.4%	610	959	-36.4%
Financial Result	(70)	(71)	-1.6%	(126)	(262)	-51.9%
Other Operating Income / Expenses	(5)	(7)	-25.2%	(10)	(12)	-14.3%
Result Before Taxes and Interest	(78)	160	-	177	393	-54.9%
Social Contributions and Income Tax	(587)	(48)	1121.1%	(593)	(137)	333.1%
Deferred Income Tax	625	(10)	-	544	0	-
Equity Income	(4)	(91)	-95.2%	(6)	(81)	-92.2%
Net Income	(45)	11	-	122	175	-30.3%

Note: excludes Construction Revenue/Expenses.

* Adjusted EBITDA is calculated as net income before income tax and social contribution, equity income, other operating income (expenses), financial result, depreciation and amortization.

4.2. Consolidated Adjusted EBITDA⁴

Consolidated EBITDA by Segment (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Distribution	(14)	216	-	293	511	-42.6%
Generation	153	148	3.5%	291	379	-23.0%
Trading	11	25	-56.2%	36	77	-53.2%
Others and eliminations	(5)	(4)	13.4%	(10)	(6)	52.8%
Total	145	385	-62.4%	610	959	-36.4%
EBITDA Margin (%)	6.1%	14.6%	-8.47 p.p.	11.6%	16.5%	-4.89 p.p.

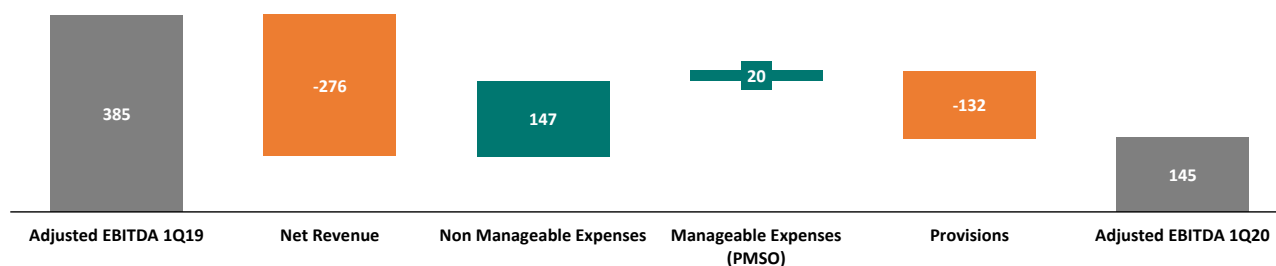
In 2Q20, consolidated EBITDA totaled R\$145 million, representing a 62.4% decrease compared to the same period in the previous year. This decrease is largely due to the decrease in EBITDA of the Distribution Company, which was affected by the Covid-19 pandemic. These effects resulting in a 15.6% decrease in the billed market and an increase of R\$152 million in PECLD, due to the expectation of non-receipt associated with increased default during the pandemic, considering the cutting restrictions imposed by ANEEL regulation. Additionally, VNR decreased by R\$94 million in 2Q19, as a result of the decrease in the IPCA rate. These factors overshadowed the operating improvement of the Company in combatting losses, decreasing judicial contingencies and decreasing PMS, which improved its result by R\$85 million, if compared to the same period in the previous year.

We highlight below certain operating indicators that were affected by the pandemic, as well as the economic impact exclusively derived from it on the EBITDA of the Distribution Company. In 2Q20, we recorded a negative effect of R\$119 on Parcel B and on non-technical Losses, and an increase of R\$152 million in PECLD, of which R\$93 million is solely due to the pandemic. Accordingly, we estimate that the total effect on the economic result for 2Q20 was a negative amount of R\$212 million.

Operational Indicators	2Q20	2Q19	% Change 2Q20/2Q19
Grid Load (GWh)	7,681	9,195	-16.5%
Billed Market (GWh)	5,837	6,913	-15.6%
Collection (%)	95.9%	101.5%	-5.6 p.p.

Impact on EBITDA (R\$ MM)	Δ
Parcel B + Non-technical losses	(119)
PECLD	(93)

Consolidated Adjusted EBITDA 2Q19 / 2Q20 – R\$MN



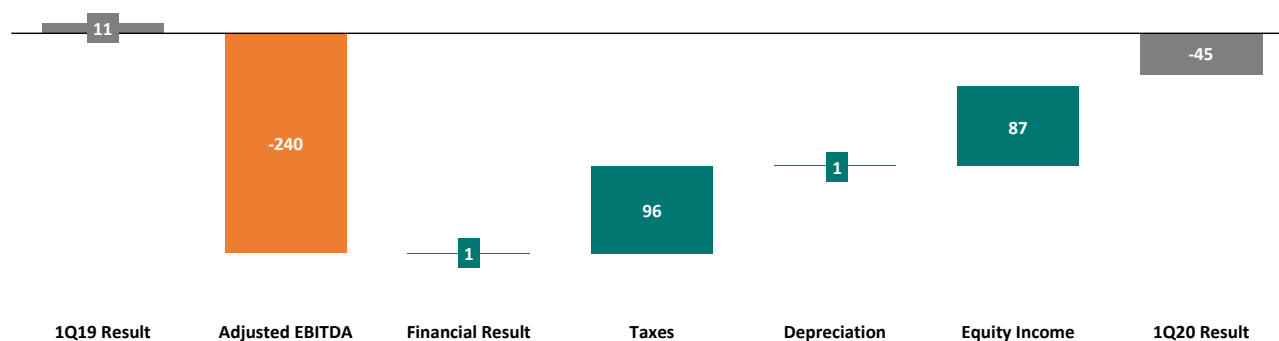
⁴ Adjusted EBITDA is calculated as net income before income tax and social contribution, equity income, other operating income (expenses), net financial result, depreciation and amortization.

4.3. Consolidated Net Income

Consolidated Net Income/Loss by Segment (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Distribution	(114)	(10)	1046.6%	(52)	(35)	49.5%
Generation	70	(2)	-	164	150	9.4%
Trading	7	26	-72.5%	24	64	-61.8%
Others and eliminations	(9)	(4)	110.7%	(15)	(15)	-1.9%
Total	(45)	11	-	122	175	-30.3%
Net Margin (%)	-1.9%	0.4%	-2.31 p.p.	2.3%	3.0%	-0.69 p.p.

In 2Q20, the Company had a net loss of R\$45 million compared to a net income of R\$11 million in 2Q19, primarily due to the results of the Distribution Company. The Generation Company recorded a net income of R\$70 million, compared to a net loss of R\$2 million in 2Q19, as a result of the recognition of the loss in the investment in Renova in the previous year.

Consolidated Net Income 2Q19 / 2Q20 – R\$MN



5. Light SESA - Distribution

5.1. Operating Performance

Operating Highlights	2Q20	2Q19	% Change 2Q20/2Q19
Nº of Consumers (thousand) ¹	4,397	4,449	-1.2%
Nº of Employees	5,189	4,632	12.0%
Average tariff ² - R\$/MWh	832.5	827.9	0.6%
Average tariff ² - R\$/MWh (w/out taxes)	589.3	569.0	3.6%
Average bilateral contracts price* - R\$/MWh	234.2	211.7	10.6%
Average energy purchase cost with Spot** - R\$/MWh	265.5	226.2	17.4%

¹ Considers the number of active contracts

² Captive market and free market

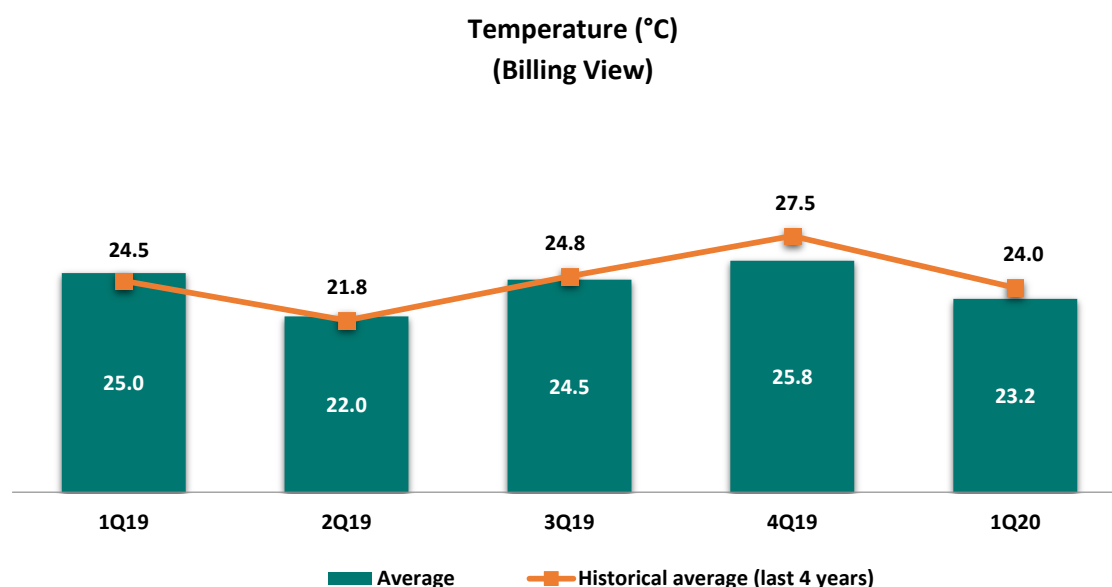
* Does not include purchase in the spot market and hydrological risk. The denominator is the amount of contractual energy.

**Does not include hydrological risk. The denominator is the verified load.

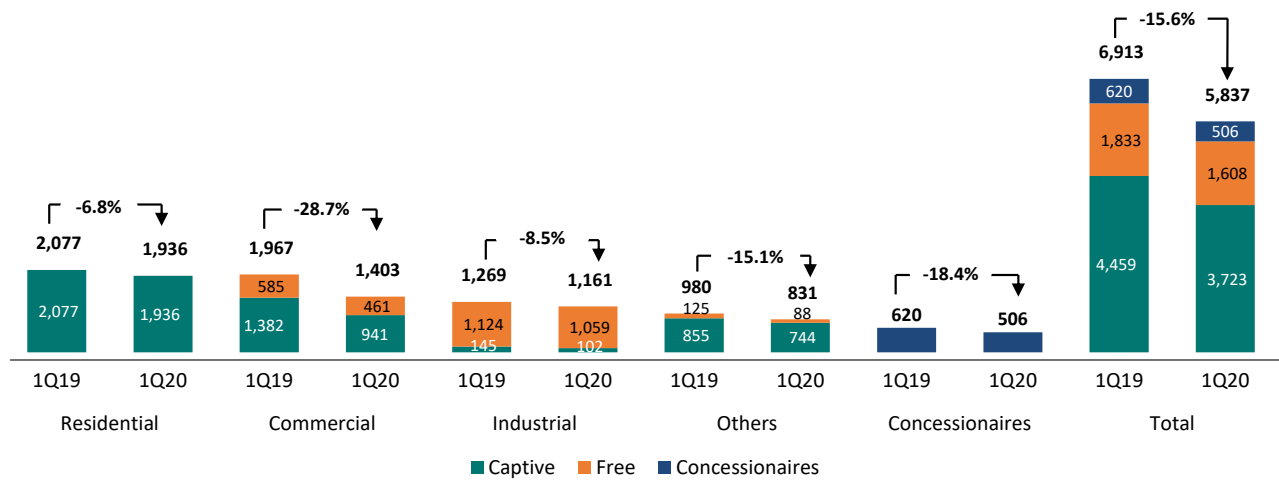
The 12% increase in the number of employees is due to the insourcing strategy regarding activities to combat losses, emergencies and new connections. Insourcing has been achieving its objective, generating productivity gains and allowing a better ethical control and management of field teams. Moreover, the increased number of own employees has been key to the quality of services provided, even during the pandemic.

The 10.6% increase in the average price of energy purchase agreements is primarily due to the depreciation of the real against the U.S. dollar. Average energy purchase expenses (which do not include hydrological risk) also increased by 17.4% compared to those in 2Q19, due to the increase in the average price of energy purchase agreements and in the sale of contractual surplus in the Spot market of CCEE for a PLD below the Pmix.

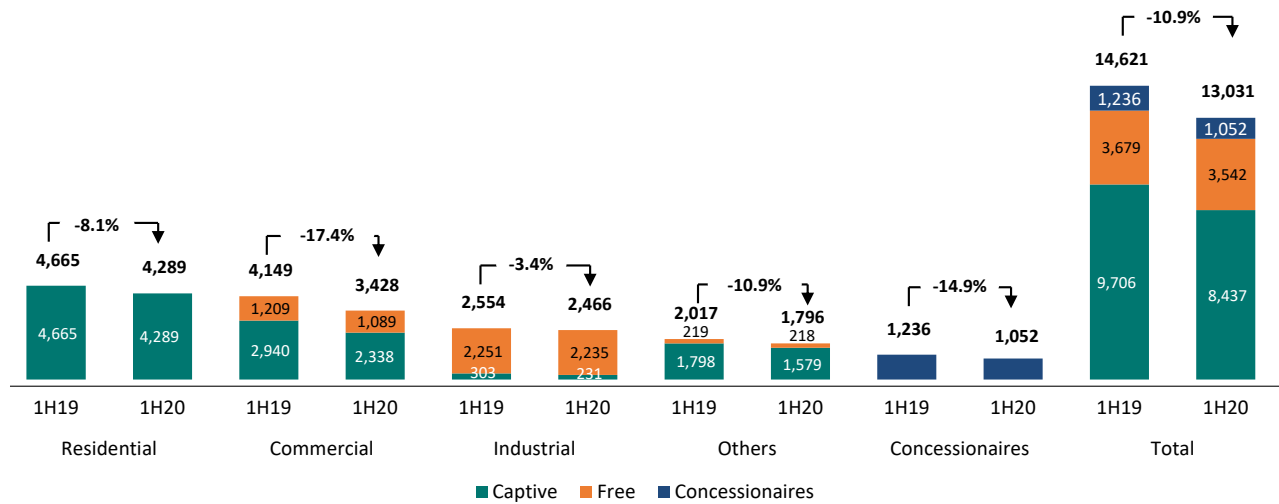
5.1.1. Total Light SESA Market (Captive + Free + Concessionaires)



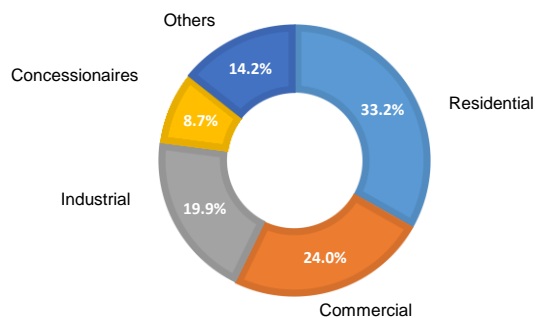
Billed Market (GWh) 2Q20



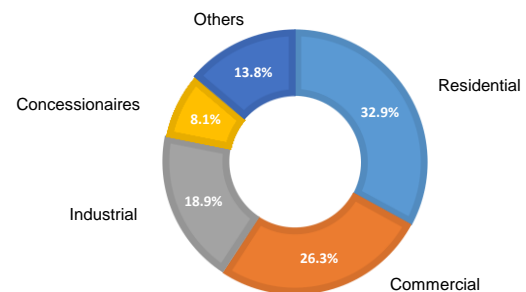
Billed Market (GWh) 1H20



**Energy Market
2Q20**



**Energy Market
1H20**



In 2Q20, the total energy market amounted to 5,837 GWh, representing a 15.6% decrease compared to 2Q19, primarily due to the effects resulting from the measures to fight the Covid-19 pandemic, as well as the lower average temperature in 2Q20 (-1.8°C).

The economic impact of the decrease in the market in 2Q20 due to the Covid-19 pandemic, using a similar method to that used by Aneel in the Public Consultation to determine the funds of the Covid Account, is estimated in approximately R\$120 million. The Company expects that, as soon as Aneel concludes the relevant discussions, it will be possible to recognize the decrease in the market resulting from the pandemic as a financial asset in its operating result.

In 2Q20, the consumption of the Residential segment totaled 1,936 GWh, representing a 6.8% decrease compared to 2Q19. We understand that this reduction is due, in addition to the lower average temperature in the quarter, from the effects of Covid-19, as part of the families migrated (during the first months of isolation) to the interior of the State, outside Light's concession area. These effects were partially offset by activities under the plan to combat losses.

In 2Q20, the consumption of the Commercial segment, including captive and free customers, decreased by 28.7% compared to 2Q19, primarily due to the social distancing measures adopted to combat the Covid-19 pandemic, which maintained stores closed or reduced their opening hours.

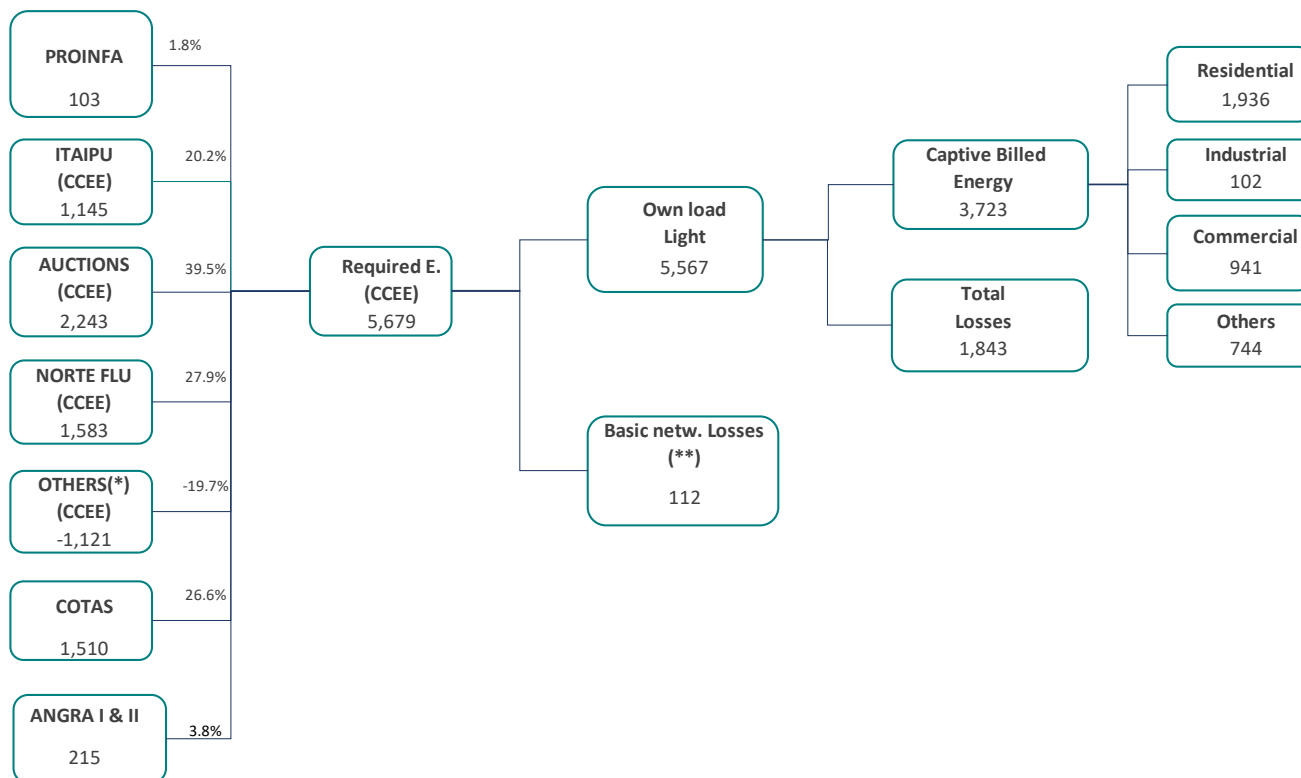
In 2Q20, the consumption of the Industrial segment decreased by 8.5% compared to 2Q19, primarily due to the social distancing measures adopted to combat the Covid-19 pandemic and the resulting economic downturn.

In 2Q20, the consumption of the Others segment decreased by 15.1% due to the impacts of Covid-19, primarily on the Government and Transportation segments (metro and train).

At the end of 2Q20, the free market accounted for 27.5% of the total market of the distribution company. The migration of captive customers to the free market does not affect the Company's margin, as energy continues to be transported by the Company, which receives TUSD. In 2Q20, the number of free customers increased by 68 compared to March 2020, totaling 1,086 customers.

5.1.2. Energy Balance

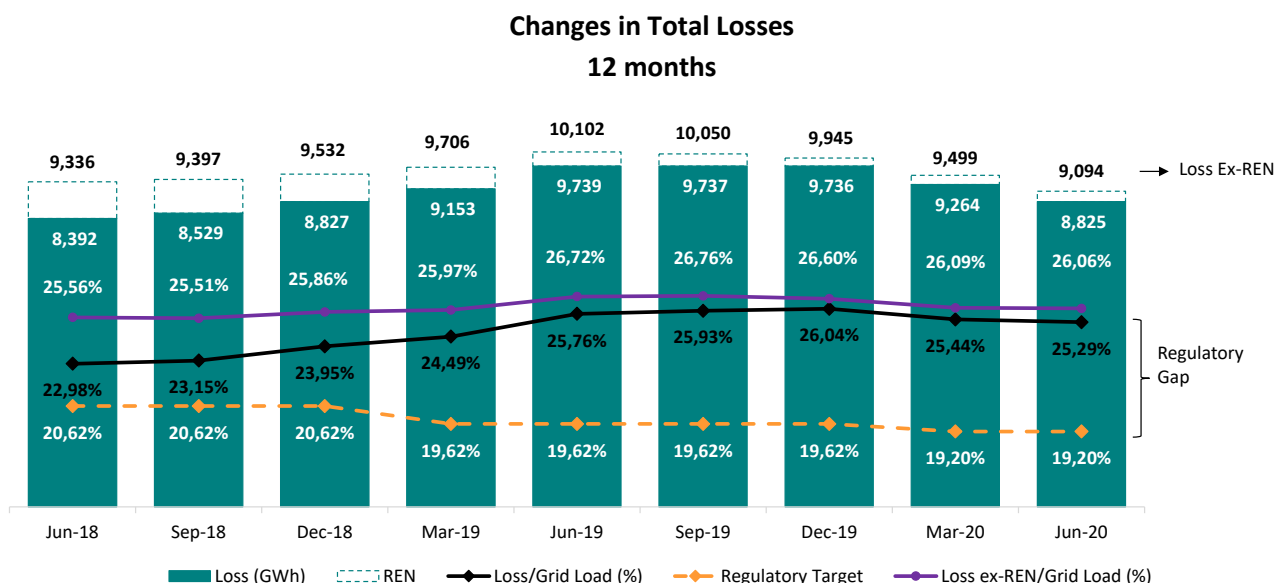
Energy Distribution Balance (GWh) 2Q20



(*) Others = Purchases in Spot - Sales in Spot.

Energy Balance (GWh)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
= Grid Load	7,681	9,195	-16.5%	17,536	20,036	-12.5%
- Energy transported to utilities	506	620	-18.4%	1,052	1,236	-14.9%
- Energy transported to free customers	1,608	1,833	-12.3%	3,542	3,679	-3.7%
= Own Load	5,567	6,741	-17.4%	12,941	15,121	-14.4%
- Billed Energy (Captive Market)	3,723	4,459	-16.5%	8,437	9,706	-13.1%
Low Voltage Market	2,895	3,371	-14.1%	6,570	7,368	-10.8%
Medium and High Voltage Market	829	1,089	-23.9%	1,867	2,337	-20.1%
= Total Loss	1,843	2,282	-19.2%	4,505	5,416	-16.8%

5.1.3. Energy Loss



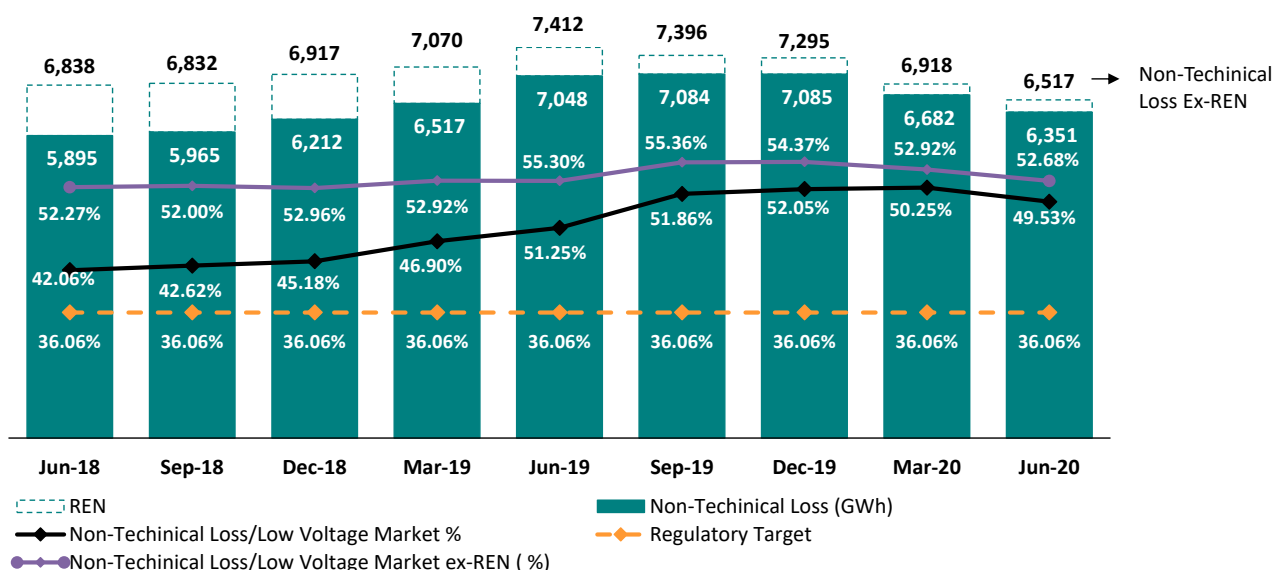
For the second consecutive quarter, total losses (12 months) decreased by 439 GWh, or 4.7%, compared to 1Q20. Excluding REN, total losses (12 months) followed this trend, having decreased by 405 GWh, or 4.3%, compared to 1Q20.

In 2Q20, total losses on grid load was 25.29%, representing a 0.15 p.p. decrease compared to 1Q20. Excluding REN, total losses on grid load (12 months) was 26.06%, representing a 0.03 p.p. decrease compared to 26.09% in 2Q19.

This good result is due to the actions of a plan structured in the end of 2019 (diagnostics per regional area, improved process of identification of targets for inspections and regularizations and better trained teams, among other measures) and indicates that we are in the right path in the strategy to combat losses. During the Covid-19 pandemic, we strengthened the teams that combat losses, with professionals whose activities were temporarily suspended, such as those that operate in energy cuts/reconnections.

The downward trend becomes evident in view of the non-technical loss/low voltage billing indicator (excluding REN) and even more despite the low voltage market (denominator of the index) having reduced significantly in 2Q20 (-13.8%), mainly due to the effects of Covid-19. So, even with the pandemic, we observed that for the third consecutive quarter, this indicator decreased, as set forth in the chart below.

Changes in non-technical losses/low voltage market 12 months

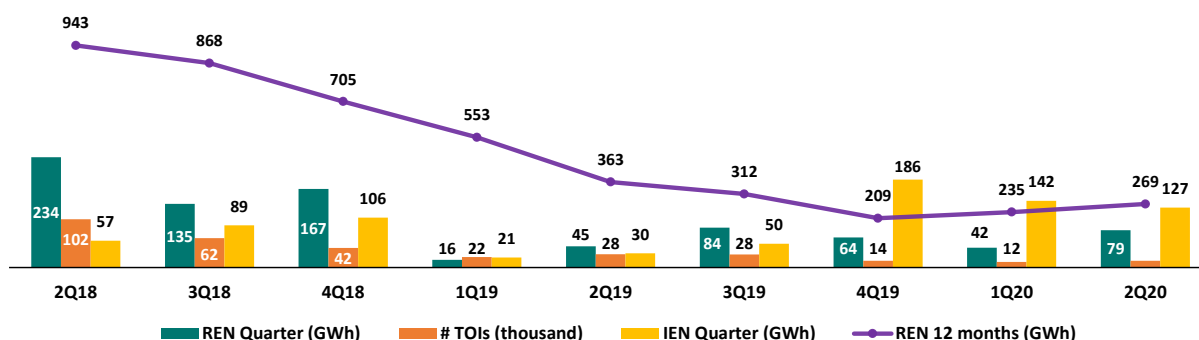


The Company is 6.09 p.p. above the percentage of regulatory transfer to tariffs, of 19.20%, pursuant to the parameters established by Aneel in the Periodic Tariff Adjustment (RAP) of March 2017, adjusted by the reference market for the next 12 months and ratified by Aneel at the time of the tariff adjustment (IRT) in March 2020.

In 2Q20, IEN totaled 127 GWh, representing an increase of 97 GWh compared to that recorded in 2Q19. This increase is in line with the main pillar of the plan to combat losses, which is the focus of the incorporation of energy. In 2Q20, REN (12 months), on its turn, had a sustainable increase of 14.4% compared to 1Q20, totaling 269 GWh (12 months), due to the actions described above.

The number of TOIs has remained low in the last three quarters and recovered energy has been increasing, which means that productivity in field actions increased. This is due to the insourcing strategy, improved trainings, better ethical control and increased accuracy in the identification of targets.

Quarterly Changes in IEN and REN in the Last 12 Months (GWh) and Number of TOIs (thousands)

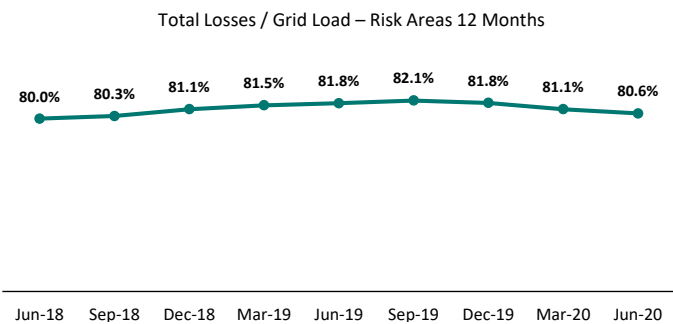
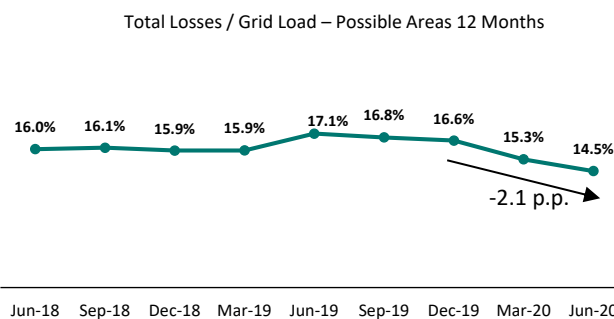
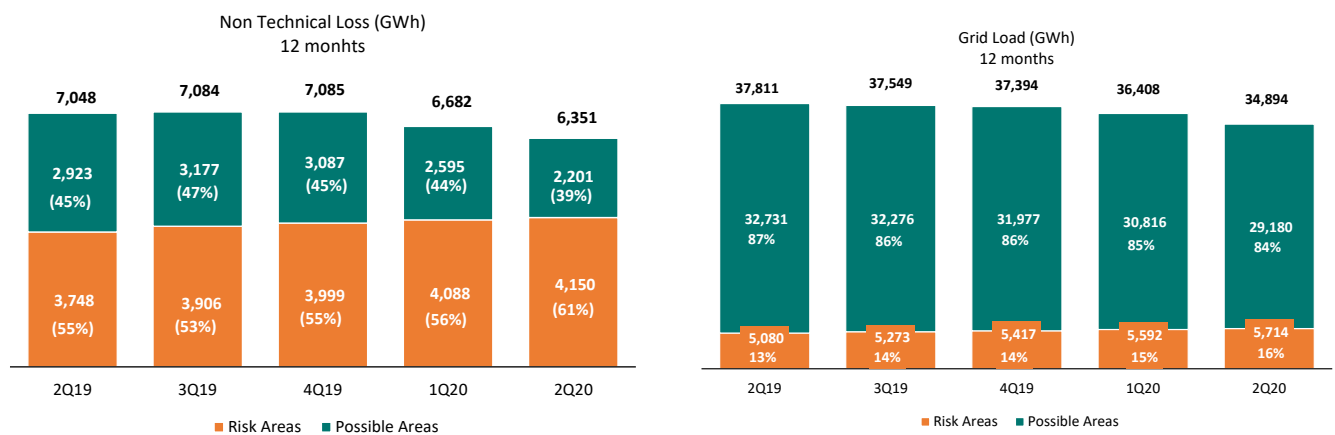


GWh	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20
Gross REN	285	172	210	51	78	114	104	66	94
(-) Cancellations*	51	37	43	35	33	30	40	24	15
(=) Net REN	234	135	167	16	45	84	64	42	79

*Refer to cancellations of bills pursuant to court orders.

Upon the completion of the installation of border meters in risk areas, in March 2020, we started to have more accurate data. At the end of 2Q20, non-technical losses (12 months) in risk areas slightly increased from 4,088 GWh in 1Q20 to 4,150 GWh in 2Q20. Accordingly, as losses decreased in possible areas, losses in risk areas now account for 65% of total non-technical losses.

In 2Q20, in possible areas, which are our focus of operation, non-technical losses decreased again and totaled 2,201GWh (35%), representing a 394 GWh decrease compared to 1Q20. The total loss/grid load indicator (12 months) in these areas decreased by 0.9 p.p., from 15.3% in 1Q20 to 14.5% in 2Q20, in line with our strategy to decrease losses in possible areas. In 1H20, the total loss/grid load indicator in possible areas, where Light can operate, decreased by 2.1 p.p.



5.1.4. Collection

Collection Rate by Segment (12 months)
(Considering REN overdue bills)



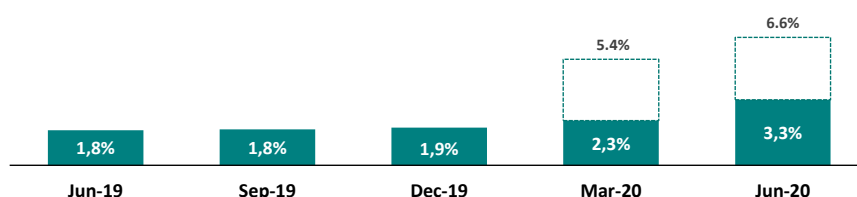
In 2Q20, total collection (12 months) reached 95.4%, representing a 1.5 p.p. decrease compared to 1Q20 (96.9%), primarily due to the impact of the pandemic and the impossibility of cutting the power of residential customers, pursuant to ANEEL Normative Resolution 878. Consequently, distribution companies lost one of their most efficient tools to fight default, which, combined with the economic retraction, compromised the collection performance in the period.

Comparing only April, May and June 2020 with the same months in the previous year, collection decreased by 5.7 p.p., from 101.5% in 2Q19 to 95.8% in 2Q20.

The deterioration of collection was mitigated by the large base of customers that use electronic payment means, accounting for approximately 85% of the revenue for the period (representing an increase of 15p.p. compared to March 2020), in addition to the Company's innovative and proactive initiatives concerning its relationship with customers. Among these initiatives, we highlight customer service via WhatsApp; the launching of "*Dial my app*", a self-service app; the remittance of bar codes via SMS, facilitating the issuance of a second copy of the bill; and the remittance of QR Codes for installment payments. Moreover, we started to provide new services through our call center, due to the closing of agencies. Another novelty is that, since the beginning of the year, we have used negotiators on motorcycles, thus reaching an even larger audience, in a more agile and effective way. Until June, more than 40,000 negotiations were carried out, which represented almost R\$90 million.

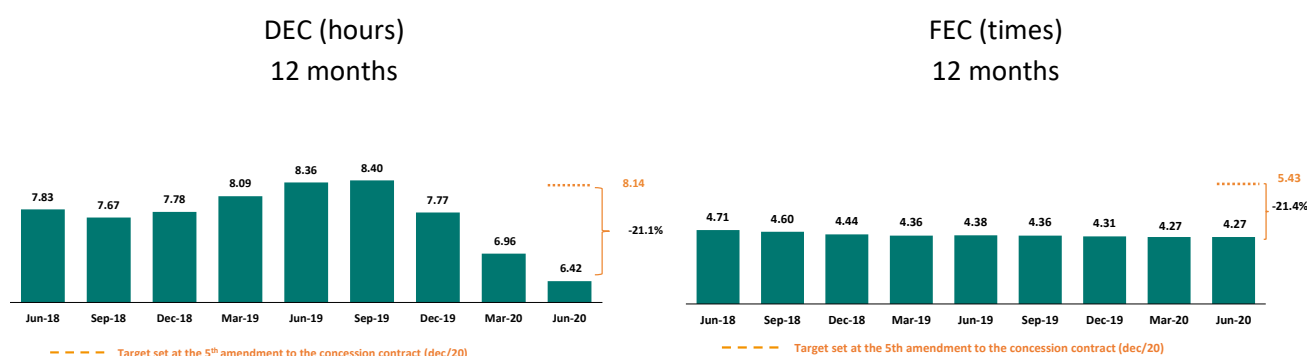
In the 12 months ended June 30, 2020, the adjusted PECLD/Gross Revenue ratio was 3.3%, representing a 1 p.p. increase compared to 1Q20, due to the expectation of non-receipt associated with higher default during the pandemic. The isolated effect of Covid-19 on PECLD, taking into account the aging of receivable bills from March to June 2020, totals an estimated approximate amount of R\$93 million. PECLD (12 months), taking into account the non-recurring effect in 4Q19, was 6.6% of the Gross Revenue.

PECLD/ Gross Revenue⁵
(12 Months)



⁵ Gross Revenue from the Captive Market + Free Market.

5.1.5. Operating Quality



In June 2020, notwithstanding the challenges presented by the pandemic, Light recorded the best results in its history of quality of services provided. Accordingly, we are in the same level as the best and largest distribution companies in Brazil. This performance was only possible due to the strategy of insourcing field teams, the multi-skilled characteristic of teams and the low absenteeism rate, in addition to other management measures.

In June 2020, DEC (12 months) was 6.42 hours, representing a 7.8% decrease compared to March 2020, a historical record for the Company. This performance is primarily due to the continuity of implementation of the multiannual investment plan and the actions of modernization of networks and substations, associated with continuous operating improvements and more assertively directed maintenance actions. Upon the reorganization of previous Commercial and Engineering executive departments in the end of April 2020, whose professionals started to act in a more integrated manner regarding distribution planning and operation, we already see greater synergy and optimized directing of teams. We hope that this contributes even further to Light's operating improvement and the optimization of the associated costs and expenses.

In June 2020, FEC (12 months) was 4.27x, in line with the result of the previous quarter.

In June 2020, DEC and FEC were below the limits established by ANEEL in the concession agreement. In the end of 2Q20, DEC was 21.1% below the limit of 8.14 hours and FEC was 21.4% below the limit of 5.43x.

5.2. Financial Performance of Light SESA

Income Statement (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Net Operating Revenue	2,108	2,337	-9.8%	4,743	5,117	-7.3%
Operating Expense	(2,260)	(2,258)	0.1%	(4,727)	(4,880)	-3.1%
Adjusted EBITDA	(14)	216	-	293	511	-42.6%
Financial Result	(36)	(87)	-58.1%	(110)	(281)	-60.9%
Result before taxes and interest	(189)	(8)	2152.9%	(94)	(44)	111.9%
Income Tax/Social Contribution	75	(2)	-	42	10	318.5%
Net Income/Loss	(114)	(10)	1046.6%	(52)	(35)	49.5%
EBITDA Margin*	-0.7%	9.2%	-9.93 p.p.	6.2%	10.0%	-3.80 p.p.

* Does not consider construction revenue

5.2.1. Net Revenue of Light SESA⁶

Net Revenue (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Captive Customers and Network Use (TUSD)	2,147	2,375	-9.6%	4,809	4,990	-3.6%
Non billed Energy	(55)	(96)	-42.5%	(116)	(23)	409.0%
Short Term (Spot)	9	-	-	9	-	-
CCRB Account	8	15	-48.2%	15	13	14.5%
CVA	37	6	482.0%	(10)	32	-
Others	(38)	37	-	35	104	-66.6%
Concession Right of Use	(59)	35	-	3	96	-97.1%
Others Revenues	21	2	945.4%	32	8	289.1%
Subtotal	2,108	2,337	-9.8%	4,743	5,117	-7.3%
Construction Revenue*	187	188	-0.4%	341	347	-1.9%
Total	2,295	2,524	-9.1%	5,083	5,464	-7.0%

* The subsidiary Light SESA book revenues and costs, with zero margin, related to services of construction or improvement in infrastructure used in providing electricity distribution services.

In 2Q20, excluding construction revenue, net revenue totaled R\$2,108 million, representing a 9.8% decrease compared to 2Q19, including the following highlights:

- at the end of 2Q20, Captive and Free Customers totaled R\$2,147 million, representing a 9.6% decrease compared to 2Q19, due to the worsening of the billed market in the quarter, partially offset by the tariff adjustment.
- at the end of 2Q20, non-billed energy totaled a negative amount of R\$55 million, compared to a negative amount of R\$96 million in 2Q19, due to a lower difference in average temperature recorded between March and June 2020 compared to that recorded in the same period in 2019.
- in 2Q20, CVA totaled a positive amount of R\$37 million, representing a 482.0% increase compared to R\$6 million in 2Q19, primarily due to the recognition of the involuntary surplus contracting regarding the decrease in the market as a result of the pandemic in 2Q20.
- in 2Q20, VNR totaled a negative amount of R\$59 million compared to a positive amount of R\$35 million in 2Q19, due to the decrease in the IPCA rate in the period.

⁶ On December 10, 2014, the Company entered into the fourth amendment to its distribution concession agreement, pursuant to which the remaining balances of any tariff under-collected amounts or reimbursements at the end of the concession will be added to or deducted from the indemnification amount, allowing the recognition of the balances of these regulatory assets and liabilities.

5.2.2. Costs and Expenses of Light SESA

Costs and Expenses (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Non-Manageable Costs and Expenses	(1,630)	(1,742)	-6.4%	(3,541)	(3,871)	-8.5%
Energy Purchase Costs	(1,790)	(1,891)	-5.3%	(3,831)	(4,188)	-8.5%
Costs with Charges and Transmission	(220)	(217)	1.0%	(469)	(428)	9.6%
PIS/COFINS Credit on purchase	175	179	-1.9%	364	357	2.1%
Crédito ICMS sobre compra de Energia	204	187	8.9%	396	389	1.8%
Manageable Costs and Expenses	(630)	(516)	22.1%	(1,186)	(1,009)	17.6%
PMSO	(200)	(220)	-9.2%	(421)	(428)	-1.6%
Personnel	(93)	(107)	-13.3%	(204)	(204)	0.4%
Material	(6)	(6)	3.1%	(13)	(12)	5.6%
Outsourced Services	(117)	(127)	-8.1%	(228)	(256)	-10.7%
Others	17	21	-20.5%	24	43	-43.5%
Provisions - Contingencies	(69)	(88)	-21.4%	(142)	(164)	-13.2%
Provisions - PECLD	(223)	(71)	216.1%	(346)	(144)	141.2%
Depreciation and Amortization	(133)	(132)	0.9%	(268)	(264)	1.5%
Non Operating Result	(5)	(5)	-11.7%	(9)	(10)	-9.5%
Total costs without Construction Revenue	(2,260)	(2,258)	0.1%	(4,727)	(4,880)	-3.1%
Construction Revenue	(187)	(188)	-0.4%	(341)	(347)	-1.9%
Total Costs	(2,447)	(2,446)	0.0%	(5,067)	(5,227)	-3.1%

5.2.2.1. Manageable Costs and Expenses of Light SESA

In 2Q20, manageable costs and expenses totaled R\$630 million and were negatively affected by the increase in PCLD, in the amount of R\$152 million. Excluding this impact, manageable costs and expenses decreased by 7.4%.

In 2Q20, PMSO decreased by 9.2% (R\$19 million) compared to 2Q19, due to the implemented management measures, including insourcing and a better control over third-party expenses.

PMS expenses, which measure the Company's effective effort to reduce its manageable expenses, decreased by R\$23.8 million, or 9.9%, compared to 2Q19.

Upon the progress of insourcing of field teams and the resulting increase in productivity, expenses in connection with Personnel and Services decreased by R\$24.5 million compared to 2Q19, or 10.4%.

In 2Q20, provisions/contingencies totaled R\$69 million. Excluding the effect of the reversal of the VDP provision of R\$5.0 million, provisions/contingencies totaled R\$74 million in 2Q20, representing a decrease of R\$14 million, or 15.8%, compared to R\$88 million in 2Q19.

Provisions for Special Civil Court (*Juizado Especial Cível*) (JEC) lawsuits, which are directly affected by the filing of new lawsuits, maintained its downward trajectory for the fourth consecutive quarter. In the quarterly comparison (2Q20 vs. 2Q19), the number of newly filed lawsuits decreased by 78% and the amount of provisions decreased by 62%. This decrease in the number of newly filed lawsuits is due to the improvement in operating procedures and relationship with customers. The filing of new lawsuits was also positively affected by the pandemic.

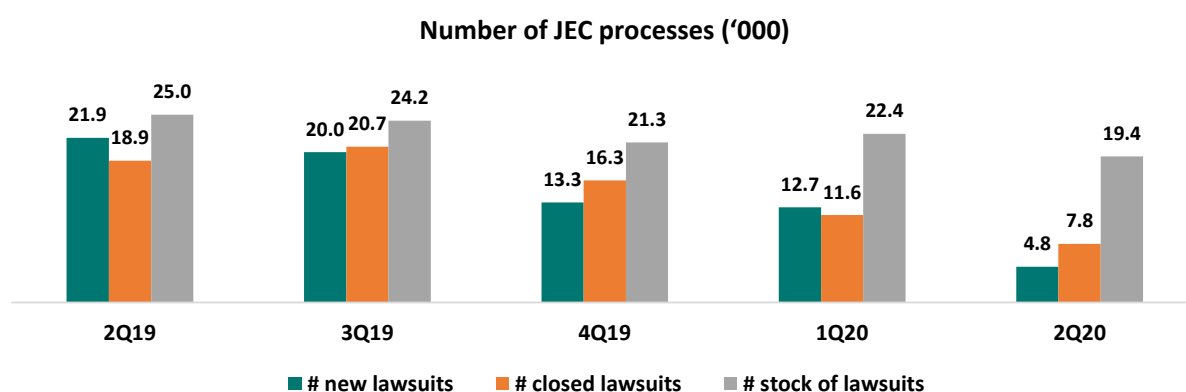
Covid-19 also compromised the evolution of lawsuits, resulting in an increase of R\$6 million in provisions for Civil contingencies.

Provisions for Others increased in regard to regulatory fines. A provision in the amount of R\$8 million was established for a lawsuit regarding an inspection occurred in 2014.

Provisions (R\$ MN)	2Q20	2Q19	% Change 1Q20/1Q19	1H19	1H20	% Change 1H20/1H19
JEC	(21)	(54)	-61.9%	(55)	(96)	-42.9%
Civil	(38)	(32)	19.8%	(79)	(60)	32.5%
Others	(11)	(2)	343.8%	(8)	(8)	3.3%
Total	(69)	(88)	-21.4%	(142)	(164)	-13.2%

In 2Q20, the number of customer complaints decreased significantly compared to 2Q19, in all relationship fronts: -62% at call center and agencies, -57% at Ombudsman and -69% at Aneel. These indicators show the downward trend in the number of new lawsuits filed against the Company.

And, in order to advance even further in the reduction of legal contingencies, we are carrying out a wide restructuring of the Legal Area, like hiring new professionals/offices and improving the training of internal lawyers.



5.2.2.2. Non-Manageable Costs and Expenses of Light SESA

Non-Manageable Costs and Expenses (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Use of Basic Network and ONS Charges	(201)	(197)	2.2%	(432)	(393)	9.7%
Connection Charges - Transmission	(18)	(21)	-11.0%	(38)	(35)	8.3%
Itaipu	(415)	(294)	41.2%	(754)	(565)	33.4%
Transported Energy - Itaipu	(31)	(29)	5.8%	(60)	(57)	5.8%
TPP Norte Fluminense	(650)	(602)	8.1%	(1,281)	(1,213)	5.6%
PROINFA	(34)	(45)	-25.8%	(68)	(89)	-24.0%
Assured energy Quotas	(163)	(151)	7.7%	(327)	(311)	5.0%
Nuclear Quotas	(60)	(55)	9.4%	(120)	(110)	9.4%
Energy auction	(429)	(503)	-14.6%	(963)	(1,031)	-6.5%
Contracts by Availabilities	(207)	(292)	-29.3%	(448)	(615)	-27.2%
Contracts by Quantity	(223)	(211)	5.8%	(515)	(415)	24.1%
Costs with Charges and Transmission	(7)	(211)	-96.5%	(259)	(812)	-68.2%
Sale/ Purchase (Spot)	60	(34)	-	(449)	(449)	0.0%
Hydrological Risk	(67)	(66)	0.9%	(128)	(116)	11.0%
Effects of Contracts by Availabilities	(53)	(58)	-8.5%	(180)	(176)	2.3%
ESS	118	(3)	-	111	(17)	-
Other	(6)	(12)	-54.2%	1	(16)	-
PIS / COFINS Credit on Purchase	175	179	-1.9%	364	357	2.1%
ICMS Credit on Purchase	204	187	8.9%	396	389	1.8%
Total	(1,630)	(1,742)	-6.4%	(3,541)	(3,871)	-8.5%

In 2Q20, non-manageable costs and expenses totaled R\$1,630 million, representing a decrease of R\$112 million, or 6.4%, compared to 2Q19.

The main decrease (96.5%) occurred in the short-term market (CCEE) line item, which decreased by R\$204 million, due to the following effects:

- i. The receipt of approximately R\$116 million from the charge relief fund (ESS), pursuant to Aneel Order (*Despacho*) 986/20.
- ii. Increased receipt from sales in the Spot market in 2Q20, due to the decrease in load, notwithstanding a lower PLD in the period.
- iii. Lower impact of the financial exposure caused by the decrease in the PLD mismatch between submarkets.⁷

Non-manageable costs and expenses were primarily adversely affected by the depreciation of the real against the U.S. dollar, which contributed to an increase of R\$121 million in expenses related to the acquisition of energy from Itaipu and of R\$ 48 million in expenses related to Norte Fluminense. The Quota, Angra and CCEARs agreements were also adjusted. Although these increases in expenses currently have a cash effect, they form regulatory assets to be offset in the next tariff adjustment, in March 2021.

5.2.3. Variation Offset Account – CVA

Net Regulatory Assets/ Liabilities (R\$ MN)	2Q20	1Q20	4Q19	3Q19	2Q19	1Q19
Regulatory Assets	1,465	1,197	1,077	1,380	1,486	1,728
Regulatory Liabilities	(784)	(577)	(415)	(560)	(754)	(1,002)
Net Regulatory Assets/ Liabilities	681	620	662	819	732	725

At the end of 2Q20, the balance of the Variation Offset Account – CVA totaled R\$681 million, encompassing (i) the amount of CVA and financial items ratified by Aneel and transferred to tariffs in the tariff adjustment of March 2020, which will be invoiced and amortized in subsequent months, and (ii) the formation of CVA not yet transferred to tariffs, primarily comprised of amounts regarding the period from January to June 2020, which Aneel will take into account in the tariff process of March 2021.

⁷ Pursuant to CCEE rules, every time there is a difference between sub-market (regions) prices, additional expenses may be incurred in the MCP. As these differences were lower in 2Q20 compared to 2Q19, the associated expenses (financial exposures) also decreased.

5.2.4. Financial Result of Light SESA

Financial Result (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Financial Revenues	184	66	180.0%	753	90	737.6%
Income from Financial Investments	5	4	28.3%	13	13	-0.2%
Swap Operations	122	38	222.7%	645	38	1601.2%
Interest on energy accounts and debt installments	18	21	-15.5%	35	43	-18.3%
Restatement of Sector's Assets and Liabilities	24	0	25527.7%	27	(11)	-
Restatement of ICMS calculation basis of PIS/COFINS	9	-	-	-	-	-
Others Financial Revenues	6	3	106.4%	11	6	89.1%
Financial Expenses	(220)	(152)	44.6%	(863)	(371)	132.4%
Debt Expenses (Local Currency)	(82)	(110)	-25.1%	(182)	(226)	-19.6%
Debt Expenses (Foreign Currency)	(53)	(40)	33.4%	(91)	(80)	14.5%
Monetary Variation	21	(34)	-	(17)	(65)	-73.9%
Exchange Rate Variation	(79)	47	-	(489)	37	-
Swap Operations	-	-	-	-	(1)	-
Itaipu Exchange Rate Variation	(12)	8	-	(58)	8	-
Restatement of provision for contingencies	(4)	(2)	78.6%	(8)	(6)	27.6%
Restatement of R&D/PEE/FNDCT	(2)	(3)	-50.1%	(4)	(7)	-39.9%
Interest and Fines on Taxes	(0)	(2)	-89.8%	(0)	(4)	-93.9%
Installment Payment - Fines and Interest Rates Law 11.941/09	(0)	(1)	-55.4%	(1)	(2)	-50.3%
Other Financial Expenses (Includes IOF)	(8)	(16)	-45.8%	(12)	(25)	-52.3%
Total	(36)	(87)	-58.1%	(110)	(281)	-60.9%

In 2Q20, financial result totaled net financial expenses of R\$36 million, compared to net financial expenses of R\$87 million in 2Q19, primarily due to the decrease of R\$28 million in charges on debt denominated in reais and the positive effect of R\$55 million on adjustment for inflation, as a result of the decrease in the CDI and IPCA rates. This gain was partially offset by the marked-to-market debt swap transactions in foreign currency, which, although positive, was lower than the result recorded in 2Q19. In the semi-annual comparison, net financial expenses decreased by R\$171 million, or 60.9%, in 1H20, and the amount effectively disbursed decreased by R\$105 million, from R\$354 million in 1H19 to R\$249 million in 1H20.

Moreover, we highlight the successful liability management initiatives, conducted since the completion of the follow-on transaction in July 2019, which contributed to decrease spread in 2Q20.

6. Light Energia – Generation

Operating Highlights	2Q20	2Q19	% Change 2Q20/2Q19
Nº of Employees	215	219	-1.8%
Installed capacity (MW)	1,188	1,154	3.0%
Light Energia	873	873	0.1%
Participation ¹	315	282	11.6%
Assured energy (Average MW)	577	624	-7.5%
Light Energia ²	441	470	-6.2%
Participation	136	153	-11.4%

¹Proportional stake in associates: Renova, Belo Monte, Guanhões and PCH Paracambi.

² Net assured energy of pumping and internal losses

6.1. Operating Performance

With the actions taken to ensure the health and safety of the Company's employees during the pandemic, Light Energia's plants continued to operate normally, maintaining their availability rates. In May, the spillway renovation of Ilha dos Pombos Plant began.

6.1.1. Energy Purchases and Sales

Energy Sale (MWm)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Sales (Free Contracting Environment + Spot)	484	551	-12.2%	549	629	-12.7%
Purchase (Free Contracting Environment + Spot)	86	103	-16.7%	114	93	22.9%

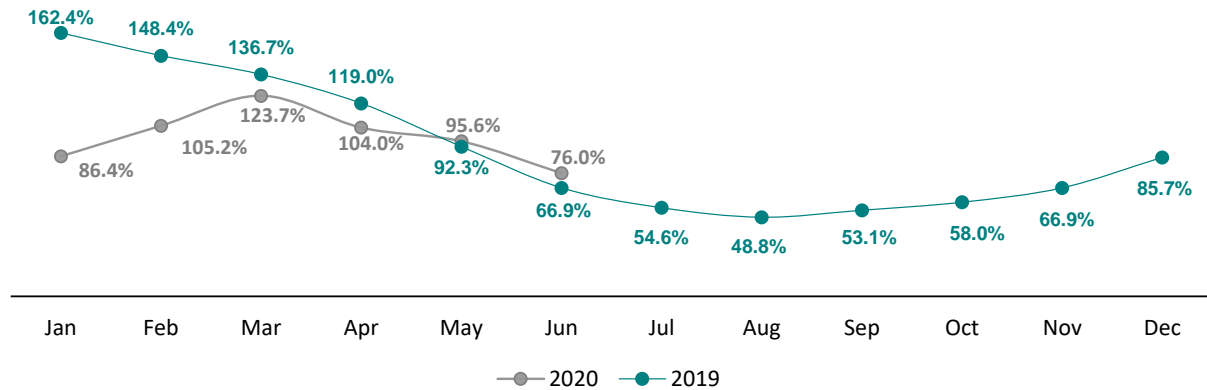
*Values include the plants: Fontes Nova, Nilo Peçanha, Pereira Passos, Ilha dos Pombos, Santa Branca and SHPP Lajes

In 2Q20, decreases in energy purchases and sales are primarily due to the hedging policy and the seasonality of the Physical Guarantee. In 2Q20, less energy was available for sale, as, in the seasonality strategy, a higher amount of physical guarantee was allocated for quarters that typically have higher PLD amounts and lower GSF.

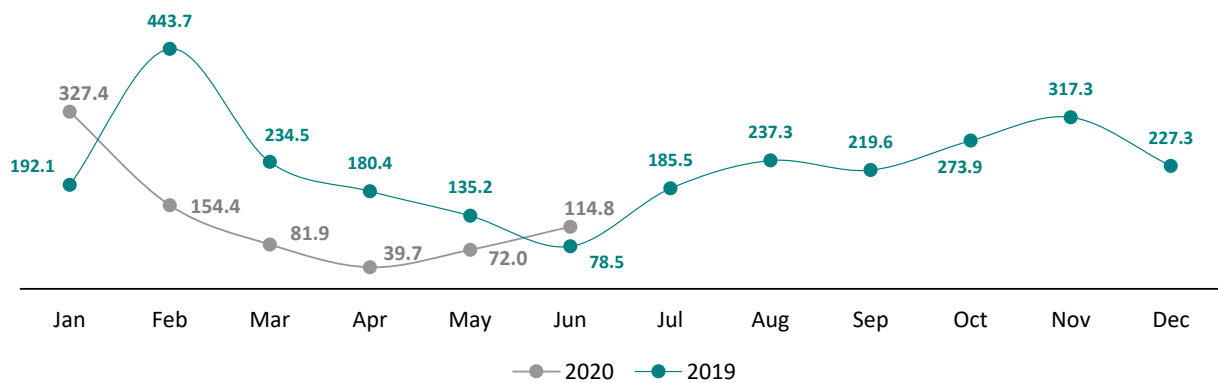
Pursuant to a court decision, Light Energia does not have to make payments relating to any exposure in monthly CCEE settlements, exempting it from making payments in the spot market and protecting its cash flows, even though this cost and revenue are regularly fully recognized in its result. As of June 30, 2020, the outstanding balance of the liabilities for the period between May 2015 and June 2020, totaled approximately R\$1,315 billion under trading in the short-term market. On the other hand, the balance of receivables of the Generation Company totaled R\$588 million, resulting in net liabilities of R\$727 million as of June 2020.

In June 2019, Bill 10,985/18 was approved by the Brazilian Congress, including an amendment about another matter that does not concern renegotiation of the hydrological risk (GSF). The Bill returned to the Brazilian Senate solely as a result of this amendment. In March 2020, Bill 3,975/19 (formerly known as Bill 10,985/18) was approved by the Economic Affairs Committee (*Comissão de Assuntos Econômicos*), following to the Senate plenary session, which cannot present new amendments to the text, but only accept or reject changes. Subsequently, the Bill will be sent to the Presidency to be sanctioned. Then Aneel will regulate the matter after publication of the Law.

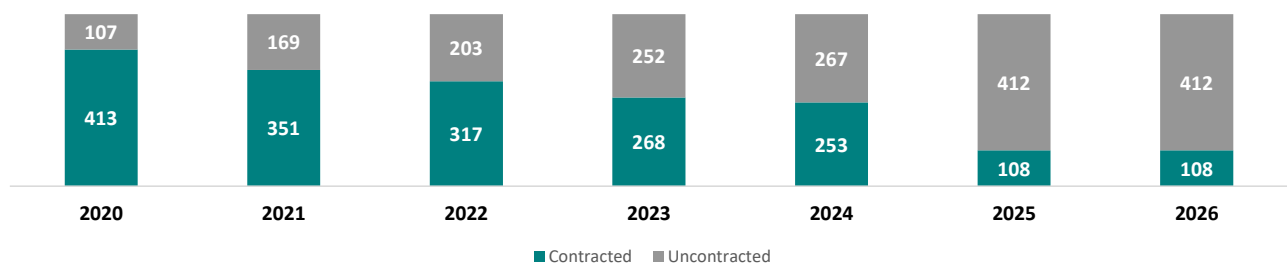
GSF – Generation Scaling Factor



Average Monthly PLD Southeast/Midwest (R\$/MWh)



6.1.2. Level of Energy Contracted/Uncontracted (Light Energia + Light Com)



6.2. Financial Performance of Light Energia

Income Statement (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Net Operating Revenue	206	210	-2.1%	460	495	-7.0%
Operating Expense	(67)	(79)	-14.7%	(197)	(145)	36.2%
Adjusted EBITDA	153	148	3.5%	291	379	-23.0%
Financial Result	(35)	(0)	13881.2%	(19)	(3)	478.6%
Result before taxes and Equity Income	104	130	-19.8%	242	345	-29.8%
Income Tax/Social Contribution	(34)	(43)	-21.7%	(79)	(114)	-30.6%
Equity Income	0	(90)	-	(0)	(83)	-99.6%
Net Income/Loss	70	(2)	-	164	150	9.4%
EBITDA Margin	74.3%	70.3%	4.01 p.p.	63.4%	76.5%	-13.17 p.p.

6.2.1. Net Revenue, Costs and Expenses of Light Energia

Net Revenue (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Generation Sale (ACL)	177	178	-0.6%	394	407	-3.2%
Short-Term	27	30	-10.3%	62	83	-25.3%
Others	2	2	-10.8%	4	5	-18.7%
Total	206	210	-2.1%	460	495	-7.0%

Operating Costs and Expenses (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Personnel	(5)	(6)	-18.1%	(12)	(12)	-7.5%
Material and Outsourced Services	(4)	(4)	-2.5%	(8)	(8)	3.5%
Purchased Energy / CUSD / CUST	(45)	(51)	-12.7%	(148)	(92)	61.6%
Depreciation	(14)	(14)	-0.8%	(28)	(28)	0.6%
Non Operating Result	-	(2)	-	(1)	(1)	-4.2%
Others (includes provisions)	1	(1)	-	(0)	(4)	-93.1%
Total	(67)	(79)	-14.7%	(197)	(145)	36.2%

In 2Q20, net revenue decreased by 2.1% (R\$4 million) compared to 2Q19, primarily due to a decreased volume of energy available for sale. Sales in the spot market⁸ were made at a lower average PLD Southeast/Midwest (R\$75.5/MWh in 2Q20 vs. R\$131.4/MWh in 2Q19).

In 1Q20, costs and expenses totaled R\$67 million, representing a R\$12 million decrease compared to 2Q19, due to lower energy purchase expenses in the free market, as a result of decreased PLD in 2Q20.

PMS expenses, excluding the VDP in the amount of R\$0.5 million, decreased by R\$1.8 million, or 18.5%, compared to 2Q19.

⁸ For purposes of recording with the CCEE, GSF=1 is used as reference at the monthly closing. In the subsequent month, CCEE informs the required adjustment in revenue, based on the actual GSF assessed.

6.2.2. Financial Result of Light Energia

Financial Result (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Financial Revenues	77	37	105.0%	388.3	59.0	557.7%
Income from Financial Investments	3	9	-65.6%	9.7	17.2	-43.6%
Swap Operations	70	29	146.1%	375.2	41.5	803.2%
Financial Expenses	(112)	(38)	196.6%	(407.4)	(62.6)	550.7%
Debt Expenses (Local Currency)	(0)	(4)	-89.3%	(1.0)	(11.7)	-91.8%
Debt Expenses (Foreign Currency)	(21)	(15)	38.4%	(39.1)	(30.9)	26.8%
Exchange Rate Variation	(58)	14	-	(303.5)	11.2	-
Restatement of R&D/PEE/FNDCT	(0)	(0)	-45.6%	(0.2)	(0.3)	-33.4%
Restatement of GSF	(30)	(25)	18.5%	(61.2)	(23.3)	162.8%
Other Financial Expenses (Includes IOF)	(1)	(6)	-75.8%	(2.3)	(7.5)	-68.9%
Total	(35)	(0)	13881.2%	(19.1)	(3.6)	434.4%

In 2Q20, net financial expenses totaled R\$35 million, compared to net financial expenses of R\$0.25 million 2Q19. Although positive, the gain from marked-to-market debt swap transactions in foreign currency in 2Q20 was lower than in 2Q19, due to the increase in the future curve of the U.S. dollar and the decrease in the CDI rate, which had a positive impact on swap transactions in 2Q19.

6.2.3. Net Income (Loss) of Light Energia

Net Income/Loss (R\$MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Light Energia (without Stakes)	71	89	-20.1%	165	233	-29.2%
Guanhães - Equity Income	(0)	2	-	(1)	9	-
Renova Energia -Equity Income	-	(92)	-	-	(92)	-
Net Result	70	(2)	-	164	150	9.4%

Upon the sale of Renova, in October 2019, Light Energia is no longer exposed to Equity Income related to this asset.

7. Lightcom – Trading

7.1. Operating Performance of Lightcom

Operating Highlights	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Volume Sold - MWm	537	630	-14.7%	596	642	-7.2%
Average Selling Price (Net of Taxes) - R\$/MWh	178.8	188.7	-5.2%	184.1	184.5	-0.2%

In 2Q20, sales volume decreased by 14.7% compared to 2Q19, primarily due to the expiration of certain long-term agreements entered into with end consumers and decreased negotiations of short-term transaction, as a result of the decrease in average PLD in 2Q20.

In 2Q20, the average sales price decreased by 5.2% compared to 2Q19, due to the lower market price for short-term transactions.

The portfolio of customers of the trading company is focused on wholesale operations, mostly with large companies, with an excellent credit profile, which provided it with strength to face the crisis caused by the pandemic. Lightcom received certain requests from smaller customers for flexibilization and was successful in negotiations, changing payment conditions to ensure receipts in 2020.

7.2. Financial Performance of Lightcom

Income Statement (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Net Operating Revenue	210	260	-19.2%	477	537	-11.1%
Energy Supply	210	260	-19.2%	477	514	-7.3%
Others	0	0	-35.7%	0	22	-98.9%
Operating Expenses	(199)	(235)	-15.2%	(441)	(460)	-4.1%
Personnel	(1)	(1)	24.7%	(2)	(2)	31.6%
Material and Outsourced Services	(0)	(0)	73.5%	(0)	(0)	123.0%
Others	(0)	(0)	34.4%	(1)	(1)	34.2%
Purchased Energy	(197)	(233)	-15.5%	(437)	(457)	-4.4%
Adjusted EBITDA	11	25	-56.2%	36	77	-53.2%
EBITDA Margin	5.2%	9.6%	-4.41 p.p.	7.5%	14.3%	-6.77 p.p.
Financial Result	0	15	-97.3%	1	20	-92.5%
Financial Revenue	0	16	-97.3%	2	21	-92.1%
Financial Expense	(0)	(1)	-97.5%	(0)	(1)	-86.1%
Result Before Taxes and Interests	11	40	-71.6%	37	96	-61.3%
Net Income/Loss	7	26	-72.5%	24	64	-61.8%

In 2Q20, EBITDA of the Trading Company totaled R\$11 million, representing a R\$14 million decrease compared to 2Q19, due to a lower traded volume in the quarter, as explained above. In 2Q20, Net Income totaled R\$7 million, representing a 72.5% decrease compared to 2Q19, affected by the decreased traded volume and the recognition of financial income of R\$15.5 million as a result of the adjustment for inflation of indemnification related to Renova, recorded in 2Q19.

8. Indebtedness

8.1. Light S.A.

R\$ Million	Cost	Current	%	Non Current	%	Total	%
Light SESA		1,411	100.0%	6,812	100.0%	8,223	100.0%
Domestic Currency		1,411	100.0%	4,946	72.6%	6,357	77.3%
Debentures 8th Issuance	CDI + 1,18%	39.2	2.8%	196	2.9%	235	2.9%
Debentures 9th Issuance - Serie A	CDI + 1,15%	250.0	17.7%	-	0.0%	250	3.0%
Debentures 9th Issuance - Serie B	IPCA + 5,74%	214.3	15.2%	429	6.3%	643	7.8%
Debentures 12ª Issuance 3	IPCA + 9,09%	58.5	4.1%	-	0.0%	58	0.7%
Debentures 13ª Issuance	IPCA + 7,44%	-	0.0%	499	7.3%	499	6.1%
Debentures 15ª Issuance 1	IPCA + 6,83%	-	0.0%	563	8.3%	563	6.8%
Debentures 15ª Issuance 2	CDI + 2,20%	-	0.0%	160	2.3%	160	1.9%
Debentures 16ª Issuance 1	CDI + 0,90%	-	0.0%	133	1.9%	133	1.6%
Debentures 16ª Issuance 2	CDI + 1,25%	-	0.0%	423	6.2%	423	5.1%
Debentures 16ª Issuance 3	CDI + 1,35%	-	0.0%	63	0.9%	63	0.8%
Debentures 17ª Issuance 1	CDI + 1,50%	-	0.0%	500	7.3%	500	6.1%
Debentures 17ª Issuance 2	CDI + 1,75%	-	0.0%	50	0.7%	50	0.6%
Debentures 17ª Issuance 4	IPCA + 5,25%	-	0.0%	151	2.2%	151	1.8%
Promissory notes - 5ª PN Sesa	CDI + 2,51%	400.0	28.3%	-	0.0%	400	4.9%
Promissory notes - 5ª PN Sesa	CDI + 1,25%	100.0	7.1%	200	2.9%	300	3.6%
CCB IBM 2017	CDI	0.9	0.1%	-	0.0%	1	0.0%
BNDES (CAPEX) TJLP **	TJLP + 2,78%	25.4	1.8%	-	0.0%	25	0.3%
BNDES (CAPEX) SELIC **	Selic + 2,78%	17.1	1.2%	-	0.0%	17	0.2%
BNDES (CAPEX) TLP **	IPCA + 6,14%	42.1	3.0%	203	3.0%	246	3.0%
BNDES (CAPEX) Prefixed **	6.00%	13.9	1.0%	44	0.6%	58	0.7%
BNDES Olimpíadas TJLP **	TJLP + 2,89%	9.4	0.7%	3	0.0%	12	0.1%
BNDES Olimpíadas SELIC **	SELIC + 2,58%	3.5	0.2%	1	0.0%	4	0.1%
BNDES Olimpíadas Prefixed **	3.50%	1.6	0.1%	4	0.1%	6	0.1%
FINEP - Innovation and Research	4.00%	23.2	1.6%	21	0.3%	44	0.5%
FIDC 2018 Série A	CDI + 1,20%	180.9	12.8%	654	9.6%	835	10.2%
FIDC 2018 Série B	IPCA + 5,75%	85.4	6.1%	256	3.8%	342	4.2%
Others	-	(54.5)	-3.9%	(106)	-1.6%	(161)	-2.0%
Mutual Liability	-	-	0.0%	500	7.3%	500	6.1%
Foreign Currency *		-	0.0%	1,866	27.4%	1,866	22.7%
Tesouro Nacional	64,05% CDI	-	0.0%	15	0.2%	15	0.2%
Citibank	CDI + 1,50%	-	0.0%	438	6.4%	438	5.3%
Notes Units	142,79% CDI	-	0.0%	1,424	20.9%	1,424	17.3%
Others	-	-	0.0%	(11)	-0.2%	(11)	-0.1%
Light Energia		6.3	100.0%	1,174.6	100.0%	1,180.9	100.0%
Domestic Currency		6.3	100.0%	30.1	2.6%	36.4	3.1%
Debentures 3rd Issuance	0	2.5	39.4%	12.5	1.1%	15.0	1.3%
BNDES Lajes	0	3.9	61.0%	17.7	1.5%	21.6	1.8%
Others	CDI + 1,18%	(0.0)	0.0%	(0.1)	0.0%	(0.2)	0.0%
Foreign Currency		-	0.0%	1,144.5	97.4%	1,144.5	96.9%
Citibank	-	-	0.0%	438.1	37.3%	438.1	37.1%
Notes Units	0	-	0.0%	711.9	60.6%	711.9	60.3%
Others	CDI + 1,30%	-	0.0%	(5.5)	-0.5%	(5.5)	-0.5%
Light Conecta		0.4	100.0%	0.3	100.0%	0.7	100.0%
BNDES - Conecta (Domestic Currency)**	0	0.4	100.0%	0.3	100.0%	0.7	100.0%
Total		1,418		7,987		9,405	

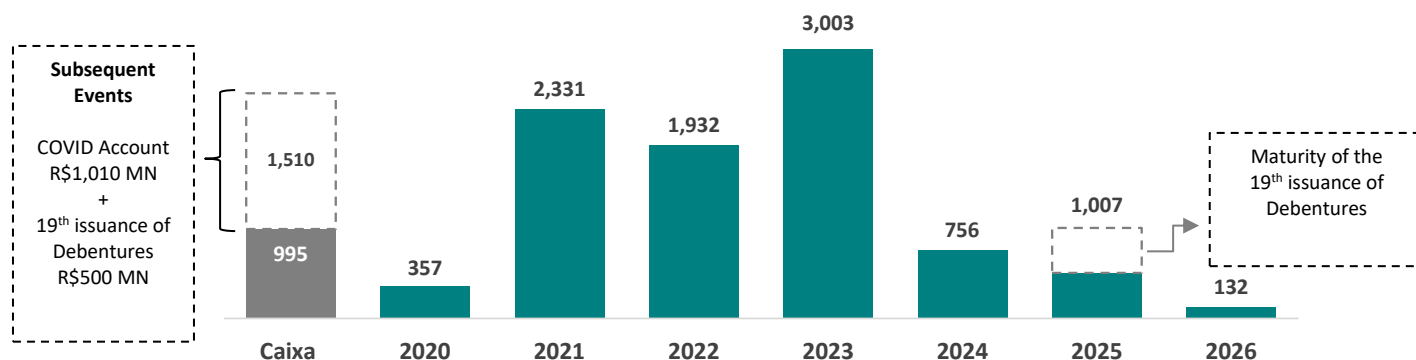
* Costs were considered in Reais, according to their respective swap contracts

** It was considered the average cost of tranches for each operation

R\$ MN	Light SESA	Light Energia	Conecta	Others Light S.A.	Light S.A. 2Q20	Light S.A. 1Q20	Δ %
Domestic Currency	6,357	36	1	0	5,894	6,362	-7.4%
Foreign Currency	1,866	1,144	0	0	3,010	2,871	4.8%
Loans and Financing	4,156	1,166	1	0	4,822	4,780	0.9%
Debentures	4,067	15	0	0	4,082	4,453	-8.3%
Interest	95	9	0	0	104	187	-44.1%
Swap Operations	(845)	(471)	0	0	(1,315)	(1,166)	12.9%
Gross Debt	7,474	719	1	0	7,694	8,255	-6.8%
Cash and Cash Equivalents	456	397	13	127	995	1,534	-35.2%
Net Debt	7,018	322	(13)	(127)	6,699	6,721	-0.3%

In 2Q20, consolidated net debt totaled R\$6,699 million, in line with R\$6,721 million recorded in 1Q20.

Amortization of Loans, Financing and Debentures, including subsequent events(R\$MN) Average Maturity: 3.1 years



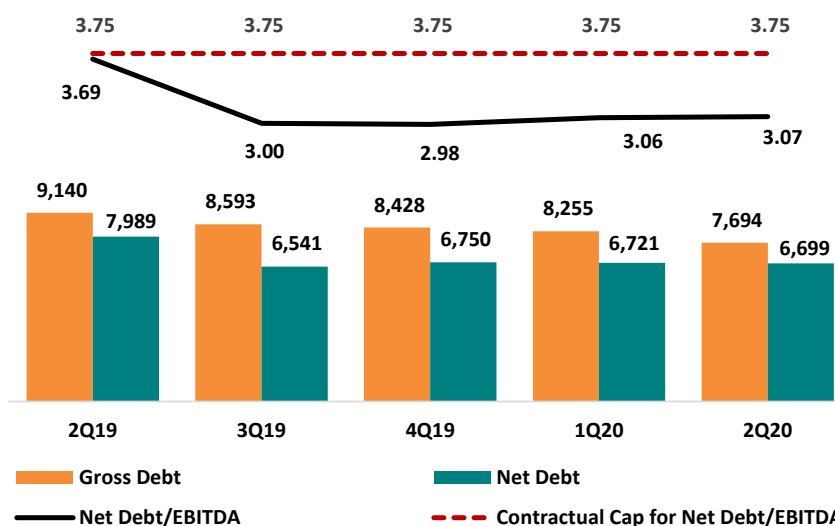
The Cash position set forth in the chart above includes funds received by August 13, in the total amount of R\$1,510 million, regarding the settlement of the 19th issuance of debentures of Light SESA and the first two installments of the Covid account. The current Cash strength provides the Company with the peace required to face the short-term uncertainties resulting from the pandemic and the debt amortization in 2020 and 2021.

At the end of 2Q20, the Net Debt/EBITDA ratio was 3.07x, representing a slight increase compared to 3.06x in 1Q20. It is noteworthy that EBITDA for purposes of debt covenants of the Company and its subsidiaries excludes non-cash effects, such as Equity Income, Provisions, VNR and Other Operating Income/Expenses.

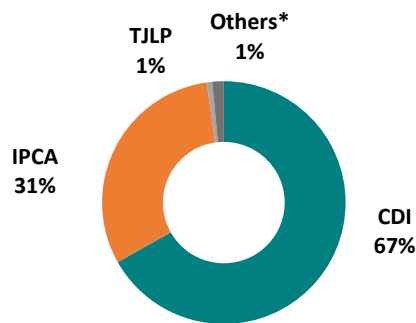
The Company is currently well below the covenant limit of 3.75x set forth under most agreements.

At the end of 2Q20, the EBITDA/Interest ratio was 3.44x, above the minimum contractual limit of 2.0x under most agreements.

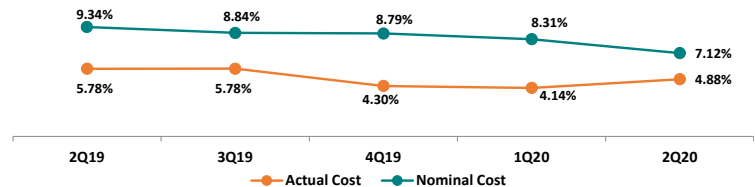
Consolidated Gross and Net Debt (R\$ million)



Debt Indices¹



Debt Service Costs



¹ Considering Hedge

* Equivalent to the sum of fixed cost, Libor and U.S. dollar exchange rate variation.

Covenants Multiple - R\$ MN		Jun-20	Mar-20	Dec-20	Sep-20	Jun-19
Loans and Financing	+	4,875	4,837	4,334	5,417	5,293
Loans and Financing Cost	-	(53)	(57)	(55)	(68)	(72)
Interest related to Loans and Financing	+	41	79	28	88	39
Debentures	+	4,143	4,519	4,487	3,788	4,265
Debentures Cost	-	(60)	(66)	(71)	(65)	(74)
Interest related to Debentures	+	63	108	43	107	59
Swap Operations	+	(1,315)	(1,166)	(338)	(673)	(369)
Gross Debt	=	7,694	8,255	8,428	8,593	9,140
Cash	-	995	1,534	1,678	2,052	1,151
Net Debt (a)	=	6,699	6,721	6,750	6,541	7,989
EBITDA CVM (12 months)		1,602	1,754	1,875	2,358	1,524
Equity Income (12 months)	-	37	(50)	(38)	(31)	(128)
Provision (12 months)	-	(1,718)	(1,586)	(1,540)	(919)	(597)
Other Operational Revenues/Expenses (12 months)	-	(47)	(49)	(49)	(85)	(73)
Regulatory Assets and Liabilities (12 months)	+	(60)	(154)	(153)	(124)	(155)
Other Revenue -PIS/COFINS credit		1,086	1,086	1,086	-	-
EBITDA for Covenants (12 months) (b)	=	2,184	2,199	2,262	2,183	2,167
Interests (c)		628	649	669	699	726
Net Debt/EBITDA for Covenants (a/b)		3.07	3.06	2.98	3.00	3.69
Contractual Cap for Dívida Líquida/EBITDA		3.75	3.75	3.75	3.75	3.75
EBITDA for Covenants/Interest (b/c)		3.48	3.39	3.38	3.12	2.99
Contractual Lower Limit for EBITDA/Juros		2.00	2.00	2.00	2.00	2.00

Corporate Ratings

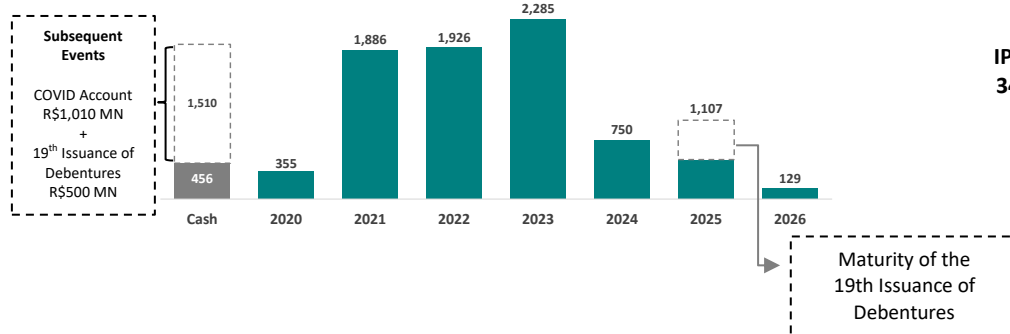
Ratings	Grade		Date
	National	Foreign	
Fitch	A+	BB-	04/24/2020
Standard & Poors	AA+	-	07/15/2019
Moody's	A2.br	Ba3	4/9/2019

8.2. Debt Breakdown

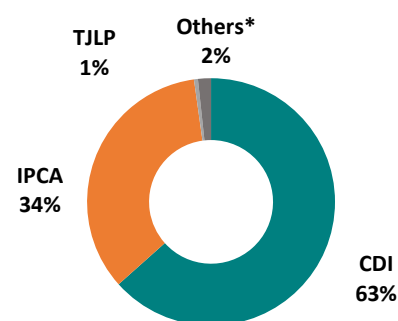
Light SESA

Amortization¹, including subsequent events(R\$MN)

Average Maturity: 3.1 years



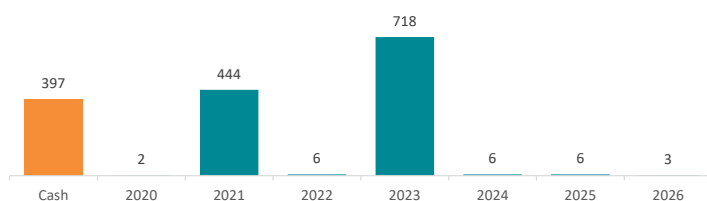
Debt Indices²



Light Energia

Amortization¹ (R\$MN)

Average Maturity: 2.3 years



Debt Indices²



¹ Principal of loans and financing and debentures.

² Considering Hedge.

* Equivalent to the sum of fixed cost, Libor and the U.S. dollar exchange rate variation.

9. Consolidated Investment

Capex (R\$ MM)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Distribution	177	176	0.3%	334	321	4.0%
Engineering	112	129	-12.9%	218	234	-7.2%
Commercial	65	48	35.9%	116	86	34.6%
Non-electrical Assets	16	16	4.3%	36	27	30.8%
Generation	12	11	13.1%	18	18	-2.9%
Total	205	203	1.3%	387	366	5.7%
Capital Contribution	0	10	-99.7%	0	27	-99.9%
Belo Monte	0	0	0.0%	0	0	0.0%
Itaocara	-	-	-	-	-	-
Guanhães	-	4	-	-	21	-
Axxiom	-	6	-	-	6	-
Total Capex (includes transfers to subsidiaries)	205	213	-3.5%	387	393	-1.4%

The Company's consolidated capital expenditure, excluding contributions, remained virtually in line with that of 2Q19. In 2Q20, we intensified investments in decreasing losses, including the regularization of customers, and new projects focused on the incorporation of energy and improvement in the quality of electronic metering.

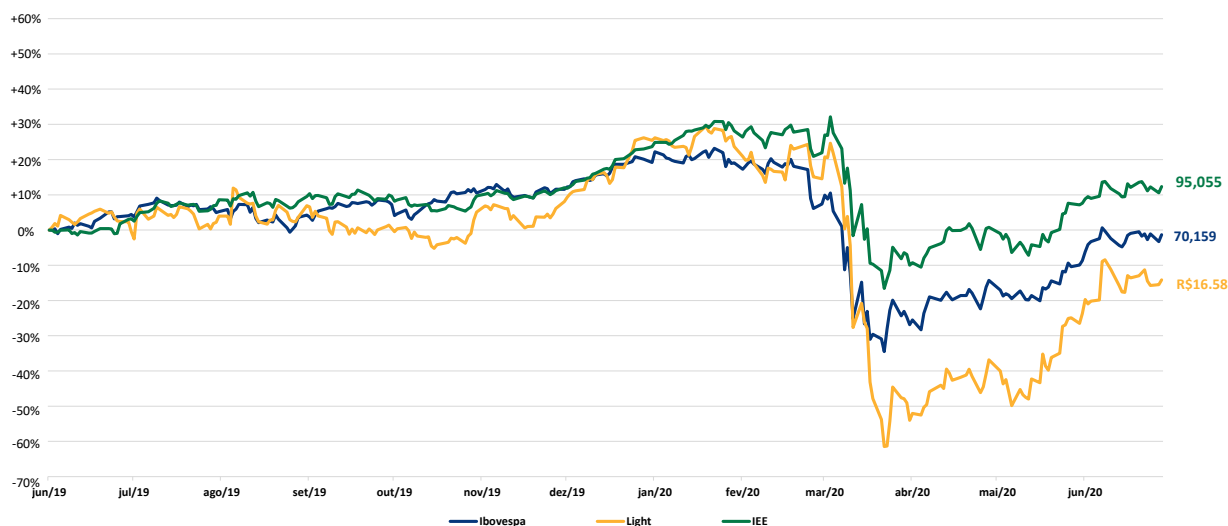
The Company did not make contributions in investees in 2Q20.

10. Capital Markets

Light S.A.'s shares (LIGT3) were priced at R\$16.58 at the end of June 2020. At the end of 2Q20, the Company's market value was R\$5.0 billion.

Performance of Light's shares vs. Ibovespa vs. IEE

On a 100 basis on June 1, 2019



Market Information	1Q20	1Q19
Volume Average - LIGT3 (R\$ MN)	49.3	27.4
Shares Average - LIGT3 (R\$ / share)	12.80	19.60
ADTV 90 days (R\$ MN)	56.4	27.1
Price Change - LIGT3	71.8%	23.7%
Price Change - IEE	21.7%	13.3%
Price Change - IBOV	30.2%	4.8%

11. Performance in environmental, social and governance issues (ESG)

Our commitment to sustainability began in 2005, when Light acceded to the *Novo Mercado* segment of B3. In 2007, we ratified this commitment, when Light acceded to the United Nations Global Compact. Since 2007, we are part of the ISE B3 portfolio, which comprises listed companies with best corporate sustainability practices in Brazil.

As of 2Q20, we will start to disclose selected indicators, based on the analysis of the main ESG aspects addressed by the market or existing frameworks (GRI, SASB, PRI, ISE, etc.), as set forth in the table below:

Main Indicators	2Q20	2Q19	% Change 2Q20/2Q19	1S20	1S19	% Change 1S20/1S19
Environmental						
% of sites certified in the Integrated Management System (Light Energia)	100%	100%	0.0 p.p.	100%	100%	0.0 p.p.
% of sites certified in the Environmental Management System (Light SESA)	88%	88%	0.0 p.p.	88%	88%	0.0 p.p.
% of generation from renewable sources	100%	100%	0.0 p.p.	100%	100%	0.0 p.p.
Water consumption by employee (m ³)	4.65	7.46	-37.6%	9.61	15.68	-38.7%
Energy consumption by employee (MWh)	5.26	6.01	-12.4%	10.69	12.35	-13.4%
Social						
Employees	5,321	4,745	12.1%	5,321	4,745	12.1%
Outsourced employees	6,358	7,432	-14.5%	6,358	7,432	-14.5%
% of women in relation to the total of employees	19.1%	22.2%	-3.1 p.p.	19.1%	22.2%	-3.1 p.p.
% of women in management positions	26.1%	22.9%	3.2 p.p.	26.1%	22.9%	3.2 p.p.
Average hours of employees training	11.8	7.4	59.5%	26.5	14.7	80.3%
Turnover rate	1.5%	1.6%	-0.1 p.p.	7.2%	3.0%	4.2 p.p.
Accident frequency rate	1.03	3.93	-73.8%	1.97	3.96	-50.3%
Accident severity rate	66	158	-58.2%	60	121	-50.4%
Complaints by total customers	7.58%	21.22%	-13.6 p.p.	19.79%	47.39%	-27.6 p.p.
Governance						
% of independent directors	77.8%	33.3%	44.5 p.p.	77.8%	33.3%	44.5 p.p.
% of women in top management	26.7%	20.0%	6.7 p.p.	26.7%	20.0%	6.7 p.p.
Shares held by top management	72,750	30,350	139.7%	72,750	30,350	139.7%
Average age of top management	54	53	1.9%	54	53	1.9%
Others						
Distribution network (km)	78,993	78,139	1.1%	78,993	78,139	1.1%
Investments in Energy Efficiency (R\$ MN)	8.99	5.98	50.3%	19.24	13.74	40.0%
Investments in R&D (R\$ MN)	5.84	6.04	-3.3%	11.30	13.36	-15.4%
Universal access to electricity	100%	100%	0.0 p.p.	100%	100%	0.0 p.p.

Among the main changes, we highlight:

- Changes in the Company's shareholding structure and governance, reflected in increased number of independent members in the Board of Directors.
- Change in members of the Statutory Board of Executive Officers, including an increased number of women as members of Senior Management.
- Increased investments in energy efficiency, including the implementation of projects in compliance with corporate strategies and the prioritization of customers with real investment requirements, thus improving their relationships with the Company.
- Increased average training hours, as a result of the change in culture, focused on results.

- Reduced accident frequency and severity rates, as a result of safety inspections on field and actions related to change in culture.
- Reduced number of complaints from customers, as a result of a new management model that focused on mapping the root cause of the main issues, as well as the creation of action plans focused on the improvement of processes.

ANNEX I – Generation Assets

Current Generation Park					
Existing Power Plants	Installed Capacity (MW) ¹	Assured Energy (MWm) ¹	Operation Start	Concession / Authorization Expiration Date	Light's stake
Fontes Nova	132	99	1940	2026	100%
Nilo Peçanha	380	334	1953	2026	100%
Pereira Passos	100	49	1962	2026	100%
Ilha dos Pombos	187	109	1924	2026	100%
Santa Branca	56	30	1999	2026	100%
Elevatórias	-	(101)	-	-	-
SHPP Lajes	18	17	2018	2026	100%
SHPP Paracambi	13	10	2012	2031	51%
Belo Monte	280	114	2016	2045	2.49%
Guanhães	22	12	2018	2047	51%
Total	1188	672	-	-	-

¹Light's proportional stake

ANNEX II – CVM EBITDA Reconciliation

CVM EBITDA (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Net Operating Revenue (A)	(45)	11	-	122	175	-30.3%
Social Contributions & Income Tax (B)	(587)	(48)	1121.1%	(593)	(137)	333.1%
Deferred Income Tax (C)	625	(10)	-	544	0	-
EBT (A - (B + C))	(83)	69	-	171	312	-45.1%
Depreciation (D)	(148)	(147)	0.7%	(297)	(293)	1.4%
Financial Expenses Revenue (E)	(70)	(71)	-1.6%	(126)	(262)	-51.9%
CVM EBITDA ((A) - (B) - (C) - (D) - (E))	135	286	-52.9%	594	866	-31.4%

ANNEX III – Income Statement

Light SESA

Income Statement (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Operating Revenues	3,884	4,488	-13.5%	8,518	9,611	-11.4%
Electricity Sales	3,077	3,676	-16.3%	6,951	8,010	-13.2%
CVA	37	6	482.0%	(10)	32	-
Construction Revenues	187	188	-0.4%	341	347	-1.9%
Other Revenues	584	619	-5.6%	1,236	1,222	1.1%
Deductions From Operating Revenues	(1,590)	(1,964)	-19.0%	(3,435)	(4,148)	-17.2%
Net Operating Revenues	2,295	2,524	-9.1%	5,083	5,464	-7.0%
Electricity Costs	(1,817)	(1,930)	-5.8%	(3,881)	(4,218)	-8.0%
Operating Expenses	(492)	(378)	30.0%	(909)	(735)	23.7%
Personnel	(93)	(107)	-13.3%	(204)	(204)	0.4%
Material	(6)	(6)	3.1%	(13)	(12)	5.6%
Third party services	(117)	(127)	-8.1%	(228)	(256)	-10.7%
Provisions	(292)	(159)	84.2%	(488)	(307)	58.9%
Others	17	21	-20.5%	24	43	-43.5%
Adjusted EBITDA	(14)	216	-	293	511	-42.6%
Depreciation and amortization	(133)	(132)	0.9%	(268)	(264)	1.5%
Other operating revenues/expenses	(5)	(5)	-11.7%	(9)	(10)	-9.5%
Operating Income	(153)	78	-	16	237	-93.3%
Net Financial Result	(36)	(87)	-58.1%	(110)	(281)	-60.9%
Financial Revenues	184	66	180.0%	753	90	737.6%
Financial Expenses	(220)	(152)	44.6%	(863)	(371)	132.4%
Income before tax	(189)	(8)	2152.9%	(94)	(44)	111.9%
Income Tax / Social Contribution	(584)	-	-	(584)	-	-
Deferred Taxes	659	(2)	-	626	10	6074.5%
Net Income	(114)	(10)	1046.6%	(52)	(35)	49.5%

Light Energia

Income Statement (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Operating Revenues	236	241	-2.0%	527	563	-6.4%
Energy supply - Energy sales	203	204	-0.3%	452	463	-2.5%
Energy supply - Spot	31	35	-11.3%	70	94	-25.2%
Others - TUSD	2	3	-9.3%	4	5	-16.4%
Others	0	0	-29.3%	0	1	-32.0%
Deductions from Operating Revenues	(30)	(31)	-1.6%	(67)	(68)	-2.0%
Net Operating Revenues	206	210	-2.1%	460	495	-7.0%
Electricity Costs	(45)	(51)	-12.7%	(148)	(92)	61.6%
Operating Expenses	(8)	(11)	-27.3%	(20)	(24)	-16.7%
Personnel	(5)	(6)	-18.1%	(12)	(12)	-7.5%
Material	(0)	(0)	26.1%	(0)	(0)	-3.7%
Third party services	(4)	(4)	-4.1%	(8)	(8)	4.0%
Provisions	2	(0)	-	3	(0)	-
Others	(1)	(1)	-10.4%	(3)	(3)	-14.8%
Adjusted EBITDA	153	148	3.5%	291	379	-23.0%
Depreciation and amortization	(14)	(14)	-0.8%	(28)	(28)	0.6%
Other operating revenues/expenses	-	(2)	-	(1)	(1)	-4.2%
Operating income	139	132	5.4%	262	350	-25.0%
Equity Income	0	(90)	-	(0)	(83)	-99.6%
Net Financial Result	(35)	(0)	-	(19)	(3)	478.6%
Financial Revenues	77	37	105.0%	388	59	557.7%
Financial Expenses	(112)	(38)	196.6%	(407)	(62)	553.5%
Income before Tax	104	42	150.9%	243	264	-7.9%
Income Tax / Social Contribution	(0)	(35)	-99.2%	(1)	(104)	-99.4%
Deferred Taxes	(33)	(8)	295.2%	(78)	(10)	697.1%
Net Income	70	(2)	-	164	150	9.4%

ANNEX IV – Statement of Financial Result

Light S.A.

Financial Result (R\$ MN)	2Q20	2Q19	% Change 2Q20/2Q19	1H20	1H19	% Change 1H20/1H19
Financial Revenues	184	66	180.0%	753	90	737.6%
Income from Financial Investments	5	4	28.3%	13	13	-0.2%
Swap Operations	122	38	222.7%	645	38	1601.2%
Interest on energy accounts and debt installments	18	21	-15.5%	35	43	-18.3%
Restatement of Sector's Assets and Liabilities	24	0	25527.7%	27	(11)	-
Restatement of ICMS calculation basis of PIS/COFINS	9	-	-	-	-	-
Others Financial Revenues	6	3	106.4%	11	6	89.1%
Financial Expenses	(220)	(152)	44.6%	(863)	(371)	132.4%
Debt Expenses (Local Currency)	(82)	(110)	-25.1%	(182)	(226)	-19.6%
Debt Expenses (Foreign Currency)	(53)	(40)	33.4%	(91)	(80)	14.5%
Monetary Variation	21	(34)	-	(17)	(65)	-73.9%
Exchange Rate Variation	(79)	47	-	(489)	37	-
Swap Operations	-	-	-	-	(1)	-
Itaipu Exchange Rate Variation	(12)	8	-	(58)	8	-
Restatement of provision for contingencies	(4)	(2)	78.6%	(8)	(6)	27.6%
Restatement of R&D/PEE/FNDCT	(2)	(3)	-50.1%	(4)	(7)	-39.9%
Interest and Fines on Taxes	(0)	(2)	-89.8%	(0)	(4)	-93.9%
Installment Payment - Fines and Interest Rates Law 11.941/09 (REFIS)	(0)	(1)	-55.4%	(1)	(2)	-50.3%
Other Financial Expenses (Includes IOF)	(8)	(16)	-45.8%	(12)	(25)	-52.3%
Total	(36)	(87)	-58.1%	(110)	(281)	-60.9%

ANNEX V – Statement of Financial Position

Light S.A. (R\$ million)

ASSETS	2Q20	4Q19
Current	5.813	5.354
Cash & cash equivalents	365	996
Marketable securities	630	682
Receivable accounts	2.597	2.537
Inventories	61	60
Taxes and contributions recoverable	966	81
Income tax and social contribution recoverable	159	135
Sector's financial assets	681	550
Prepaid expenses	19	23
Dividends receivable	2	0
Receivables from services rendered	36	31
Swap derivative financial instruments	0	0
Other current assets	296	260
Non-current	18.324	18.490
Receivable accounts	1.028	1.113
Taxes and contributions recoverable	4.811	6.257
Deferred taxes	457	36
Prepaid expenses	0	0
Swap derivative financial instruments	1.315	373
Deposits related to litigation	270	273
Sector's financial assets	0	113
Concession financial asset	4.804	4.748
Other current assets	0	0
Contractual asset	760	497
Investments	572	579
Fixed assets	1.578	1.587
Intangible	2.632	2.837
Right of use asset	98	77
Total Assets	24.137	23.844
LIABILITIES	2Q20	4Q19
Current	5.112	5.178
Suppliers	2.464	2.546
Taxes and contributions	358	172
Income tax and social contribution	1	38
Loans and financing	513	551
Debentures	1.009	836
Dividends payable	0	315
Labor obligations	101	86
Leasing	40	32
Other obligations	626	600
Non-current	12.353	12.436
Loans and financing	4.350	3.756
Debentures	3.137	3.623
Swap derivative financial instruments	0	35
Taxes and contributions	218	348
Deferred taxes	277	400
Uncovered equity income	23	22
Provisions for tax, civil, labor and regulatory risks	584	543
Leasing	61	48
Amounts to be refunded to consumers	3.652	3.606
Other obligations	51	54
Shareholders' Equity	6.672	6.231
Capital Stock	4.051	4.051
Capital reserves	8	3
Profit reserves	2.273	1.958
Asset valuation adjustments	312	320
Other comprehensive income	(101)	(101)
Retained Earnings	130	0
Total Liabilities	24.137	23.844

Light SESA (R\$ million)

ASSETS	2Q20	4Q19
Current	4.488	3.780
Cash & cash equivalents	61	554
Marketable securities	395	327
Receivable accounts	1.878	1.824
Inventories	56	56
Taxes and contributions	964	77
Income tax and social contribution	109	89
Sector's financial assets	681	550
Prepaid expenses	18	21
Receivables from services rendered	35	31
Other current assets	292	252
Non-current	15.934	16.402
Receivable accounts	1.028	1.090
Taxes and contributions	4.811	6.257
Deferred taxes	424	0
Deposits related to litigation	265	269
Swap derivative financial instruments	845	249
Sector's financial assets	0	113
Concession financial asset	4.804	4.748
Contractual asset	760	497
Investments	29	29
Fixed assets	245	245
Intangible	2.628	2.833
Right of use asset	95	74
Total Assets	20.423	20.182
LIABILITIES	2Q20	4Q19
Current	3.677	3.715
Suppliers	1.111	1.242
Taxes and contributions	335	165
Income tax and social contribution	0	1
Loans and financing	504	540
Debentures	1.006	833
Dividends payable	0	274
Labor obligations	93	77
Leasing	39	30
Other obligations	589	552
Non-current	11.366	11.310
Loans and financing	3.688	2.896
Debentures	3.124	3.609
Swap derivative financial instruments	0	18
Taxes and contributions	218	348
Deferred taxes	0	202
Provisions for tax, civil, labor and regulatory risks	581	540
Leasing	60	46
Amounts to be refunded to consumers	3.652	3.606
Other obligations	43	46
Shareholders' Equity	5.380	5.158
Capital Stock	4.146	4.146
Capital reserves	7	7
Especial reserves		
Profit reserves	1.375	1.101
Other comprehensive income	(97)	(97)
Retained Earnings	-52	0
Total Liabilities	20.423	20.182

Light Energia (R\$ million)

ASSETS	2Q20	4Q19
Current	1.133	1.427
Cash & cash equivalents	179	342
Marketable securities	218	338
Receivable accounts	719	734
Recoverable taxes and contributions	5	2
Provided services	0	0
Inventories	5	4
Prepaid expenses	1	2
Other current assets	5	5
Non-current	2.410	1.570
Credits with related parties	503	0
Swap derivative financial instruments	471	124
Contingency deposits	4	3
Investments	136	136
Fixed assets	1.292	1.301
Intangible	2	2
Right-of-use assets	2	3
Total Assets	3.543	2.998
LIABILITIES	2Q20	4Q19
Current	1.414	1.392
Suppliers	1.339	1.285
Taxes and contributions payable	19	4
Income tax and social contribution	0	37
Loans and financing	13	11
Debentures	3	3
Dividends payable	-	-
Labor obligations	6	7
Leasing obligations	2	1
Other obligations	33	45
Non-current	1.463	1.102
Loans and financing	1.162	860
Debentures	12	15
Deferred taxes	277	199
Derivative financial instruments swap	0	16
Provisions for tax, civil and labor risks	3	3
Leasing obligations	1	2
Other obligations	8	8
Shareholders' Equity	583	503
Capital Stock	77	77
Profit reserves	25	25
Proposed additional dividends	0	84
Asset valuation adjustments	312	320
Other comprehensive income	(4)	(4)
Accumulated losses	172	0
Total Liabilities	3.543	2.998

ANNEX VI – Statement of Cash Flows

Light S.A. (R\$ million)

R\$ MN	1S20	1S19
Net cash generated by operating activities	333	400
Cash generated by (used in) operations	787	1.073
Net income before income tax and social contribution	171	312
Allowance for doubtful accounts	346	144
Depreciation and amortization	297	293
Loss from the sale or write-off of intangible assets/property, plant and equipment/investment	6	18
Exchange and inflation adjustment losses from financial activities	809	17
Financial provisions and update for tax, civil, labor and regulatory risks and financial update of deposits related to litigation	172	167
Adjustment to present value and prepayment of receivables	(0)	(1)
Interest expense on loans, borrowings and debentures	285	349
Interest over lease obligations	3	4
Swap variation	(1.020)	(79)
Equity in the earnings of subsidiaries	6	81
Effect of PIS/COFINS Credits	(20)	-
Stock option granted	5	-
Result from sale of equity stakes		
Fair value of the concession's indemnifiable assets	(3)	(96)
Recognition and restatement of financial assets and liabilities of the sector	(270)	(136)
Changes in assets and liabilities	(454)	(673)
Marketable securities	(9)	(8)
Consumers, concessionaires and permissionaires	(322)	(62)
Dividends received	-	-
Taxes, fees and contributions to offset	607	(98)
Financial assets and liabilities of the sector	251	115
Inventories	(1)	(2)
Receivables from services rendered	(5)	2
Prepaid expenses	4	4
Deposits related to litigation	(5)	(1)
Other assets	(37)	(180)
Assets and liabilities classified for sale		211
Suppliers	15	8
Labor obligations	(534)	(25)
Taxes, fees and contributions payable	(122)	(121)
Payment of provisions for tax, civil, labor and regulatory risks	-	-
Post-employment benefits	22	(141)
Other liabilities	43	38
Interest paid	(250)	(354)
Income tax and social contribution paid	(45)	(60)
		0
Net cash used in investing activities	(326)	(207)
Receivables from sale of equity stakes	-	14
Acquisition of property, plant and equipment	(23)	(20)
Acquisition of intangible and contractual assets	(364)	(346)
Permanent investment acquisitions/financial investments - Investees' contribution	(0)	(27)
Redemption of financial investments	835	982
Financial investments	(774)	(810)
Net cash generated by (used in) financing activities	(639)	(562)
Payment of lease obligations	(20)	(18)
Loans, borrowings and debentures	397	790
Amortization of loans, borrowings and debentures	(1.016)	(1.334)
Net increase (decrease) in cash and cash equivalents	(632)	(369)
Cash and cash equivalents at the beginning of the year	996	707
Cash and cash equivalents at the end of the year	365	338

Light SESA (R\$ million)

R\$ MN	1S20	1S19
Net cash generated by operating activities	89	103
Cash generated by (used in) operations	523	615
Net income before income tax and social contribution	(94)	(45)
Allowance for doubtful accounts	346	144
Depreciation and amortization	268	264
Loss from the sale or write-off of intangible assets/property, plant and equipment	6	16
Exchange and monetary losses (gains) from financial activities	506	28
Provisions for tax, civil, labor and regulatory risks and judicial deposits	172	167
Adjustment to present value and prepayment of receivables	(0)	(1)
Interest expense on loans, borrowings and debentures	253	306
Interest over lease obligations	3	4
Effect of PIS/COFINS Credits	(20)	-
Loss on investments valued at cost		
Swap variation	(645)	(37)
Fair value of the concession's indemnifiable assets		
Recognition and restatement of financial assets and liabilities of the sector	(645)	(96)
Changes in assets and liabilities	(434)	(511)
Marketable securities	43	10
Consumers, concessionaires and permissionaires	(338)	(155)
Taxes, fees and contributions to offset	609	(98)
Financial assets and liabilities of the sector	251	115
Inventories	(0)	(1)
Receivables from services rendered	(4)	2
Prepaid expenses	3	3
Deposits related to litigation	(5)	(0)
Other assets	(39)	(5)
Suppliers	(114)	159
Labor obligations	16	7
Taxes, fees and contributions payable	(549)	(18)
Provisions for tax, civil, labor and regulatory risks	(122)	(120)
Other liabilities	34	(141)
Derivative financial instruments - swaps		
Interest paid	(218)	(302)
Net cash used in investing activities	(480)	22
Acquisition of property, plant and equipment	(5)	(4)
Acquisition of intangible and contractual assets	(364)	(346)
Redemption of financial investments	609	666
Financial investments	(720)	(294)
Net cash generated by (used in) financing activities	(133)	(360)
Loans, borrowings and debentures	897	790
Amortization of loans, borrowings and debentures	(1.011)	(1.133)
Payment of lease obligations	(19)	(18)
Net increase (decrease) in cash and cash equivalents	(493)	(235)
Cash and cash equivalents at the beginning of the year	554	491
Cash and cash equivalents at the end of the year	61	256

Light Energia (R\$ million)

R\$ MN	1S20	1S19
Net cash generated by operating activities	238	356
Cash generated by (used in) operations	231	365
Net income before income tax and social contribution	243	263
Depreciation and amortization	28	28
Loss from the sale of intangible assets/property, plant and equipment	0	0
Exchange rate and monetary losses (gains) from financial activities	304	(11)
Provision for contingencies and restatement	(0)	0
Interest expense on loans, borrowings and debentures	35	43
Mutual income		
Swap variation	(375)	(42)
Equity in the earnings of subsidiaries	0	83
Changes in assets and liabilities	7	(9)
Marketable securities	(3)	(17)
Concessionaires and licensees	15	79
Taxes, fees and contributions	(3)	1
Services provided to receive	(1)	0
Inventories	(1)	(1)
Prepaid expenses	1	1
Deposits related to litigation	(0)	(0)
Other assets	0	(2)
Suppliers	53	6
Labor liabilities	(0)	0
Taxes, fees and contributions payable	15	(3)
Provisions	(0)	(0)
Other liabilities	(13)	0
Derivative financial instruments swap	12	3
Interest paid	(32)	(52)
Income tax and social contribution paid	(37)	(24)
Net cash used in investing activities	(0)	(0)
Acquisition of property, plant and equipment	(18)	(16)
Acquisition of intangible assets	(0)	(0)
Redemption of financial investments	330	316
Financial investments	(207)	(486)
Capital increase in investees	-	(21)
Loan granted to related parties	(500)	0
Net cash generated by (used in) financing activities	(5)	(201)
Payment of finance lease obligations	(1)	(1)
Borrowing, financing and debentures	-	(0)
Amortization of loans, borrowings and debentures	(4)	(200)
Net increase (decrease) in cash and cash equivalents	(163)	(52)
Cash and cash equivalents at the beginning of the year	342	90
Cash and cash equivalents at the end of the year	179	38

List of Abbreviations and Acronyms

- **ACL** – Free Contracting Environment
- **ANEEL** – National Electric Energy Agency
- **BNDES** – Brazilian Development Bank
- **CCEE** – Brazilian Electricity Trading Chamber
- **CCRBT** – Rate Tier Fund Account
- **CDE** – Energy Development Account
- **ACR Account** – Regulated Market Account
- **CUSD** – Distribution System Utilization Agreement
- **CUST** – Transmission System Utilization Agreement
- **CVA** – “A Component” Variation Offset Account
- **CVM** – Brazilian Securities Commission
- **DDSD** – Delegated Services Defense Office
- **DEC** – Equivalent Outage Duration
- **DIC** – Individual Outage Duration per Consumer Unit
- **DIT** – Other Distribution Facilities
- **ESS** – System Service Charges
- **FEC** – Equivalent Outage Frequency
- **FIC** – Individual Outage Frequency per Consumer Unit
- **GSF** – Generation Scaling Factor
- **IRT** – Annual Tariff Adjustment Index
- **O&M** – Operation and Maintenance
- **PCH** – Small Hydro Plant
- **PECLD** – Estimated Allowance for Doubtful Accounts
- **PLD** – Difference Settlement Price
- **PMSO** – Personnel, Materials, Services and Others
- **REN** – Energy Recovery
- **TOI** – Inspection Report
- **TUSD** – Distribution System Usage Charge
- **TUST** – Transmission System Usage Charge
- **UHE** – Hydropower Plant
- **UTE** – Thermal Power Plant
- **VNR** – New Replacement Value