

## Energisa S/A | Results for the 2nd quarter of 2020

**Cataguases, August 13, 2020** - The management of Energisa S/A (“Energisa” or “Company”) hereby presents its results for the second quarter (2Q20) and the first six months (6M20) of 2020.

### Quick Facts

**The billed rural and residential segments displayed resilience in a quarter deeply disrupted by the COVID-19 crisis**

- ✓ **Energisa is reporting Consolidated net income in the 1<sup>st</sup> half of 2020 of R\$ 493.7 million**, 311.7% more than 6M19. If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7<sup>th</sup> debentures issuance, the net income is R\$ 311.5 million or 1.7% less than the adjusted net income without non-recurring effects for the first half of 2019;
- ✓ **We reported a consolidated net loss of R\$ 88.0 million in 2Q20**, an increase of R\$ 79.1 million on the loss of R\$ 8.9 million reported in 2Q19. If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7<sup>th</sup> debentures issuance, the Company reports net income of R\$ 160.6 million in the quarter, 25.9% up on the same quarter the previous year.
- ✓ **Consolidated Adjusted EBITDA** amounted to R\$ 801.8 million in 2Q20, a decrease of 10.8% (R\$ 97.1 million) on the same period of 2019. Consolidated Adjusted EBITDA contracted by 4.1% (R\$ 73.1 million) in the half compared with the same period the previous year, to R\$ 1,730.8 million.
- ✓ **Cash, cash equivalents and short-term investments** grew by R\$ 61.2 million in the quarter, to R\$ 4,221.9 million in June 2020 compared with R\$ 4,160.7 million in March 2020;
- ✓ **Consolidated net debt** amounted to R\$ 13,922.3 million in June 2020, compared with R\$ 13,699.5 million in March 2020. This resulted in a ratio between net debt and Adjusted EBITDA of 3.7x;
- ✓ **Consolidated investment** amounted to R\$ 671.5 million in 2Q20, a decrease of 11.0% (R\$ 82.6 million) on the same period of the previous year.

Description	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
<b>Financial Indicators - R\$ million</b>						
Gross Operating Revenue	6,540.4	7,042.9	- 7.1	13,671.4	14,178.5	- 3.6
Net Operating Revenue, without construction revenue	3,873.7	4,019.3	- 3.6	8,078.7	8,346.5	- 3.2
Manageable costs and expenses	779.1	676.2	+ 15.2	1,500.6	1,397.7	+ 7.4
<b>EBITDA</b>	<b>727.4</b>	<b>819.0</b>	<b>- 11.2</b>	<b>1,576.0</b>	<b>1,646.7</b>	<b>- 4.3</b>
<b>Adjusted EBITDA</b>	<b>801.8</b>	<b>898.9</b>	<b>- 10.8</b>	<b>1,730.8</b>	<b>1,803.9</b>	<b>- 4.1</b>
<b>Net Income (Loss)</b>	<b>(88.0)</b>	<b>(8.9)</b>	<b>+ 892.9</b>	<b>493.7</b>	<b>119.9</b>	<b>+ 311.7</b>
Net Indebtedness <sup>(1)</sup>	13,922.3	11,869.3	+ 17.3	13,922.3	11,869.3	+ 17.3
Investment	671.5	754.1	- 11.0	1,386.6	1,299.2	+ 6.7
<b>Consolidated Operating Indicators</b>						
Billed captive energy sales (GWh)	7,030.8	7,388.4	- 4.8	14,755.6	14,976.7	- 1.5
Captive sales + Billed TUSD (GWh)	8,387.4	8,817.7	- 4.9	17,640.5	17,844.8	- 1.1
Captive sales + Unbilled TUSD (GWh)	8,155.7	8,782.4	- 7.1	17,435.1	17,845.0	- 2.3
Total Number of Consumers	7,852,060	7,754,693	+ 1.3	7,852,060	7,754,693	+ 1.3
Number of Own Staff	14,777	14,183	+ 4.2	14,777	14,183	+ 4.2
Work Force (own + outsourced staff) <sup>(2)</sup>	19,875	19,936	- 0.3	19,875	19,936	- 0.3

(1) Includes sector credits (CDE, CCC, CVA); (2) Excludes outsourced construction workers and outsourced workers of the DisCos registered as company staff at the Group's service providers.

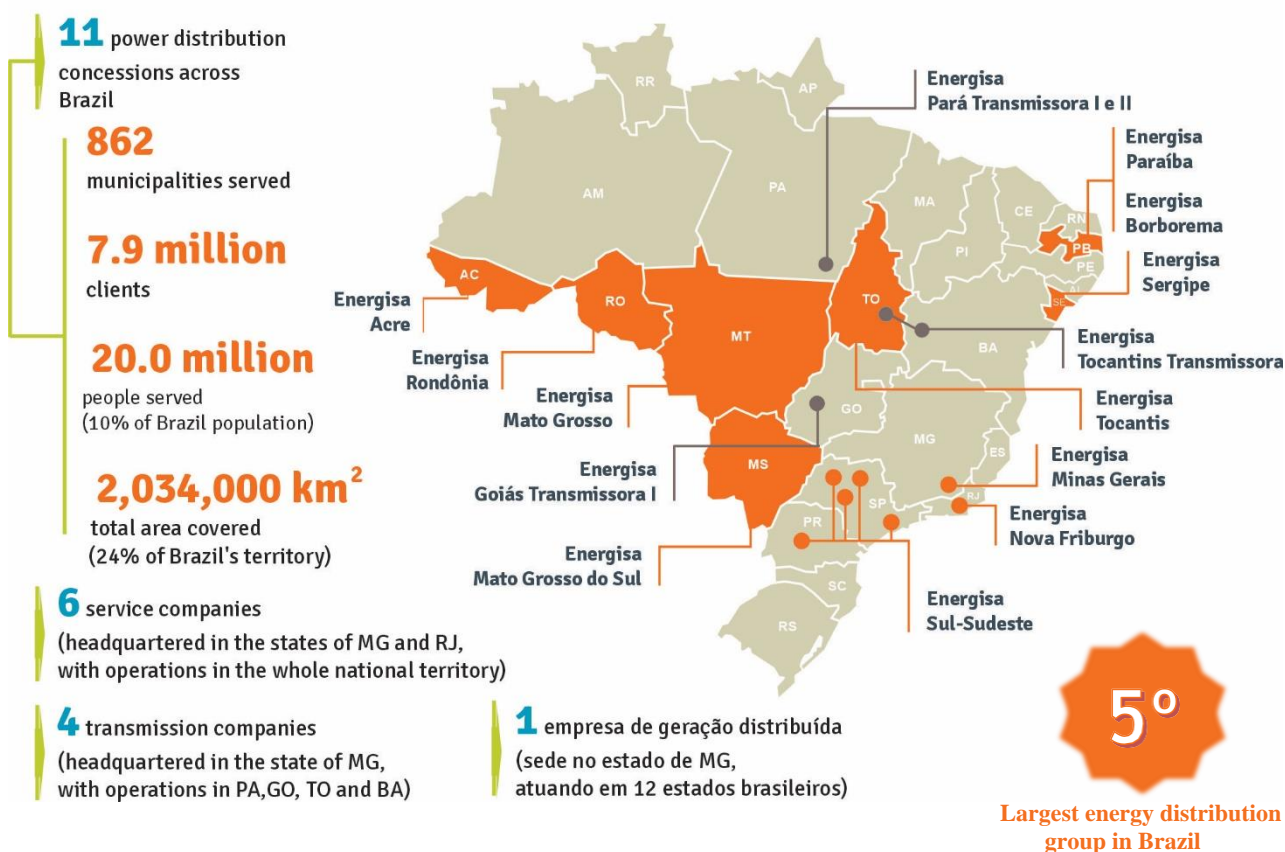
## 1. Corporate structure and profile

Energisa Group completed 115 years of history on February 26, 2020 and is the fifth largest energy distribution group in Brazil, serving approximately 7.8 million consumers in eleven Brazilian states, equal to 10% of Brazil's population.

The Company controls 11 DisCos located in the states of Minas Gerais, Sergipe, Paraíba, Rio de Janeiro, Mato Grosso, Mato Grosso do Sul, Tocantins, São Paulo, Paraná, Acre and Rondônia, with a concession area embracing 2,034 thousand Km<sup>2</sup>, equal to 24% of Brazil's landmass.

Energisa Group's activities also include the trading of energy and the provision of electricity-related services, operating in the distributed energy generation segment and electricity transmission assets, as acquired at the auctions successfully bid for in 2017 and 2018, i.e. Energisa Goiás Transmissora I, in operation since March 13, 2020, and three ventures under construction: Energisa Pará Transmissora I, Energisa Para Transmissora II and Energisa Tocantins Transmissora, with transmission lines totaling 1,343 km.

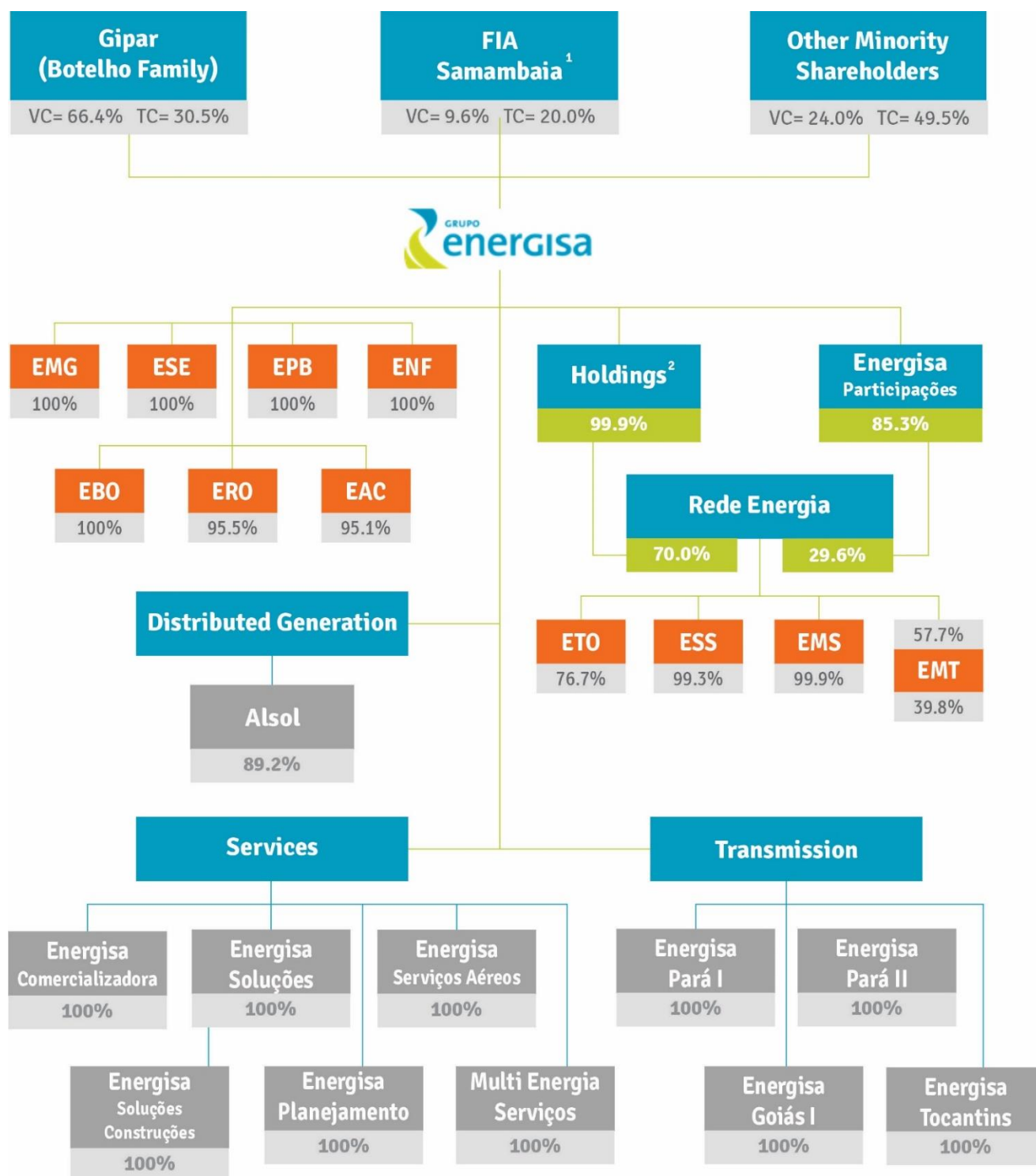
### ENERGISA GROUP COVERAGE AREA



### 1.1. Corporate Structure of Energisa Group

Energisa Group's share control is exercised by Gipar S.A., controlled by the Botelho Family. The Company is listed in Level 2 Corporate Governance of B3 and its most liquid shares are traded under the symbol ENGI11 (Units, certificates comprising one common share and four preferred shares). In addition to these securities, it has shares traded under the symbols ENGI3 (common shares) and ENGI4 (preferred shares).

See below the simplified ownership structure of Energisa Group:



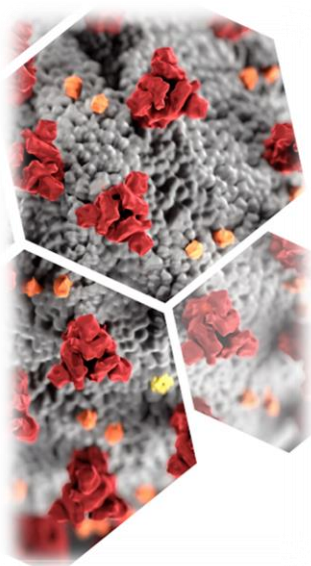
CV - Voting Capital | CT - Total Capital

(1) Shareholding held directly and indirectly through investment vehicles.

Directly and by way of holding companies, Energisa directly and indirectly owns 95.2% of Rede Energia

## 2. Operating performance

### 2.1 Energisa Group Initiatives - COVID-19 Crisis Committee



In response to the global Covid-19 pandemic declared in March this year by the World Health Organization (WHO), Energisa created a Covid 19 Crisis Committee tasked with implementing the best market practices possible to minimize the novel coronavirus' effects, to protect its employees and clients and to ensure the ongoing provision of essential services to society.

By way of Normative Resolution 878/2020 published by Aneel on March 24 and expiring on June 23, as a response to social isolation and quarantine measures the board meeting held June 15 decided to extend for another month, until July 31, the relaxation of concession agreement rules, such as prohibiting disconnections due to consumer delinquency for certain consumer units, such as residential consumers and essential services. Coupled with restrictions on suspending energy supplies, the isolation measures drove down consumption and revenue streams for electricity distribution concession operators in Brazil.

Decree 10.350/2020 was introduced to shore up energy distribution companies' financial liquidity, as was the Covid Account for the purpose of contracting and settling loans under the management of the Electric Trading Chamber (CCEE) and pass-throughs to the country's DisCos. The proceeds of this transaction for Energisa Group

were settled on 7/31/2020, as presented in the section Subsequent Events.

In its previous quarterly report, the company disclosed its initiatives to minimize the adverse effects on its business unleashed by COVID-19. The group of initiatives initially sought to strengthen the company to tackle this unprecedented crisis, with initiatives facing all stakeholders. On the People front, the main aim was to implement measures to protect the health of our employees and clients with a sweeping group of measures necessary to stop contamination. On the Society front, we sought to address the emergency situation in health care and support more vulnerable populations through our social movement Energia do Bem, with the participation of various Energisa Group companies and employees. We committed to donations totaling R\$ 8.0 million, with various social institutions and hospitals benefiting from equipment, COVID-19 testing kits, staple food hampers and funding to provide loans to micro and small companies operating in Energisa Group's concession areas. On the Financial Resilience front, in this quarter we sharply reduced our companies' manageable costs and preserved their cash reserves, as a swift response to the downturn in our DisCos' operating activities caused by the restrictions imposed by Normative Resolution 878, without compromising the quality of the essential services provided by our concessions.

Having successfully navigated this initial stage, in July Energisa Group initiated its staggered resumption plan, guaranteeing the safe return to work of employees who had been furloughed. In August we will also progress on the provision of safe services to clients, by physically equipping service centers for the public, in accordance with the sanitation rules established in each municipality. In order to think ahead of the curve and for safety reasons, we have tested and rolled out new technologies and learnings to operate in this new reality, constantly focusing on improving the Group's services to make our clients' lives more comfortable and easier, and to protect the safety of our employees.

### 2.2 Electricity sales

Consolidated free and captive electricity consumption contracted by 4.9% in the second quarter of 2020 (2Q20) compared with the same period last year, amounting to a total of 8,387.4 GWh. Consumption in the quarter was primarily affected by pandemic restrictions and influenced by warmer weather in the South-midwest and South-east regions. Commercial consumption bore the brunt (-19.1%), dropping across all distribution companies.

All DisCos saw consumption contract on the 2nd quarter of 2019, with the greatest losses in percentage terms occurring at ESE (-14.6%), which even if we disregard the effects of a major consumer migrating to the national grid (-10.6%) still represents the largest consumption downturn, followed by EPB (-8.6%), EMG (-8.1%) and ESS (-7.5%). In turn, the concession operators in the North and Midwest Region, EMT (-0.9%) and EMS (-1.3%), ERO (-2.2%) and ETO (-2.6%) experienced harsher downturns. A number of factors explain this regional difference, the first being the way Covid-19 has spread through the country. States in the South and South-east regions and Northeast saw more cases at first, which led to greater restrictions on production activities (trade and industry) and public services (schools/universities and government institutions). The second factor is related to each region's economic profile.



Regions with major agribusiness sectors excelled with bountiful harvests, production of protein and exports, especially the concession areas of EMT, EMS - and above all- ERO. However, areas with a greater dependency on industrial activity, such as textiles and clothing; automotive and non-metallic minerals; and commercial activities, as is the case of EPB, EBO, EMG and ESS, were hit harder by operating restrictions.

In the first half of 2020, Energisa Group's captive and free electricity consumption (17,640.5 GWh) dropped by 1.1% over the same period last year. The decrease in the first six months of the year was primarily due to the commercial (-9.0% or 323.9 GWh) and industrial (-4.9% or 179.3 GWh) sectors. Captive plus free energy consumption in the period rose significantly at the distribution companies: EMT (+2.4% or 104.6 GWh) and ERO (+1.7% or 25.6 GWh), driven at both by the residential and rural sectors; at EMT, industrial consumption also rose, propelled by higher production in the food product sector.

#### DisCo Energy sales

Description (Amounts in GWh)	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
✓ Billed sales to the captive market	7,030.8	7,388.4	- 4.8	14,755.6	14,976.7	- 1.5
✓ Energy transportation to free clients (TUSD)	1,356.6	1,429.3	- 5.1	2,884.9	2,868.1	+ 0.6
<b>Subtotal (Captive Sales + Billed TUSD)</b>	<b>8,387.4</b>	<b>8,817.7</b>	<b>- 4.9</b>	<b>17,640.5</b>	<b>17,844.8</b>	<b>- 1.1</b>
✓ Unbilled consumption	(231.7)	(35.3)	+ 556.2	(205.4)	0.3	-
<b>Subtotal (Captive Sales + Unbilled TUSD)</b>	<b>8,155.7</b>	<b>8,782.4</b>	<b>- 7.1</b>	<b>17,435.1</b>	<b>17,845.0</b>	<b>- 2.3</b>

According to the National Grid Operator (ONS), the country's energy load decreased 5.0% in the semester and 9.4% in the second quarter when compared to previous year. In the case of Energisa, its load fell by 0.1% and 4.4% in 6M20 and 2Q20.

### 3. Financial performance

#### 3.1 Net Profit (Loss)

In 2Q20 the consolidated result was a loss of R\$ 88.0 million, R\$ 79.1 million worse than in 2Q19.

If the aforesaid noncash effect of the mark-to-market of the subscription bonus underlying Energisa S/A's 7th issuance of R\$ 301.2 million and the extraordinary effects mentioned in the section EBITDA are disregarded, the consolidated result for the quarter would be net income of R\$ 160.6 million, 25.9% (R\$ 33.0 million) more than in 2Q19.

The consolidated net result in 6M20 was net income of R\$ 493.7 million in 6M20, 311.7% (R\$ 373.8 million) more than in 6M19. This result was affected by the aforesaid mark-to-market, with a positive impact of R\$ 139.3 million. If the aforesaid nonrecurring noncash effects were excluded, the profit in 6M20 would be R\$ 311.5 million, 1.7% (R\$ 5.4 million) less than in 6M19.

See below the consolidated net income (loss) of Energisa and its subsidiaries by segment:

Net income (loss) by Company Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
<b>Electricity distribution</b>	<b>223.0</b>	<b>253.8</b>	<b>- 12.1</b>	<b>457.4</b>	<b>541.5</b>	<b>- 15.5</b>
EMG	9.0	8.7	+ 3.5	18.4	25.0	- 26.4
ENF	1.7	2.1	- 14.9	4.7	7.0	- 32.0
ESE	25.9	35.4	- 27.0	65.4	75.8	- 13.6
EBO	6.5	10.5	- 38.4	14.4	17.0	- 15.4
EPB	56.2	70.1	- 19.8	152.2	156.4	- 2.7
EMT	74.9	127.5	- 41.2	111.8	246.5	- 54.6
EMS	31.9	65.9	- 51.6	116.6	164.5	- 29.1
ETO	36.0	65.9	- 45.3	49.8	103.2	- 51.8
ESS	22.9	21.2	+ 7.8	46.8	52.5	- 10.9
ERO	(29.3)	(143.7)	+ 79.6	(136.8)	(285.9)	+ 52.1
EAC	(12.7)	(9.8)	- 30.6	14.1	(20.5)	-
<b>Sales, energy services and other</b>	<b>44.9</b>	<b>21.1</b>	<b>+ 112.9</b>	<b>64.1</b>	<b>29.7</b>	<b>+ 115.7</b>
ECOM	11.8	6.0	+ 98.1	(8.8)	(8.0)	- 9.3
ESOL Consol.	(0.2)	0.2	-	1.7	1.1	+ 64.7
MULTI	1.4	1.3	+ 4.8	3.1	3.8	- 19.0
EGO	9.1	11.1	- 17.9	23.0	20.0	+ 15.0
EPAI	21.1	9.4	+ 125.5	42.2	18.0	+ 134.1
EPAL	10.5	2.0	+ 432.6	14.7	2.4	+ 522.2
ETT	2.0	0.3	+ 565.0	3.3	-	-
Others	(10.8)	(9.1)	- 18.3	(15.0)	(7.4)	- 101.8
<b>Holding companies (without equity income)</b>	<b>(298.9)</b>	<b>(245.5)</b>	<b>- 21.8</b>	<b>90.5</b>	<b>(420.6)</b>	<b>-</b>
ESA Parent company	(296.4)	(241.3)	- 22.8	110.5	(408.3)	-
Rede parent company	2.9	4.8	- 40.5	(6.7)	3.4	-
DENERGE	(9.9)	(9.7)	- 2.2	(17.4)	(19.4)	+ 10.3
Other holding companies	4.5	0.7	+ 538.5	4.1	3.6	+ 12.3
<b>Business combination - Pro forma adjustments</b>	<b>(57.0)</b>	<b>(38.2)</b>	<b>- 49.0</b>	<b>(118.3)</b>	<b>(30.6)</b>	<b>- 286.9</b>
<b>Energisa Consolidated</b>	<b>(88.0)</b>	<b>(8.9)</b>	<b>- 892.9</b>	<b>493.7</b>	<b>119.9</b>	<b>+ 311.7</b>

### Reconciliation of net income and EBITDA

Reconciliation of net income and EBITDA Amounts in R\$ million	Quarter			Accumulated		
	2Q20	2Q19	Change %	6M20	6M19	Change %
<b>(=) Consolidated net income (loss)</b>	<b>(88.0)</b>	<b>(8.9)</b>	<b>+ 892.9</b>	<b>493.7</b>	<b>119.9</b>	<b>+ 311.7</b>
(-) Income and social contribution taxes	(73.2)	(90.8)	- 19.4	(163.2)	(256.0)	- 36.3
(-) Financial income/expenses	(442.0)	(468.6)	- 5.7	(317.9)	(701.8)	- 54.7
(-) Depreciation and amortization	(300.2)	(268.5)	+ 11.8	(601.2)	(569.0)	+ 5.7
<b>(=) EBITDA</b>	<b>727.4</b>	<b>819.0</b>	<b>- 11.2</b>	<b>1,576.0</b>	<b>1,646.7</b>	<b>- 4.3</b>
(+) Revenue from interest on overdue energy bills	74.4	79.9	- 7.0	154.8	157.2	- 1.5
<b>(=) Adjusted EBITDA</b>	<b>801.8</b>	<b>898.9</b>	<b>- 10.8</b>	<b>1,730.8</b>	<b>1,803.9</b>	<b>- 4.1</b>
EBITDA Margin (%)	16.5	17.4	- 0.9 p.p.	17.2	17.4	- 0.2 p.p.
Adjusted EBITDA Margin (%)	18.2	19.1	- 0.9 p.p.	18.9	19.1	- 0.2 p.p.

#### 4. Investments

In 2Q20 Energisa and its subsidiaries made investments of R\$ 671.5 million, 11.0% less than in 2Q19 (R\$ 754.6 million). If we only consider the DisCos, this amount was R\$ 568.4 million, a decrease of 15.3%.

The following investments were made:

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %	2Q20	2Q19	Change %
EMG	25.9	16.4	+ 57.9	0.0	0.6	- 96.3	1.2	3.2	- 61.5	27.2	20.2	+ 34.4
ENF	4.5	2.5	+ 81.5	0.2	-	-	0.3	0.4	- 35.5	5.0	2.9	+ 71.0
ESE	20.5	18.4	+ 11.5	(0.5)	2.2	-	2.0	1.8	+ 11.3	22.0	22.4	- 1.6
EBO	4.3	2.8	+ 55.0	0.1	0.4	- 70.3	0.2	1.1	- 80.0	4.7	4.3	+ 8.8
EPB	45.7	41.2	+ 11.0	0.3	2.4	- 88.1	3.3	1.8	+ 83.3	49.3	45.4	+ 8.7
EMT	73.1	161.1	- 54.6	49.7	5.2	+ 855.3	5.1	7.0	- 27.2	127.9	173.3	- 26.2
EMS	46.7	54.1	- 13.8	2.7	3.8	- 29.1	2.7	3.4	- 21.1	52.0	61.3	- 15.1
ETO	45.1	68.8	- 34.5	0.8	4.1	- 80.9	2.2	3.4	- 34.6	48.1	76.3	- 37.0
ESS	44.6	36.9	+ 20.8	1.9	3.7	- 48.5	2.3	2.6	- 13.2	48.7	43.2	+ 12.8
ERO	110.0	127.2	- 13.5	19.4	41.0	- 52.6	4.4	13.1	- 66.7	133.8	181.3	- 26.2
EAC	45.0	39.7	+ 13.3	1.1	(2.6)	-	3.6	3.2	+ 13.7	49.7	40.3	+ 23.3
<b>Total DisCos</b>	<b>465.4</b>	<b>569.1</b>	<b>- 18.2</b>	<b>75.7</b>	<b>60.8</b>	<b>+ 24.4</b>	<b>27.3</b>	<b>41.0</b>	<b>- 33.5</b>	<b>568.4</b>	<b>670.9</b>	<b>- 15.3</b>
EPA I	13.4	26.5	- 49.5	-	-	-	-	-	-	13.4	26.5	- 49.5
EPA II	53.0	14.2	+ 273.0	-	-	-	-	-	-	53.0	14.2	+ 273.0
EGO I	8.6	27.8	- 69.0	-	-	-	-	-	-	8.6	27.8	- 69.0
ETT	7.2	1.2	+ 496.7	-	-	-	-	-	-	7.2	1.2	+ 496.7
ESOL Consolidated	0.0	0.80	-	-	-	-	3.2	2.3	+ 37.5	3.2	3.1	+ 2.0
Others	0.10	-	-	-	-	-	17.8	10.4	+ 63.1	17.9	10.4	+ 64.0
<b>Total</b>	<b>547.7</b>	<b>639.6</b>	<b>- 14.4</b>	<b>75.7</b>	<b>60.8</b>	<b>+ 24.4</b>	<b>48.2</b>	<b>53.7</b>	<b>- 11.0</b>	<b>671.5</b>	<b>754.1</b>	<b>- 11.0</b>

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	6M20	6M19	Change %	6M20	6M19	Change %	6M20	6M19	Change %	6M20	6M19	Change %
EMG	36.7	25.8	+ 42.3	(0.1)	8.4	-	3.2	10.1	- 68.0	39.8	44.3	- 10.2
ENF	7.1	5.4	+ 32.2	0.2	0.1	+ 117.0	0.4	0.6	- 41.3	7.7	6.1	+ 26.4
ESE	38.8	34.2	+ 13.5	1.6	3.1	- 46.9	4.5	2.8	+ 59.3	44.9	40.1	+ 12.0
EBO	8.6	5.1	+ 68.4	0.3	1.2	- 75.9	0.3	1.6	- 81.5	9.2	7.9	+ 16.1
EPB	88.5	74.2	+ 19.2	1.4	8.4	- 83.1	5.8	5.4	+ 7.8	95.7	88.0	+ 8.8
EMT	155.6	326.5	- 52.4	114.6	(2.1)	-	7.8	9.7	- 19.9	277.9	334.1	- 16.8
EMS	88.2	106.1	- 16.9	9.7	7.2	+ 34.2	5.3	5.5	- 2.8	103.2	118.8	- 13.2
ETO	90.0	129.5	- 30.5	3.6	5.2	- 30.4	4.6	5.0	- 8.4	98.2	139.7	- 29.7
ESS	83.9	59.1	+ 41.9	6.1	6.9	- 11.5	4.3	6.0	- 27.8	94.3	72.0	+ 31.0
ERO	269.6	161.4	+ 67.0	43.7	63.1	- 30.8	9.4	13.2	- 28.5	322.7	237.7	+ 35.8
EAC	93.5	59.3	+ 57.6	3.2	9.0	- 64.7	11.0	3.3	+ 232.6	107.6	71.6	+ 50.3
<b>Total DisCos</b>	<b>960.3</b>	<b>986.6</b>	<b>- 2.7</b>	<b>184.3</b>	<b>110.5</b>	<b>+ 66.8</b>	<b>56.6</b>	<b>63.2</b>	<b>- 10.4</b>	<b>1,201.2</b>	<b>1,160.3</b>	<b>+ 3.5</b>
EPA I	33.6	52.8	- 36.4	-	-	-	-	-	-	33.6	52.8	- 36.4
EPA II	74.9	16.6	+ 351.4	-	-	-	-	-	-	74.9	16.6	+ 351.4
EGO I	32.8	49.6	- 33.8	-	-	-	-	-	-	32.8	49.6	- 33.8
ETT	10.2	1.2	+ 750.2	-	-	-	-	-	-	10.2	1.2	+ 750.2
ESOL Consolidated	-	1.0	-	-	-	-	3.8	4.1	- 7.9	3.8	5.1	- 25.9
Others	0.1	-	-	-	-	-	30.0	13.6	+ 112.6	30.1	13.6	+ 113.7
<b>Total</b>	<b>1,112.0</b>	<b>1,107.8</b>	<b>+ 0.4</b>	<b>184.3</b>	<b>110.5</b>	<b>+ 66.8</b>	<b>90.4</b>	<b>80.9</b>	<b>+ 11.0</b>	<b>1,386.6</b>	<b>1,299.2</b>	<b>+ 6.7</b>

## 5. Capital market

### 5.1 Stock performance

Traded on B3, the Energisa shares with the greatest liquidity ENGI11 - Units (consisting of 1 common share and 4 preferred shares) gained 7.6% in 2Q20, and closed the year quoted at R\$ 49.0 per Unit. Over the same period, the main stock exchange index, Ibovespa, shed 5.8%, while the IEE index gained 9.9%. See below the market indicators of Energisa's shares in the year:

	June/20	June/19	Change %
<b>Market indexes</b>			
Enterprise value (EV - R\$ million) <sup>(1)</sup>	33,104.3	28,592.3	+ 15.8
Market value at the end of the year (R\$ million)	17,782.7	16,723.0	+ 6.3
Average daily volume traded in the year - Units (R\$ million)	88.3	60.3	+ 46.4
<b>Share prices</b>			
ENGI11 (Unit) closing price at the end of the year (R\$ /Unit)	49.0	46.1	+ 6.3
ENGI3 (ON) closing price at the end of the year (R\$ /share)	12.3	14.0	- 12.1
ENGI4 (PN) closing price at the end of the year (R\$ /share)	8.7	8.0	+ 8.7
<b>Relative indicators</b>			
Dividend yield of ENGI11 (Units) - % <sup>(2)</sup>	1.2	2.2	- 45.5
Total return to Units shareholder (TSR) - %	7.6	61.2	- 87.6
Market Value / Shareholders' Equity (times)	3.4	3.0	+ 13.3

(1) EV = Market value (R\$/share vs. number of shares) + consolidated net debt.

(2) Dividends paid out in the last four quarters / closing price of the Units.

### 5.2 Distribuição de dividendos

O Conselho de Administração da Energisa S/A ("Companhia") em reunião realizada, nesta data, deliberou o pagamento de dividendos no montante de R\$ 101,6 milhões, equivalente a R\$ 0,28 (vinte e oito centavos) por Units e R\$ 0,056 por ação ordinária e preferencial de emissão da Companhia, apurados conforme resultados da Companhia até 30 de junho de 2020. O pagamento será efetuado a partir de 26 de agosto de 2020. Farão jus aos dividendos os acionistas da Companhia detentores de ações 18 de agosto de 2020, respeitadas as negociações em Bolsa até esta data. Dessa forma, a partir 19 de agosto de 2020, as ações da Companhia serão negociadas "ex-dividendos".

## 6. Subsequent Events

### 6.1 Rate Adjustments

#### Energisa Sul Sudeste - ESS

On July 07, 2020 ANEEL Resolution 2.722 and Technical Note 114/2020 SGT/ANEEL ratified the rate adjustment, in force since July 12, 2020. The rate impact felt by consumers was an average increase of 4.87%.

#### Energisa Tocantins - ETO

On July 03, 2020 ANEEL Resolution 2.720 and Technical Note 109/2020 SGT/ANEEL ratified the 5th rate review, in force since July 04, 2020. The average effect to be felt by consumers in relation to the previous rate in place was an increase of 7.17%.

### 6.2 Loan from the Covid-19 Account - Decree 10.350/2020

Issued May 18, 2020, this Decree uses the contracting and settlement of loans from a syndicate of banks to allocate funds to fully or partly cover the financial effects of energy overcontracting, recording a balance in the Compensation Account for Parcel A variation - CVA, countering sector charges, and postponing until June 30, 2020 the results of the electricity DisCo rate processes ratified by the same date, unamortized balance of CVA recognized in the latest rate process, unamortized balance of deferrals recognized or reversed in the latest rate process and advancement of the regulatory asset for the B Parcel.



The main object of creating the COVID PANDEMIC ACCOUNT was to postpone for up to 5 years increases in energy bills that would have been charged within up to 1 year and to also shore up the liquidity of distribution concession operators that have been especially impacted by lower demand and rising delinquency, also protecting other electric sector agents. The amounts in the COVID ACCOUNT will be included in the rate coverage of DisCos as from the 2021 rate processes and will remain for the time necessary to fully amortize the financial operations.

Under article 7 of ANEEL Normative Resolution 885/2020, the CCEE acts as the guarantor and owner of the entire process of running the COVID ACCOUNT. Under art. 8 of the Normative Resolution, the pass-throughs made by the COVID ACCOUNT to concession operators will generate an Accounts Receivable at the CCEE linked to the CDE fund, which will be the debtor and not the concession operator directly.

Because of this, on July 03, 2020 the electricity distribution subsidiaries submitted a request for funds from the COVID ACCOUNT of R\$ 1.4 billion, of which R\$ 5.5 million consists of deferrals and financing of the A Group's contracted demand, R\$ 121.1 million for advancing the financial sector asset for Parcel B and R\$ 1.2 billion for the comprehensive coverage of other constant items.

See the amounts contracted by the DisCos:

Subsidiaries (R\$ MM)	Demand installments (group A)	Advance of parcel B	Financial sector assets	Total	Incoming funds - 7/31/2020 (*)	Incoming funds - 8/12/2020 (*)	Incoming funds - Sep to Dec/2020
Energisa Mato Grosso	-	-	378.0	378.0	206.5	31.3	140.2
Energisa Mato do Grosso do Sul	-	-	296.3	296.3	231.5	24.5	40.2
Energisa Tocantins	-	-	36.6	36.6	23.2	4.0	9.3
Energisa Sul Sudeste	-	-	97.4	97.4	97.4	-	-
Energisa Paraiba	-	-	87.0	87.0	62.0	11.6	13.4
Energisa Sergipe	-	-	47.0	47.0	47.0	-	-
Energisa Minas Gerais	-	-	49.9	49.9	49.3	0.6	-
Energisa Borborema	-	-	13.2	13.2	5.8	1.4	5.9
Energisa Nova Friburgo	-	-	7.0	7.0	6.7	0.2	-
Energisa Rondônia	4.0	71.4	205.4	280.8	201.4	8.0	71.4
Energisa Acre	1.5	49.7	15.1	66.3	66.3	-	-
<b>Total</b>	<b>5.5</b>	<b>121.1</b>	<b>1,232.8</b>	<b>1,359.4</b>	<b>997.1</b>	<b>81.9</b>	<b>280.4</b>

(\*) ANEEL Order 2.177 issued July 24, 2020.

### 6.3 Advance of dividends for FY 2020 - Subsidiaries

The Minutes from the Board of Directors and Executive Board meeting held August 13, 2020 approved the distribution of interim dividends based on the statement of financial position of the subsidiaries as of June 30, 2020 and profit reserves, as follows:

Subsidiaries (R\$ MM)	Dividend amount	Amount per share R\$	Payment date
<b>Interim:</b>			
Rede Energia Participações S/A	196.3	0.093000 ON	From August 18, 2020
Energisa Participações Minoritárias S/A	104.2	0.1460734451700 ON 0.5657205878900 PN	From August 18, 2020
Rede Power do Brasil S/A	20.0	76.078200 ON	From August 14, 2020
Denerge Desenvolvimento Energético S/A	122.6	157.819700 ON	From August 14, 2020
<b>Profit Reserves</b>			
Denerge Desenvolvimento Energético S/A	14.8	19.093800 ON	From August 14, 2020

## 7. Services rendered by the independent auditor

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In the first half of 2020 the auditors Ernst & Young Auditores Independientes S.S. received overall compensation of R\$ 2.2 million for reviewing the financial statements of the Company and its subsidiaries.

The Company's engagement policy complies with the principles that sustain the auditor's independence, in accordance with existing standards, which mainly determine that the auditor should not audit its own work, perform managerial duties for its client or pursue its interests.

Management.

## Financial Statements

### ITR - Quarterly Information - 6/30/2020

Individual Financial Statements - Statement of Financial Position - Assets - (Thousands of Reais)

Account Code	Account Description	Current Quarter 6/30/2020	Previous Year 12/31/2019
1	Total Assets	12,278,787	11,772,144
1.01	Current Assets	959,520	985,232
1.01.01	Cash and Cash Equivalents	295,037	68,423
1.01.02	Short-term investments	437,156	710,030
1.01.02.01	Short-term investments appraised at fair value through profit and loss	437,156	710,030
1.01.02.01.01	Marketable Securities	437,156	710,030
1.01.03	Accounts Receivable	43,470	40,640
1.01.03.01	Trade receivables	43,470	40,640
1.01.04	Inventory	293	183
1.01.06	Recoverable taxes	69,585	99,837
1.01.08	Other Current Assets	113,979	66,119
1.01.08.03	Other	113,979	66,119
1.01.08.03.01	Dividends receivable	1,289	10,614
1.01.08.03.02	Derivative financial instruments	78,959	15,756
1.01.08.03.04	Credit receivables	25	76
1.01.08.03.05	Other accounts receivable	33,706	39,673
1.02	Noncurrent Assets	11,319,267	10,786,912
1.02.01	Long-Term Assets	2,967,503	2,562,022
1.02.01.01	Short-term investments appraised at fair value through profit and loss	1,791,429	1,776,332
1.02.01.09	Related-party credits	1,018,097	668,380
1.02.01.10	Other Noncurrent Assets	157,977	117,310
1.02.01.10.04	Escrows and secured bonds	682	382
1.02.01.10.06	Recoverable taxes	95,275	35,427
1.02.01.10.07	Derivative Financial Instruments	-	19,481
1.02.01.10.08	Other accounts receivable	62,020	62,020
1.02.02	Investments	8,261,645	8,134,958
1.02.02.01	Equity Interests	8,261,645	8,134,958
1.02.02.01.02	Interests in Subsidiaries	8,195,729	8,061,348
1.02.02.01.04	Other Investments	65,916	73,610
1.02.03	Property, plant and equipment	61,383	63,922
1.02.04	Intangible assets	28,736	26,010
1.02.04.01	Intangible assets	28,736	26,010

## ITR - Quarterly Information - 6/30/2020

## Individual Financial Statements - Statement of Financial Position - Liabilities - (Thousands of Reais)

Account Code	Account Description	Current Quarter 6/30/2020	Previous Year 12/31/2019
2	Total Liabilities	12,278,787	11,772,144
2.01	Current Liabilities	2,225,602	1,693,066
2.01.02	Trade payables	1,567	17,462
2.01.04	Loans and Financing	1,799,246	1,132,641
2.01.04.01	Loans and Financing	772,015	163,257
2.01.04.01.01	In local currency	546,536	-
2.01.04.01.02	In foreign currency	225,479	163,257
2.01.04.02	Debentures	1,027,231	969,384
2.01.05	Other Liabilities	424,789	542,963
2.01.05.02	Other	424,789	542,963
2.01.05.02.01	Dividends and interest on equity payable	1,336	78,839
2.01.05.02.04	Debt charges	20,606	11,933
2.01.05.02.05	Estimated obligations	12,559	9,949
2.01.05.02.06	Post-employment benefits	2,127	2,127
2.01.05.02.07	Taxes and social contributions recoverable	19,445	13,021
2.01.05.02.08	Derivative financial instruments	303,826	350,243
2.01.05.02.10	Operating leases	63	112
2.01.05.02.11	Other liabilities	64,827	76,739
2.02	Noncurrent Liabilities	3,931,852	4,380,820
2.02.01	Loans and Financing	2,492,713	3,178,764
2.02.01.01	Loans and Financing	150,000	613,133
2.02.01.01.01	In local currency	150,000	449,875
2.02.01.01.02	In foreign currency	-	163,258
2.02.01.02	Debentures	2,342,713	2,565,631
2.02.02	Other Liabilities	1,121,976	883,421
2.02.02.01	Related-party Liabilities	314,946	-
2.02.02.01.04	Debts to other related parties	314,946	-
2.02.02.02	Other	807,030	883,421
2.02.02.02.04	Provisions for labor, civil and tax risks	119	3,164
2.02.02.02.05	Post-employment benefits	9,749	8,686
2.02.02.02.06	Derivative financial instruments	608,777	701,541
2.02.02.02.10	Operating Leases	590	607
2.02.02.02.11	Taxes and social contributions recoverable	746	564
2.02.02.02.12	Other Liabilities	187,049	168,859
2.02.03	Deferred Taxes	317,163	318,635
2.02.03.01	Deferred Income and Social Contribution Taxes	317,163	318,635
2.03	Equity	6,121,333	5,698,258
2.03.01	Realized Capital	3,363,685	3,363,685
2.03.02	Capital Reserves	339,733	347,523
2.03.02.07	Stock issuance cost	(65,723)	(65,723)
2.03.02.09	Other Capital Reserves	405,456	413,246
2.03.04	Profit Reserves	2,290,754	2,332,052
2.03.04.01	Legal Reserve	229,611	229,611
2.03.04.05	Profit Retention Reserve	2,061,143	2,061,143
2.03.04.08	Additional dividend proposed	-	41,298
2.03.05	Retained earnings/Accumulated losses	472,163	-
2.03.08	Other Comprehensive Income	(345,002)	(345,002)

## ITR - Quarterly Information - 6/30/2020

Individual Financial Statements / Income Statement - (Thousands of Reais)

Account Code	Account Description	Current Quarter 4/1/2020 to 6/30/2020	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Same Quarter of the Prior Year 4/1/2019 to 6/30/2019	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
3.01	Revenue from Goods and/or Services Sold	55,299	112,011	55,383	102,418
3.02	Cost of Goods and/or Services Sold	(30,052)	(58,223)	(235)	(27,226)
3.02.01	Personnel and management	(25,522)	(49,885)	9	(22,008)
3.02.02	Post-employment benefits	(409)	(817)	(358)	(718)
3.02.03	Material	(140)	(449)	14	(243)
3.02.04	Outsourced Services	(3,110)	(5,191)	43	(2,606)
3.02.05	Amortization and Depreciation	(557)	(1,115)	43	(1,554)
3.02.06	Other Expenses	(314)	(766)	14	(97)
3.03	Gross Profit	25,247	53,788	55,148	75,192
3.04	Operating Income/Expenses	178,582	330,256	166,448	435,704
3.04.01	Sales Expenses	-	-	-	-
3.04.02	General and Administrative Expenses	(13,226)	(27,616)	(43,957)	(55,218)
3.04.02.02	Personnel and management	(3,647)	(8,774)	(26,712)	(28,191)
3.04.02.03	Post-employment benefits	1,444	854	(473)	(885)
3.04.02.04	Material	(498)	(805)	(393)	(662)
3.04.02.05	Outsourced Services	(7,462)	(14,327)	(13,272)	(20,721)
3.04.02.06	Amortization and Depreciation	(2,575)	(4,950)	(2,451)	(3,258)
3.04.02.07	Provisions for labor, civil and tax risks	802	3,063	(40)	(85)
3.04.02.08	Other	(1,290)	(2,677)	(616)	(1,416)
3.04.04	Other Operating Income	-	-	44	88
3.04.04.02	Other	-	-	44	88
3.04.05	Other Operating Expenses	-	(29)	-	-
3.04.05.02	Other expenses	-	(29)	-	-
3.04.06	Equity in Net Income of Subsidiaries	191,808	357,901	210,361	490,834
3.05	Earnings before financial income/loss and tax	203,829	384,044	221,596	510,896
3.06	Finance Income/Loss	(307,698)	82,927	(258,694)	(432,317)
3.06.01	Financial Revenue	38,560	95,610	53,483	107,463
3.06.01.01	Revenue from short-term investments	14,669	53,679	39,236	82,139
3.06.01.02	Revenue from loan restatement	18,011	31,199	9,532	15,702
3.06.01.03	Endorsement revenue	7,471	14,528	6,398	13,003
3.06.01.04	Taxes on finance revenue	(2,009)	(4,911)	(2,677)	(5,400)
3.06.01.05	Other financial revenue	418	1,115	994	2,019
3.06.02	Financial Expenses	(346,258)	(12,683)	(312,177)	(539,780)
3.06.02.01	Charges and debts - interest	(63,614)	(131,252)	(133,528)	(223,371)
3.06.02.02	Mark-to-market of derivatives	(304,665)	141,631	(183,829)	(308,443)
3.06.02.03	Derivative financial instruments	26,115	117,911	(7,105)	1,408
3.06.02.04	Debt charges - monetary and exchange variance	(1,374)	(128,394)	25,222	-
3.06.02.05	Bank expenses	(146)	(242)	(103)	(273)
3.06.02.06	IOF	-	-	-	-
3.06.02.07	Endorsement expenses	(3,130)	(6,261)	(3,049)	(6,099)
3.06.02.08	Restatement of loans	(2,783)	(2,783)	(116)	(226)
3.06.02.09	Mark-to-market of debt securities	3,421	(2,381)	(9,639)	(2,613)
3.06.02.10	Other financial expenses	(82)	(912)	(30)	(163)
3.07	Earnings before tax on net income	(103,869)	466,971	(37,098)	78,579
3.08	Income and Social Contribution Taxes on Profit	(712)	1,471	6,145	3,990
3.08.02	Deferred charges	(712)	1,471	6,145	3,990
3.09	Net Income from Continued Operations	(104,581)	468,442	(30,953)	82,569
3.11	Net income/loss for the period	(104,581)	468,442	(30,953)	82,569
3.99.01.01	Common	(0.06)	0.26	(0.03)	0.05
3.99.01.02	Preferred	(0.06)	0.26	(0.03)	0.05
3.99.02.01	Common	(0.06)	0.26	(0.03)	0.05
3.99.02.02	Preferred	(0.06)	0.26	(0.03)	0.05



**ITR - Quarterly Information - 6/30/2020**

Individual Financial Statements / Statement of Comprehensive Income - (Thousands of Reais)

Account Code	Account Description	Current Quarter 4/1/2020 to 6/30/2020	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Same Quarter of the Prior Year 4/1/2019 to 6/30/2019	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
4.01	Net Income for the Period	(104,581)	468,442	(30,953)	82,569
4.03	Comprehensive Income for the Period	(104,581)	468,442	(30,953)	82,569

**ITR - Quarterly Information - 6/30/2020**

Individual Financial Statements / Statement of Cash Flows - Indirect Method - (Thousands of Reais)

Account Code	Account Description	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
6.01	Net Cash from Operating Activities	(11,437)	(10,846)
6.01.01	Cash Provided by Operating Activities	21,648	16,345
6.01.01.01	Net Income for the Period	468,442	82,569
6.01.01.03	Expenses on interest and monetary and exchange variance - net	163,045	112,822
6.01.01.04	Equity in income of associates	(357,901)	(490,834)
6.01.01.05	Amortization and Depreciation	6,065	4,812
6.01.01.08	Income and social contribution taxes	(1,471)	(3,990)
6.01.01.09	Provision for labor, civil and tax risks:	162	85
6.01.01.10	Derivative financial instruments	(117,911)	(1,408)
6.01.01.11	Mark-to-market of derivatives	(141,631)	308,443
6.01.01.12	Mark-to-market of debts	2,381	2,613
6.01.01.13	(Gain) Loss on the sale of assets	29	(88)
6.01.01.14	Variable compensation program (ILP)	438	1,321
6.01.02	Changes in Assets and Liabilities	(33,085)	(27,191)
6.01.02.01	(Increase) in receivables	(2,830)	(12,526)
6.01.02.02	(Increase) decrease in escrow deposits	(300)	(13)
6.01.02.03	Increase (decrease) in inventories	(110)	21
6.01.02.04	(Increase) in recoverable taxes	(29,596)	(17,313)
6.01.02.05	Decrease in credit receivables	51	72
6.01.02.07	Decrease in other accounts receivable	20,466	9,904
6.01.02.08	(Decrease) in trade payables	(15,895)	(1,663)
6.01.02.09	(Decrease) in payroll	-	-
6.01.02.10	Increase in taxes and social contributions	6,605	2,465
6.01.02.11	Increase in estimated obligations	2,610	2,526
6.01.02.14	Labor, civil and tax claims paid	(3,225)	-
6.01.02.15	(Decrease) in other accounts payable	(10,861)	(10,664)
6.02	Net Cash from Investment Activities	556,631	(210,276)
6.02.01	Capital increase and acquisition of shares in subsidiaries and other investments	(2,084)	(660,246)
6.02.02	Acquisition of property, plant and equipment	(383)	(6,405)
6.02.03	Additions to Intangible assets	(5,869)	(3,400)
6.02.04	Receipt of dividends	255,012	667,982
6.02.05	Short-term investments and secured funds	311,456	(47,720)
6.02.06	Goodwill paid in the acquisition of subsidiaries	(1,501)	-
6.02.07	Sale of PP&E and intangible assets	-	58
6.02.08	Related parties	-	(160,545)
6.03	Net Cash from Financing Activities	(318,580)	(77,090)
6.03.01	New loans and financing obtained	309,152	799,482
6.03.03	Payment of loans, debentures - principal	(452,421)	(395,385)
6.03.04	Payment of loans, debentures - interest	(129,531)	(139,791)
6.03.05	Settlement of derivative financial instruments	76,568	11,759
6.03.06	Payment of dividends	(115,923)	(290,005)
6.03.08	Related parties	(6,355)	-
6.03.10	Acquisition of additional NCI	-	(63,099)
6.03.11	Payment under Financial Lease	(70)	(51)
6.05	Increase (Decrease) in Cash and Cash Equivalents	226,614	(298,212)
6.05.01	Opening Balance of Cash and Cash Equivalents	68,423	313,687
6.05.02	Closing Balance of Cash and Cash Equivalents	295,037	15,475

**ITR - Quarterly Information - 6/30/2020**

Individual Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2020 to 6/30/2020 - (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258
5.03	Adjusted opening balance	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258
5.04	Capital transactions with shareholders	-	(7,790)	(41,298)	3,721	-	(45,367)
5.04.08	New acquisition of subsidiary shares	-	(2,009)	-	-	-	(2,009)
5.04.09	Expired dividends	-	-	-	3,721	-	3,721
5.04.10	Payment of Additional Dividends	-	-	(41,298)	-	-	(41,298)
5.04.11	PUT investment amount	-	(7,765)	-	-	-	(7,765)
5.04.12	Variable compensation program - ILP	-	1,984	-	-	-	1,984
5.05	Total Comprehensive Income	-	-	-	468,442	-	468,442
5.05.01	Net Income for the Period	-	-	-	468,442	-	468,442
5.07	Closing Balances	3,363,685	339,733	2,290,754	472,163	(345,002)	6,121,333

**ITR - Quarterly Information - 6/30/2020**

Individual Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2019 to 6/30/2019- (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141
5.03	Adjusted opening balance	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141
5.04	Capital transactions with shareholders	-	133,702	(5,346)	-	-	128,356
5.04.08	New acquisition of subsidiary shares	-	58,126	-	-	-	58,126
5.04.09	Capital transactions - MTM financial instrument - reflection	-	(6,362)	-	-	-	(6,362)
5.04.10	Payment of Additional Dividends	-	-	(5,346)	-	-	(5,346)
5.04.11	PUT investment amount	-	77,566	-	-	-	77,566
5.04.12	Variable compensation program - ILP	-	1,321	-	-	-	1,321
5.04.13	Tax Incentive Reserves-Reinvestment	-	3,051	-	-	-	3,051
5.05	Total Comprehensive Income	-	-	-	82,569	-	82,569
5.05.01	Net Income for the Period	-	-	-	82,569	-	82,569
5.07	Closing Balances	3,363,685	328,431	2,047,953	82,569	(223,572)	5,599,066

## ITR - Quarterly Information - 6/30/2020

Individual Financial Statements - Statements of Added Value - (Thousands of Reais)

Account Code	Account Description	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
7.01	Revenue	126,739	116,142
7.01.01	Sales of Goods, Products and Services	126,739	116,054
7.01.02	Other Revenue	-	88
7.02	Consumables acquired from third parties	(19,079)	(25,138)
7.02.02	Material, Energy, Outsourced Services and Other	(20,771)	(24,232)
7.02.04	Other	1,692	(906)
7.03	Gross Added Value	107,660	91,004
7.04	Retentions	(6,065)	(4,812)
7.04.01	Depreciation, Amortization and Depletion	(6,065)	(4,812)
7.05	Net Added Value Produced	101,595	86,192
7.06	Transferred Added Value	458,422	603,697
7.06.01	Equity in Net Income of Subsidiaries	357,901	490,834
7.06.02	Financial Revenue	100,521	112,863
7.07	Total Added Value to be Distributed	560,017	689,889
7.08	Distribution of Added Value	560,017	689,889
7.08.01	Personnel	50,577	44,512
7.08.01.01	Direct Remuneration	37,807	33,235
7.08.01.02	Benefits	9,932	8,608
7.08.01.03	F.G.T.S.	2,838	2,669
7.08.02	Taxes, Duties and Contributions	26,522	22,512
7.08.02.01	Federal	23,208	19,437
7.08.02.02	State	160	-
7.08.02.03	Municipal	3,154	3,075
7.08.03	Interest expenses	14,476	540,296
7.08.03.01	Interest	12,683	539,780
7.08.03.02	Rent	1,793	516
7.08.04	Interest earnings	468,442	82,569
7.08.04.03	Retained Earnings/Loss for the Period	468,442	82,569

**ITR - Quarterly Information - 6/30/2020**
**Consolidated Financial Statements - Statement of Financial Position - Assets - (Thousands of Reais)**

Account Code	Account Description	Current Quarter 6/30/2020	Previous Year 12/31/2019
1	Total Assets	42,058,353	39,319,814
1.01	Current Assets	11,219,206	9,858,353
1.01.01	Cash and Cash Equivalents	2,083,902	663,103
1.01.02	Short-term investments	1,769,054	2,016,399
1.01.02.01	Short-term investments appraised at fair value through profit and loss	1,769,054	2,016,399
1.01.02.01.01	Marketable Securities	1,769,054	2,016,399
1.01.03	Accounts Receivable	3,476,469	3,783,469
1.01.03.01	Trade receivables	3,476,469	3,783,469
1.01.03.01.01	Clients, consumers and concessionaires	3,476,469	3,783,469
1.01.04	Inventory	162,615	122,975
1.01.06	Recoverable taxes	1,075,638	1,021,209
1.01.06.01	Recoverable current taxes	1,075,638	1,021,209
1.01.08	Other Current Assets	2,651,528	2,251,198
1.01.08.03	Other	2,651,528	2,251,198
1.01.08.03.01	Credit receivables	15,255	16,116
1.01.08.03.02	Derivative financial instruments	649,629	186,303
1.01.08.03.03	Sector financial assets	1,113,999	1,175,623
1.01.08.03.04	Public service concession- contract asset	36,387	-
1.01.08.03.06	Other accounts receivable	836,258	873,156
1.02	Noncurrent Assets	30,839,147	29,461,461
1.02.01	Long-Term Assets	14,000,282	12,780,327
1.02.01.01	Short-term investments appraised at fair value through profit and loss	368,967	356,795
1.02.01.04	Accounts Receivable	1,101,338	1,050,572
1.02.01.04.01	Clients, consumers and concession operators	1,101,338	1,050,572
1.02.01.10	Other Noncurrent Assets	12,529,977	11,372,960
1.02.01.10.03	Credit receivables	8,544	10,457
1.02.01.10.04	Recoverable taxes	1,383,593	1,022,230
1.02.01.10.05	Tax credits	1,561,069	1,449,351
1.02.01.10.06	Escrows and secured bonds	610,049	576,694
1.02.01.10.07	Derivative financial instruments	1,262,585	1,004,467
1.02.01.10.08	Concession financial asset	5,384,431	5,130,960
1.02.01.10.09	Sector financial assets	761,147	913,347
1.02.01.10.10	Public service concession- contract asset	1,159,976	957,074
1.02.01.10.11	Other accounts receivable	398,583	308,380
1.02.02	Investments	77,428	86,730
1.02.02.01	Equity Interests	77,428	86,730
1.02.02.01.05	Other Investments	77,428	86,730
1.02.03	Property, plant and equipment	352,660	284,567
1.02.03.01	Property, plant and equipment in operation	352,660	284,567
1.02.04	Intangible assets	16,408,777	16,309,837
1.02.04.01	Intangible assets	16,408,777	16,309,837
1.02.04.01.01	Concession agreement	14,554,105	14,635,288
1.02.04.01.03	Contractual asset - Infrastructure under construction	1,658,498	1,468,913
1.02.04.01.04	Other Intangible Assets	196,174	205,636

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements - Statement of Financial Position - Liabilities - (Thousands of Reais)

Account Code	Account Description	Current Quarter 6/30/2020	Previous Year 12/31/2019
2	Total Liabilities	42,058,353	39,319,814
2.01	Current Liabilities	10,561,021	7,534,377
2.01.02	Trade payables	1,643,691	1,988,149
2.01.04	Loans and Financing	5,661,295	2,510,045
2.01.04.01	Loans and Financing	3,336,266	1,342,978
2.01.04.01.01	In local currency	1,763,892	730,430
2.01.04.01.02	In foreign currency	1,572,374	612,548
2.01.04.02	Debentures	2,325,029	1,167,067
2.01.05	Other Liabilities	3,256,035	3,036,183
2.01.05.02	Other	3,256,035	3,036,183
2.01.05.02.01	Dividends and interest on equity payable	2,870	127,582
2.01.05.02.04	Financing of taxes	24,579	17,555
2.01.05.02.05	Estimated obligations	122,123	106,114
2.01.05.02.07	Public lighting fee	101,923	105,010
2.01.05.02.08	Post-employment benefits	72,416	72,416
2.01.05.02.09	Debt charges	118,915	70,813
2.01.05.02.10	Sector charges	314,374	245,903
2.01.05.02.11	Taxes and social contributions recoverable	982,130	640,023
2.01.05.02.12	Sector financial liabilities	723,510	659,380
2.01.05.02.16	Incorporation of grids	69,431	48,239
2.01.05.02.18	Derivative financial instruments	346,035	466,128
2.01.05.02.19	Operating leases	13,706	22,407
2.01.05.02.20	Other liabilities	364,023	454,613
2.02	Noncurrent Liabilities	24,585,439	25,323,217
2.02.01	Loans and Financing	13,467,829	14,607,749
2.02.01.01	Loans and Financing	6,259,947	6,836,190
2.02.01.01.01	In local currency	4,359,321	4,102,108
2.02.01.01.02	In foreign currency	1,900,626	2,734,082
2.02.01.02	Debentures	7,207,882	7,771,559
2.02.02	Other Liabilities	6,530,594	6,252,361
2.02.02.02	Other	6,530,594	6,252,361
2.02.02.02.03	Trade accounts payable	103,431	100,025
2.02.02.02.04	Derivative financial instruments	804,269	906,341
2.02.02.02.05	Taxes and social contributions recoverable	548,416	472,923
2.02.02.02.06	Payments of taxes in installments	61,941	33,412
2.02.02.02.07	Post-employment benefits	699,432	678,297
2.02.02.02.08	Provisions for labor, civil, tax and regulatory risks	2,110,701	2,169,725
2.02.02.02.11	Sector financial liabilities	293,552	360,048
2.02.02.02.13	Sector charges	252,921	240,741
2.02.02.02.14	Incorporation of grids	147,981	150,283
2.02.02.02.15	Operating leases	35,144	30,061
2.02.02.02.16	Effects of reducing ICMS on the PIS and Cofins calculation base	998,606	658,796
2.02.02.02.17	Other Liabilities	474,200	451,709
2.02.03	Deferred Taxes	4,587,016	4,463,107
2.02.03.01	Deferred Income and Social Contribution Taxes	4,587,016	4,463,107
2.03	Consolidated Equity	6,911,893	6,462,220
2.03.01	Realized Capital	3,363,685	3,363,685
2.03.02	Capital Reserves	339,733	347,523
2.03.02.07	Stock issuance cost	(65,723)	(65,723)
2.03.02.09	Other Capital Reserves	405,456	413,246
2.03.04	Profit Reserves	2,290,754	2,332,052
2.03.04.01	Legal Reserve	229,611	229,611
2.03.04.05	Profit Retention Reserve	2,061,143	2,061,143
2.03.04.08	Additional dividend proposed	-	41,298
2.03.05	Retained earnings/Accumulated losses	472,163	-
2.03.08	Other Comprehensive Income	(345,002)	(345,002)
2.03.09	NCI	790,560	763,962



## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements / Income Statement - (Thousands of Reais)

Account Code	Account Description	Current Quarter 4/1/2020 to 6/30/2020	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Same Quarter of the Prior Year 4/1/2019 to 6/30/2019	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
3.01	Revenue from Goods and/or Services Sold	4,398,712	9,181,026	4,702,984	9,467,069
3.02	Cost of Goods and/or Services Sold	(3,816,529)	(7,845,394)	(3,902,507)	(7,891,995)
3.02.01	Electricity purchased for resale	(2,115,238)	(4,438,245)	(2,297,114)	(4,901,667)
3.02.02	Charge for using transmission and distribution system	(298,186)	(611,678)	(269,038)	(528,155)
3.02.03	Personnel and management	(233,291)	(483,706)	(216,956)	(475,317)
3.02.04	Post-employment benefits	(2,995)	(6,924)	(7,230)	(13,926)
3.02.05	Material	(26,882)	(65,587)	(31,015)	(60,564)
3.02.06	Outsourced services	(141,685)	(299,107)	(136,367)	(272,674)
3.02.07	Amortization and depreciation	(267,935)	(537,300)	(236,779)	(506,605)
3.02.08	Provisions for labor, civil, tax and regulatory risks	1,677	1,953	37,336	37,732
3.02.09	Construction cost	(472,229)	(997,496)	(637,889)	(956,545)
3.02.11	Allowance for doubtful accounts	(244,864)	(370,926)	(89,692)	(173,565)
3.02.12	Others	(14,901)	(36,378)	(17,763)	(40,709)
3.03	Gross Profit	582,183	1,335,632	800,477	1,575,074
3.04	Operating Income/Expenses	(154,971)	(360,855)	(249,975)	(497,367)
3.04.02	General and Administrative Expenses	(148,404)	(303,807)	(246,209)	(461,055)
3.04.02.01	Personnel	(51,071)	(112,251)	(127,858)	(196,012)
3.04.02.02	Post-employment benefits	(5,257)	(15,417)	(10,624)	(20,516)
3.04.02.03	Material	(11,948)	(24,962)	(11,216)	(22,237)
3.04.02.04	Outsourced services	(36,669)	(73,107)	(61,425)	(111,907)
3.04.02.05	Provisions for labor, civil, tax and regulatory risks	17,674	70,362	37,691	24,134
3.04.02.06	Amortization and depreciation	(32,267)	(63,921)	(31,702)	(62,410)
3.04.02.07	Other	(28,866)	(84,511)	(41,075)	(72,107)
3.04.04	Other Operating Income	5,793	9,980	22,936	71,724
3.04.04.01	Gain/Loss on Sale	5,793	9,980	22,936	38,391
3.04.04.02	Sale of Shares	-	-	-	33,333
3.04.05	Other Operating Expenses	(12,360)	(67,028)	(26,702)	(108,036)
3.04.05.01	Gain/Loss on Sale	(17,825)	(39,555)	(33,909)	(60,873)
3.04.05.02	Cost of shares sold	-	-	-	(24,993)
3.04.05.03	MTM of energy sales	8,022	(22,056)	9,697	(16,988)
3.04.05.04	Others	(2,557)	(5,417)	(2,490)	(5,182)
3.05	Earnings before Financial Income and Tax	427,212	974,777	550,502	1,077,707
3.06	Finance Income/Loss	(441,985)	(317,887)	(468,574)	(701,774)
3.06.01	Financial Revenue	193,455	339,621	275,224	457,042
3.06.01.01	Revenue from short-term investments	24,272	42,701	37,414	93,420
3.06.01.02	Monetary variation and arrears surcharge on energy	74,382	154,791	79,940	157,158
3.06.01.04	Interest earned - Selic base interest rate	4,379	13,370	313	7,188
3.06.01.05	Restatement of judicial deposits	7,296	14,154	2,797	7,061
3.06.01.08	Financial restatement of sector assets	10,114	19,273	9,638	38,279
3.06.01.09	Taxes on finance revenue	(9,797)	(20,652)	(21,137)	(30,814)
3.06.01.10	Restatement of effects of reducing ICMS on the Pis and				
3.06.01.11	Cofins calculation base	70,184	75,840	90,878	90,878
3.06.01.12	Other financial revenue	12,625	40,144	75,381	93,872
3.06.02	Financial Expenses	(635,440)	(657,508)	(743,798)	(1,158,816)
3.06.02.01	Debt charges - interest	(222,524)	(451,515)	(302,815)	(566,719)
3.06.02.02	Debt charges - monetary and exchange variance	(197,415)	(1,302,364)	44,201	(29,059)
3.06.02.03	(-) Transfer to orders in progress	2,880	8,949	1,250	2,551
3.06.02.04	Restatement of assets	6,930	14,931	(4,791)	(1,233)
3.06.02.05	Mark-to-market of derivatives	(187,465)	172,699	(15,192)	(217,791)
3.06.02.06	Derivative financial instruments	233,990	1,257,176	(78,307)	(5,530)
3.06.02.07	Restatement PEE and R&D	(1,697)	(4,097)	(4,818)	(8,848)
3.06.02.08	Bank expenses	(3,656)	(6,834)	(2,646)	(6,453)
3.06.02.10	Restatement of contingencies	(2,436)	(12,004)	(20,619)	(37,476)
3.06.02.11	Mark-to-market of debt securities	(113,339)	(33,108)	(177,940)	(92,913)
3.06.02.12	Financial restatement of sector liabilities	(4,171)	(9,144)	(6,261)	(15,951)
3.06.02.13	Endorsement expense	(3,130)	(6,261)	(3,049)	(6,099)
3.06.02.14	Restatement of effects of reducing ICMS on the Pis and				
3.06.02.15	Cofins calculation base	(70,184)	(75,840)	(90,878)	(90,878)
3.07	Other financial expenses	(73,223)	(210,096)	(81,933)	(82,417)
3.08	Earnings before tax on net income	(14,773)	656,890	81,928	375,933
3.08.01	Income and Social Contribution Taxes on Profit	(73,201)	(163,158)	(90,788)	(256,019)
3.08.02	Current	(81,986)	(150,967)	(121,024)	(242,293)
3.09	Deferred charges	8,785	(12,191)	30,236	(13,726)
3.11	Net Income from Continued Operations	(87,974)	493,732	(8,860)	119,914
3.11.01	Consolidated Net Income/Loss for the Period	(87,974)	493,732	(8,860)	119,914
3.11.02	Attributed to Partners of the Parent Company	(104,581)	468,442	(30,953)	82,569
3.11.03	Attributed to Noncontrolling Partners	16,607	25,290	22,093	37,345
3.99.01.01	Common	(0.06)	0.26	(0.03)	0.05
3.99.01.02	Preferred	(0.06)	0.26	(0.03)	0.05
3.99.02	Diluted Earnings per Share	-	-	-	-
3.99.02.01	Common	(0.06)	0.26	(0.03)	0.05
3.99.02.02	Preferred	(0.06)	0.26	(0.03)	0.05

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements / Statement of Comprehensive Income - (Thousands of Reais)

Account Code	Account Description	Current Quarter 4/1/2020 to 6/30/2020	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Same Quarter of the Prior Year 4/1/2019 to 6/30/2019	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
4.01	Consolidated net income for the period	(87,974)	493,732	(8,860)	119,914
4.03	Consolidated comprehensive income for the period	(87,974)	493,732	(8,860)	119,914
4.03.01	Attributed to Partners of the Parent Company	(104,581)	468,442	(30,953)	82,569
4.03.02	Attributed to Noncontrolling Partners	16,607	25,290	22,093	37,345

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements / Statement of Cash Flows - Indirect Method - (Thousands of Reais)

Account Code	Account Description	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
6.01	Net Cash from Operating Activities	1,777,163	1,075,777
6.01.01	Cash Provided by Operating Activities	1,879,145	1,606,529
6.01.01.01	Net Income for the Period	493,732	119,914
6.01.01.02	Current and deferred income and social contribution taxes	163,158	256,019
6.01.01.03	Expenses on interest and monetary and exchange variance - net	1,723,945	513,560
6.01.01.04	Amortization and Depreciation	601,221	569,015
6.01.01.05	Allowance for doubtful accounts	370,926	173,565
6.01.01.06	Provisions for labor, civil, tax and regulatory risks	(22,743)	(61,866)
6.01.01.07	Residual value of retired permanent assets	29,575	22,482
6.01.01.08	Mark-to-market of debts	33,108	92,913
6.01.01.09	Mark-to-market of derivatives	(172,699)	217,791
6.01.01.10	Derivative financial instruments	(1,257,176)	5,530
6.01.01.11	Adjustment to fair value of concession financial asset	(65,529)	(117,826)
6.01.01.12	Variable compensation program (ILP)	2,101	1,385
6.01.01.13	Mark-to-market of traded energy purchase/sale contracts	22,056	16,988
6.01.01.14	Compensation of Contract Asset	(42,530)	(162,941)
6.01.01.16	Provision for adjustment to realizable value of credits receivable	-	(40,000)
6.01.02	Changes in Assets and Liabilities	(101,982)	(530,752)
6.01.02.01	(Increase) in consumers and concessionaires	(81,613)	(523,357)
6.01.02.02	Decrease in financial sector assets	305,329	155,972
6.01.02.03	Decrease in credit receivables	2,753	3,073
6.01.02.04	(Increase) in inventories	(39,640)	(16,594)
6.01.02.05	(Increase) in recoverable taxes	(72,301)	(135,942)
6.01.02.06	(Increase) in escrow and secured bonds	(19,201)	(32,272)
6.01.02.08	(Increase) Decrease in other accounts receivable	(124,389)	27,345
6.01.02.10	(Decrease) Increase in suppliers payable	(250,677)	99,740
6.01.02.12	Increase in taxes and social contributions	390,835	221,109
6.01.02.13	Income and social contribution taxes paid	(113,087)	(182,759)
6.01.02.15	Increase in estimated obligations	16,009	21,846
6.01.02.17	(Decrease) in financial sector liabilities	(83,742)	(172,586)
6.01.02.19	Labor, civil and tax claims paid	(60,893)	-
6.01.02.20	Increase in other accounts payable	28,635	3,673
6.02	Net Cash from Investment Activities	(941,648)	(223,379)
6.02.01	Increase in other investments	(1,501)	-
6.02.02	Additions to property, plant and equipment	(88,084)	(23,972)
6.02.03	Additions to intangible assets	(1,042,445)	(1,030,881)
6.02.04	Applications to electricity transmission lines	(132,227)	(131,034)
6.02.05	Short-term investments and secured funds	277,874	909,106
6.02.06	Sale of PP&E and intangible assets	44,735	47,380
6.02.09	Payments under business combination	-	(5,717)
6.02.10	Cash and cash equivalents acquired under the business combination	-	11,739
6.03	Net Cash from Financing Activities	585,284	(737,836)
6.03.01	New loans and financing obtained	3,277,750	2,342,535
6.03.02	Payment of loans, debentures - principal	(2,622,738)	(1,514,776)
6.03.03	Payment of loans, debentures - interest	(382,567)	(459,074)
6.03.04	Financing of taxes	(9,361)	(20,269)
6.03.05	Payment of financed payables	-	(60,442)
6.03.06	New tax financing	44,914	-
6.03.07	Dividend payments	(163,769)	(274,256)
6.03.08	Payment of grid incorporation	(16,091)	(47,610)
6.03.09	Financing of sector charges	-	(29,513)
6.03.10	Settlement of derivative financial instruments	464,139	12,186
6.03.13	Acquisition of additional NCI	-	(63,099)
6.03.14	Settlement of share put option (Rede Energia Participações)	-	(614,296)
6.03.15	Payment under Financial Lease	(6,993)	(9,222)
6.05	Increase (Decrease) in Cash and Cash Equivalents	1,420,799	114,562
6.05.01	Opening Balance of Cash and Cash Equivalents	663,103	706,738
6.05.02	Closing Balance of Cash and Cash Equivalents	2,083,902	821,300

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2020 to 6/30/2020 - (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	NCI	Consolidated Equity
5.01	Opening Balances	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258	763,962	6,462,220
5.03	Adjusted opening balance	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258	763,962	6,462,220
5.04	Capital transactions with shareholders	-	(7,790)	(41,298)	3,721	-	(45,367)	1,308	(44,059)
5.04.06	Dividends	-	-	-	-	-	-	(637)	(637)
5.04.08	Payment of Additional Dividends	-	-	(41,298)	-	-	(41,298)	-	(41,298)
5.04.10	PUT investment amount	-	(7,765)	-	-	-	(7,765)	-	(7,765)
5.04.11	New acquisition of subsidiary shares	-	(2,009)	-	-	-	(2,009)	1,790	(219)
5.04.12	Variable compensation program (ILP)	-	1,984	-	-	-	1,984	117	2,101
5.04.15	Expired Dividends	-	-	-	3,721	-	3,721	38	3,759
5.05	Total Comprehensive Income	-	-	-	468,442	-	468,442	25,290	493,732
5.05.01	Net Income for the Period	-	-	-	468,442	-	468,442	25,290	493,732
5.07	Closing Balances	3,363,685	339,733	2,290,754	472,163	(345,002)	6,121,333	790,560	6,911,893

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2019 to 6/30/2019- (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	NCI	Consolidated Equity
5.01	Opening Balances	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141	659,387	6,047,528
5.03	Adjusted opening balance	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141	659,387	6,047,528
5.04	Capital transactions with shareholders	-	133,702	(5,346)	-	-	128,356	(10,820)	117,536
5.04.08	Payment of Additional Dividends	-	-	(5,346)	-	-	(5,346)	(26,206)	(31,552)
5.04.09	Capital transactions - MTM financial instrument - reflection	-	(6,362)	-	-	-	(6,362)	(3)	(6,365)
5.04.10	PUT investment amount	-	77,566	-	-	-	77,566	-	77,566
5.04.11	New acquisition of subsidiary shares	-	58,126	-	-	-	58,126	6,582	64,708
5.04.12	Variable compensation program (ILP)	-	1,321	-	-	-	1,321	64	1,385
5.04.13	Tax Incentive Reserves-Reinvestment	-	3,051	-	-	-	3,051	-	3,051
5.04.14	Advance for future capital increase	-	-	-	-	-	-	8,743	8,743
5.05	Total Comprehensive Income	-	-	-	82,569	-	82,569	37,345	119,914
5.05.01	Net Income for the Period	-	-	-	82,569	-	82,569	37,345	119,914
5.07	Closing Balances	3,363,685	328,431	2,047,953	82,569	(223,572)	5,599,066	685,912	6,284,978

## ITR - Quarterly Information - 6/30/2020

Consolidated Financial Statements - Statements of Added Value - (Thousands of Reais)

Account Code	Account Description	Accrued Value of the Current Year - 1/1/2020 to 6/30/2020	Accrued Value of the Prior Year - 1/1/2019 to 6/30/2019
7.01	Revenue	13,328,594	14,076,252
7.01.01	Sales of Goods, Products and Services	12,634,171	13,054,931
7.01.02	Other Revenue	9,980	71,724
7.01.03	Revenue relating to construction of company assets	1,055,369	1,123,160
7.01.04	Allowance/(Reversal of allowance) for doubtful accounts	(370,926)	(173,563)
7.02	Consumables acquired from third parties	(7,107,981)	(7,477,929)
7.02.01	Cost of goods and services sold	(5,544,463)	(5,957,271)
7.02.02	Material, Energy, Outsourced Services and Other	(474,787)	(480,762)
7.02.04	Other	(1,088,731)	(1,039,896)
7.03	Gross Added Value	6,220,613	6,598,323
7.04	Retentions	(601,221)	(569,010)
7.04.01	Depreciation, Amortization and Depletion	(601,221)	(569,010)
7.05	Net Added Value Produced	5,619,392	6,029,313
7.06	Transferred Added Value	360,273	483,632
7.06.02	Financial Revenue	360,273	483,632
7.07	Total Added Value to be Distributed	5,979,665	6,512,945
7.08	Distribution of Added Value	5,979,665	6,512,945
7.08.01	Personnel	548,003	612,309
7.08.01.01	Direct Remuneration	359,256	412,443
7.08.01.02	Benefits	154,067	132,267
7.08.01.03	F.G.T.S.	34,680	67,599
7.08.02	Taxes, Duties and Contributions	4,263,755	4,617,450
7.08.02.01	Federal	1,776,012	2,186,164
7.08.02.02	State	2,472,506	2,417,884
7.08.02.03	Municipal	15,237	13,402
7.08.03	Interest expenses	674,175	1,163,272
7.08.03.01	Interest	666,457	1,157,141
7.08.03.02	Rent	7,718	6,131
7.08.04	Interest earnings	493,732	119,914
7.08.04.03	Retained Earnings/Loss for the Period	468,442	82,569
7.08.04.04	NCI in retained earnings	25,290	37,345



## Notes

## Energisa S/A

## Notes to the quarterly financial information for the period ended June 30, 2020

(In thousands of reais, unless stated otherwise).

## 1. Reporting entity

Energisa S/A (“Energisa” or “Company”) is a publicly traded company with the core activity of being a holding company. Its head office is in Cataguases, Minas Gerais state and it also provides administrative services to its electricity distribution subsidiaries, transmission companies and other direct and indirect subsidiaries.

Energisa is indirectly entitled to operate electricity distribution, transmission, generation and sale concessions and/or authorizations. Its main contracts are:

Electricity distribution	Site	Concession date	Date of maturity
Energisa Minas Gerais - Distribuidora de Energia S/A (“EMG”)	Cataguases (MG)	7/7/2015	7/7/2045
Energisa Nova Friburgo - Distribuidora de Energia S/A (“ENF”)	Nova Friburgo (RJ)	7/7/2015	7/7/2045
Energisa Sul Sudeste - Distribuidora de Energia S/A (“ESS”)	Presidente Prudente (SP)	7/7/2015	7/7/2045
Energisa Tocantins - Distribuidora de Energia S/A (“ETO”)	Palmas (TO)	1/1/2020	12/31/2049
Energisa Sergipe Distribuidora de Energia S/A (“ESE”)	Aracaju (SE)	12/23/1997	12/23/2027
Energisa Mato Grosso - Distribuidora de Energia (“EMT”) (*)	Cuiabá (MT)	12/11/1997	12/11/2027
Energisa Mato Grosso do Sul - Distribuidora de Energia S/A (“EMS”)	Campo Grande (MS)	12/4/1997	12/4/2027
Energisa Borborema - Distribuidora de Energia S/A (“EBO”)	Campina Grande (PB)	2/4/2000	2/4/2030
Energisa Paraíba - Distribuidora de Energia S/A (“EPB”)	João Pessoa (PB)	3/21/2001	3/21/2031
Energisa Rondônia - Distribuidora de Energia S/A (“ERO”)	Porto Velho (RO)	10/30/2018	10/29/2048
Energisa Acre - Distribuidora de Energia S/A (“EAC”)	Rio Branco (AC)	12/7/2018	12/6/2048

(\*) The subsidiary EMT has Generation Concession Agreement 04/1997 for 1 thermal power plant, with the respective associated substations, expiring on December 10, 2027. Although as it has 1 thermoelectric plant in the insulated system, the subsidiary EMT's core activity is the distribution of electricity. Management of the subsidiary EMT therefore considers the minor generation activity to be an integral part of the core business.

The direct and indirect distribution companies are privately and publicly held companies, without shares traded on the stock exchange, with the core activities of operating and maintaining facilities in order to ensure the continuity and efficiency of the electricity distribution services through distribution lines and grids in its operating areas.

The information regarding adjustments, rate reviews and other regulatory matters, sector financial assets and liabilities, concession financial asset, concession assets and construction revenue and other regulatory matters can be seen in notes 10, 11, 15, 19 and 32 respectively.

Electricity transmission (preoperating phase)	Description	Site	Concession date	Date of maturity
Energisa Goiás Transmissora de Energia I S/A (*)	230 kV Rio Verde Norte - Jataí transmission line, with 136 kilometers in a dual electricity circuit, and the Rio Verde Norte substation.	Goiás	8/11/2017	8/11/2047
Energisa Pará Transmissora de Energia I S/A	230 kV Xinguara II - Santana do Araguaia transmission line, with 296 kilometers in a dual electricity circuit, and the Santana do Araguaia substation.	Pará	8/11/2017	8/11/2047
Energisa Pará Transmissora de Energia II S/A	500 kV, 66.5 km Serra Pelada Transmission Line in a dual electricity circuit, the 230 kV, 72.3 km Integradora Sossego - Xinguara II Transmission Line, and the Serra Pelada and Integradora Sossego substations.	Pará	9/21/2018	9/21/2048
Energisa Tocantins Transmissora de Energia S/A	255-km, 230-kV Dianópolis II - Barreiras II Transmission Line; 256-Km, 230-kV Dianópolis II - Gurupi Transmission Line and 261-km, 230-kV Dianópolis II - Palmas Transmission Line.	Bahia and Tocantins	3/22/2019	3/22/2049

(\*) Energisa Goiás Transmissora de Energia I S/A initiated operations on March 13, 2020, energizing the Rio Verde Norte - Jataí transmission line (230 kV dual-circuit), and expanding the Rio Verde and Jataí substations. This section has 136 kilometers of transmission lines. The works were completed 31 months after the award date and the operation began 17 months before the operational start-up date established in the concession agreement.

The indirect TransCo subsidiaries are privately held companies, not listed on stock exchanges, with the core activity of building, implementing, operating and maintaining electricity transmission facilities.

Electricity generation	Description	Activity	Site
<b>Hydraulic Generation:</b>			
<b>Energisa Geração Usina Mauricio S/A</b>			
CGH Usina Hans	Subsidiary has installed capacity of 298 KW and an average physical guarantee of 0.264 MW.	Hydraulic generation	Nova Friburgo (RJ)
CGH Rio Vermelho	The subsidiary has installed capacity of 2,560 KW.	Hydraulic generation	Vilhena (RO)
Usina Mauricio	The subsidiary has installed capacity of 1,280 KW.	Hydraulic generation	Leopoldina (MG)
<b>Generation Distributed:</b>			
Alsol Energias Renováveis S.A. ("Alsol")	Photovoltaic systems of around 29 MWp in operation and a further 32 MWp being implemented. Also providing consultancy services and studies for installing distributed energy equipment and ventures.	Distributed generation	Uberlândia (MG)
<b>Wind Generation Project:</b>			
<b>Complexo Parque Eólico Sobradinho:</b>			
EOL Alecrim	A nonoperational wholly-owned subsidiary with the core activity of wind farm installation projects.	Wind Farms	Sobradinho (BA)
EOL Umbuzeiro Muquim	A nonoperational wholly-owned subsidiary with the core activity of wind farm installation projects.	Wind Farms	Sobradinho (BA)
EOL Mandacaru	A nonoperational wholly-owned subsidiary with the core activity of wind farm installation projects.	Wind Farms	Sobradinho (BA)
EOL Boa Esperança	A nonoperational wholly-owned subsidiary with the core activity of wind farm installation projects.	Wind Farms	Sobradinho (BA)

The direct generation companies are privately held companies, without shares traded on the stock exchange, with the core activities of producing and selling electricity and implementing and maintaining ventures and equipment associated with energy efficiency and generation distributed via photovoltaic systems, and energy storage.

Electricity trading	Description	Site	Authorization date
Energisa Comercializadora de Energia Ltda ("ECOM")	A wholly-owned subsidiary that trades electricity in the free negotiation market and intermediates in energy transactions.	Rio de Janeiro (RJ)	3/21/2006

Other Services	Nature
Energisa Soluções S/A ("ESOL")	Operating and maintenance services and services related to electricity distribution generation, commission, preparation, remote and local operation and electrical and mechanical maintenance of plants, substations, transmission lines and facilities.
Energisa Soluções Construções e Serviços em Linhas e Redes S/A	Constructions, operations, maintenance and services related to the generation and distribution of electricity.
Multi Energisa Serviços S/A ("MULTI")	Construction, operation, maintenance and services related to electricity distribution and generation, tele-services and personal services for electricity consumers.
Energisa Serviços Aéreos de Aeroinspeção S/A ("ESER")	Aerial surveying services (SAE), mainly supporting companies operating high-voltage lines, oil pipelines and reforestation engineering works.

#### Judicial Reorganization of subsidiaries:

On November 26, 2012 the subsidiary Rede Energia S/A ("REDE") announced it had filed for Judicial Reorganization ("JR"). On the same date applications for judicial reorganization were submitted by Companhia Técnica de Comercialização de Energia ("CTCE"), QMRA Participações S/A. ("QMRA"), Empresa de Eletricidade Vale Paranapanema S/A. ("EEVP") and Denerge Desenvolvimento Energético S/A. ("Denerge").

In February 2016 the trustee filed a petition stating that the reorganization plan was being duly performed, requesting the termination of the Judicial Reorganization. In August 2016, the trustee's opinion was accepted, and a decision delivered declaring the judicial reorganization over, as all of the obligations established in the Judicial Reorganization Plan had been performed, within the suitable period. A number of creditors submitted motions for

clarification against this decision, which were duly rejected by the reorganization court. One of the creditors subsequently filed an appeal against the termination decision. Despite the appeal, the reorganization court authorized the term “under judicial reorganization” be removed from the name of the companies under judicial organization, a change which was registered at the respective board of trade. In a judgment on 7/29/2019, the São Paulo Court of Appeal denied the Appeal, upholding the closing award. The creditor filed a Special Appeal, which was not entertained when examined by the São Paulo Court of Appeal. We are currently awaiting the term to end for the creditor to file a special appeal against this latest decision.

The position as of June 30, 2020 of the remaining balance of the debts qualified under the Judicial Reorganization is R\$ 600,714, where R\$ 465,247 consists of loans, R\$ 65,978 of debentures and R\$ 69,489 of trade payables and other accounts payable as follows:

Description	Rede Energia	Denerge	CTCE	Total
<b>Balances at December 31, 2018</b>	<b>203,536</b>	<b>278,124</b>	<b>61,775</b>	<b>543,435</b>
(+) Restatement (1)	10,321	29,491	3,118	42,930
Reversal of the provision for adjustment to present value (2)	22,468	5,858	5,114	33,440
(-) Settlement/Assignment of Credits	(27,611)	(29,491)	(13,802)	(70,904)
<b>Balances at December 31, 2019</b>	<b>208,714</b>	<b>283,982</b>	<b>56,205</b>	<b>548,901</b>
(+) Restatement (1)	1,111	7,353	248	8,712
Reversal of the provision for adjustment to present value (2)	6,530	1,788	1,863	10,181
<b>Balances at March 31, 2020</b>	<b>216,355</b>	<b>293,123</b>	<b>58,316</b>	<b>567,794</b>
(+) Restatement (1)	1,111	7,353	248	8,712
Reversal of the provision for adjustment to present value (2)	6,704	1,788	15,716	24,208
<b>Balances at June 30, 2020</b>	<b>224,170</b>	<b>302,264</b>	<b>74,280</b>	<b>600,714</b>

- (1) Adjustments made to other finance revenue in the statement of income of REDE, Denerge and CTCE. At Energisa these amounts were recorded in finance income in the income statement for the period/year.
- (2) Adjustment to Present Value: denotes the adjustment to present value recorded by the subsidiaries Rede Energia, Denerge and CTCE, for the credits of the creditors who chose to receive their credits in accordance with options A and B in the Judicial Reorganization Plan. A rate of 15.19% p.a. was used to discount the amount to present value, which the Company believes is an adequate rate of return for realizing the credits. This rate is compatible with the nature, tenor and risk for similar transactions on market, economic and financial conditions in the transaction scenario. Company Management believes this discount rate adequately denotes the capital cost at the companies' acquisition date.

#### Current Capital - parent company:

As of June 30, 2020 the Company had a working capital deficiency of R\$ 1,266,082 (R\$ 707,834 at December 31, 2019) at the parent company. Management also believes that the flow of future dividends from the subsidiaries' earnings and the process of lengthening the short-term debt in progress will generate sufficient funds to honor the remaining financial short-term financial commitments of the parent company.

## Effects of COVID-19:

### Background

On March 11, 2020 the World Health Organization (WHO) declared that the COVID-19 outbreak was a pandemic, due to the widespread contagion of the virus around the world. The ease with which the virus spreads led the authorities in various countries to implement physical distancing as a measure to contain the virus, a measure also adopted in Brazil. There has been a major impact on the global economy, due to the interruption or slowdown of supply chains and significant escalation in economic uncertainty, given the greater volatility of asset prices, exchange rates and decrease in long-term interest rates. The world's leading economies and main economic blocs are rolling out hefty economic stimulus packages to overcome the economic effects caused by the pandemic.

In Brazil, the executive and legislative branches have issued several normative acts to prevent and contain the pandemic and mitigate the respective impacts on the economy, especially Legislative Decree 6 published on March 20, 2020, declaring a state of public calamity. State and municipal governments have also published several normative acts to restrict the free circulation of people and commercial activities and services, in addition to providing emergency investments in health care.

ANEEL published Normative Resolution 878/2020 on March 25, 2020 in response to the social isolation measures and restrictions on mobility, and relaxed a number of obligations in the concession agreement, postponing them until December 31, 2020, such as restricting disconnections for low-income residential consumers and essential services. Coupled with restrictions on suspending energy supplies for delinquency by certain consumer groups, the isolation measures have been driving down consumption and revenue streams for Energisa Group's electricity distribution concession operators.

### Impacts observed in the quarter ended June 30, 2020

#### Electricity distribution

More than 100 days into the pandemic in Brazil, the impacts being felt by various social and economic agents are now much more visible. The greatest impacts felt by the Company and its subsidiaries were related to the energy supply due to the downturn in the consumer market and rising delinquency due to the prohibition on electricity supply disconnections, which directly impacts the flow of receipts, and the Provision for expected losses on doubtful accounts (PPECLD).

The events directly impacted the Group's results in the period ended June 30, 2020, although these events will have a neutral effect on cash flow originated due to the pass-through from the COVID account, whereas the effects on profit or loss will be neutralized in the extraordinary rate reviews.

Using their best estimates, the DisCo subsidiaries calculated expected losses due to higher delinquency as a result of COVID-19 impacts, as shown below:

Subsidiaries	Provision for Doubtful Accounts		
	1/1/2020 to 3/31/2020	4/1/2020 to 6/30/2020	Total - 6/30/2020
Energisa Mato Grosso	9,262	50,283	59,545
Energisa Mato do Grosso do Sul	5,088	17,341	22,429
Energisa Tocantins	919	6,860	7,779
Energisa Sul Sudeste	1,887	4,554	6,441
Energisa Paraíba	3,835	12,884	16,719
Energisa Sergipe	3,145	7,962	11,107
Energisa Minas Gerais	1,096	2,675	3,771
Energisa Borborema	-	1,645	1,645
Energisa Nova Friburgo	-	980	980
Energisa Rondônia	-	36,443	36,443
Energisa Acre	-	21,539	21,539
<b>Total</b>	<b>25,232</b>	<b>163,166</b>	<b>188,398</b>

The subsidiaries have rolled out initiatives to enhance the efficiency of collecting overdue bills, including actions by sending SMS messages, telephone contact, blacklisting, emails and awareness raising campaigns related to the importance of paying bills promptly. Aware of the economic disruption, the subsidiaries have been publishing debit financing plans for clients and facilitating access to negotiations via digital channels.

The Company and its subsidiaries are continually monitoring the effects of the economic downturn and government consumer protection initiatives to adjust accounts receivable in due course, which has been adjusted to reflect the expected losses at June 30, 2020.

#### Electricity overcontracting

Since the very onset of the pandemic, Energisa Group has been working expeditiously and efficiently on energy purchase levels seeking compliance with regulatory limits. However, the status of the pandemic has led to overcontracting in Brazil's distribution sector reaching levels beyond those desired by ANEEL, primarily due to Brazil's economic slowdown. The Company and its subsidiaries remain alert and are monitoring overcontracting levels in order to roll out timely and swift actions in order to minimize the risks posed by this exposure.

Government measures to contain the pandemic's effects included Decree 10.350/2020 which, amongst other things, amended the wording of Decree 5.163/2004 in order to recognize the *load reduction due to the effects of the Covid-19 pandemic determined in accordance with Aneel regulations* as an involuntary contractual exposure in order to mitigate the effects of overcontracting. This measure will also be detailed in regulations to be published by ANEEL.

#### Economic and financial equilibrium of the concession

By way of Provisional Measure 950/2020 regulated by Decree 10.350/2020 and based on the electricity distribution concession agreements, ANEEL recognized that the impacts of COVID-19 could affect contractual equilibrium and should be evaluated. Normative Resolution 885 published in the official government press on June 23, 2020 stated that the public discussion process about contractual equilibrium would begin within up to 60 days.

In the period ended June 30, 2020, the Company and its subsidiaries did not recognize a sector financial asset for contractual equilibrium in its interim financial information.

#### Electricity transmission

Management is continuing to monitor the works in progress on the electricity transmission infrastructure, adopting all appropriate measures within the group's control to avoid and/or mitigate possible delays. Any delays have not yet impacted the original operating start-up schedule for ventures in progress.

#### Operating and financial measures adopted to tackle the pandemic

Aware of the effects triggered by the pandemic on the global economy and, above all, Brazil's economy, Energisa Group introduced preventive measures necessary to minimize these effects on its business, which include:

#### People

- A Crisis Committee has been set up to continually assess possible impacts and the effectiveness of the Company's measures, whilst monitoring all determinations issued by the respective authorities;
- Provision of a 24-hour health hotline for all employees and distribution of masks to employees that come into direct contact with the public;
- Monitored home leave in cases of employees presenting symptoms of Covid-19;
- Implementation of telephone-based work, conducive with this type of arrangement;
- For employees where telephone-based work is unfeasible, rotations have been adopted based on alternate shifts to avoid any exposure to agglomeration;
- Suspending international and national travel, except when absolutely necessary;
- Doubling down on cleanliness in the workplace;
- Reducing working hours by 25% and temporarily suspending employment contracts for certain employees as an unemployment prevention measure in accordance with Provisional Law 936/2020.

#### Company



Energisa Group created the Energia do Bem movement, a nationwide initiative including initiatives in the 11 states where the Group distributes energy (MG, RJ, SP, PR, MS, MT, TO, PB, SE, RO and AC), with investments to date of approximately R\$ 8 million. The main actions are:

- Donation of mechanical ventilators;
- Donation of more than 70 thousand masks and 500 face protectors to high-risk population and hospitals;
- Support for professional training, creating 100 thousand vacancies in remote teaching courses in partnership with CNI and Senai, related to industry 4.0;
- Providing sounds cards and using local radio as a means of more effectively communicating pandemic prevention actions in 223 cities with a low HDI;
- Creating a free streaming platform for Brazilian made films sponsored by Energisa;
- Funding works in hospitals to increase the number of beds and other structural upgrades to help care for Covid-19 patients;
- Donation of R\$ 1,500 to Fiocruz in the campaign “United against Covid-19” in order to help the institution produce rapid tests to detect the disease;
- The subsidiaries EMG and ESS released credits of R\$ 10,000 for the program “Estímulo Minas 2020” donating R\$ 1,905. The project is available for 77 cities served by the subsidiaries in Zona da Mata and the south of Minas Gerais state; and
- Donation of R\$ 903 to Unesco in order to help fight hunger by distributing more than 100 tons of staple food hampers to socially vulnerable families.

## Financial

- Revision of the 2020 Investment Plan where given the size of the uncertainty Energisa Group prudently opted to postpone investments of R\$ 557,300, whilst maintaining essential investments for operational continuity. Works in progress at the DisCo and TransCo subsidiaries have not been materially impacted;
- Decrease in manageable expenses by between 7% and 12% of the volume recorded in 2019;
- New loans taken out and others settled which matured in the course of FY 2020.
- Given the current size of the COVID-19 outbreak, the Company and its subsidiaries reviewed their strategic plans and adjusted their premises for asset impairment due to the new pandemic scenarios. However, no material impacts were identified to our quarterly financial information; and
- Government Assistance Measures: (i) deferring payment of Pis and Cofins and employer's social security contribution from March, April and May to August, October and November 2020 in the amounts of R\$ 306,104 and R\$ 36,293, respectively, with a cash impact; (ii) deferral of the payment of FGTS for April, May and June for payment over 6 installments commencing July 2020 in the total amount of R\$ 13,266; (iii) deferring compensation to consumers for breaching the DEC and FEC limits of R\$ 12,931; and (iv) determining the discount of 100% of electricity consumption up to 220 KWh/month in the period April 01 to June 30, 2020, extended until July 31, 2020, in which the subsidiaries, electricity DisCos, will be reimbursed in the entirety for the original funds in the CDE account.

Energisa Group remains committed to the safety of its personnel, clients, partners, shareholders and communities in the regions it operates in, and underpins its operations on transparency and good corporate governance practices.

## 2. Preparation and presentation of the interim financial information

### 2.1 Statement of compliance

The individual and consolidated interim financial information was prepared and is being presented in accordance with CPC Technical Pronouncement 21 (R1) - Interim Statements and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and in accordance with the standards issued by the Brazilian Securities Commission, that apply to the preparation of Quarterly Information - ITR.

The other information regarding the preparation bases, presentation of the interim financial information and summary of the main accounting practice has not changed in relation to that disclosed in Note 3.2 to the Annual Financial Statements for the financial year ended December 31, 2019 (hereinafter referred to as "Financial Statements as of December 31, 2019"), published in the official press on March 17, 2020.

This interim financial information (quarterly information) should therefore be read in conjunction with the aforesaid financial statements.

Company Management represents that all the material information in the individual and consolidated interim financial information is being disclosed and corresponds to that used by Management.

The Board of Directors approved the issuance of the Company' interim financial information (quarterly information) on August 13, 2020.

### 2.2 New technical pronouncements, revisions and interpretations not yet in force

The individual and consolidated interim financial information has been prepared in accordance with the basis of preparation and accounting policies consistent with those adopted and disclosed in note 3.3 of the Financial Statements as of December 31, 2019, and should be read in conjunction with them, except for the alterations established by CPC 06 (R2) | Leases and CPC 00 (R2) | Conceptual Framework for Financial Reporting.

#### CPC 00 (R2) | Conceptual Framework for Financial Reporting

CPC 00 (R2) - Conceptual framework for financial reporting, the equivalent of IASB pronouncement Conceptual Framework, amended in order to better reflect the conceptual alterations established by the IASB, primarily regarding the following issues:

- Explains and clarifies issues around the objective of financial reporting, the qualitative characteristics of useful financial information and a description of the reporting entity and its boundary;
- Clarifies the definitions of an asset, a liability, equity, income and expenses;
- Defines criteria for including assets and liabilities in financial statements (recognition) and guidance on when to remove them (derecognition);
- Measurement bases and guidance on when to use them; and
- Determines concepts and guidance on presentation and disclosure of financial statements and notes thereto.

The alterations made to CPC 00 (R2) also impact the concept of materiality, clearly establishing the application of this concept and determining that "information is material if its omission, misstatement or obscurity could reasonably influence decisions made by the primary users of general-purpose financial statements based on these financial statements, which provide financial information about the entity's specific report".

#### IFRS 16 / CPC 06 (R2) | Leases

In conjunction with our accounting practices committee, on July 7, 2020 the CVM made material alterations to both CPC06 (R2) and the requirements in order to facilitate for lessees the recording of any concessions obtained in contracts as a result of COVID-19, such as the forgiveness, suspension or even temporary reductions in payments.

The changes apply to financial years starting on or after January 01, 2020 and aim to facilitate the understanding of specific matters, enhancing the quality of the financial statements in accordance with the accounting practices adopted by the Company and its subsidiaries. These changes made did not impact or change the Company and its subsidiaries' interim financial information. The Company and its subsidiaries also evaluated the other accounting

pronouncements issued, changed and replaced, but not yet effective for the period, and did not identify any impact or change to the Company and its subsidiaries' interim financial information.

### 3. Consolidated interim financial information

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The consolidated interim financial statements include the interim financial statements of Energisa and its subsidiaries. Control is obtained when Energisa is exposed to or entitled to variable returns resulting from its involvement with the investee and has the ability to affect those returns through its power over the investees.

The Group controls an investee if and only if it has:

- Power over the investee (i.e., existing rights guaranteeing it the current capacity to manage the investor's respective activities).
- The exposure to or right to variable returns deriving from its involvement in the investee.
- The capacity to use the power over the investee to affect the value of its returns.

Holding a majority of voting rights is generally presumed to result in control. To support this assumption and when Energisa Group has less than the majority of an investee's voting rights, the Group considers all pertinent facts and circumstances when assessing whether it has power over an investee, including:

- The contractual agreement between the investor and other holders of voting rights.
- Rights deriving from other contractual agreements.
- The voting rights and potential voting rights of the Group (investor).

The Company assesses whether or not it exercises the control of an investee if facts and circumstances indicate changes in one or more of three of the control elements mentioned above. A subsidiary is consolidated when the company obtains control over it and ends when the Group no longer exercises this control. Assets, liabilities and income of a subsidiary acquired or sold during the period/year are included in the consolidated financial statements as from the date on which the Group exercises control until the date the Company no longer exercises control over the subsidiary.

The result and each component of other comprehensive income is attributed to the controlling shareholders and noncontrolling shareholders of the Group, even if this results in a loss for the noncontrolling shareholders. When necessary, adjustments are made to the subsidiaries' financial statements to align their accounting policies with the Group's accounting policies. All assets and liabilities, results, revenue, expenses and cash flows of the same group related to transactions between Group members, are completely eliminated upon consolidation.

The change in the subsidiary's equity interest that does not result in control being lost is recorded as an equity transaction.

If the company loses the control exercised over a subsidiary, the subsidiary's corresponding assets (including any goodwill) and liabilities are written off at their carrying amount on the date control is lost and the carrying amount is written out of any noncontrolling interest on the date controller is lost (including any components of other comprehensive income attributed to them). Any difference resulting in a gain or loss is recorded in profit or loss. Any investment retained is recognized at fair value on the date control is lost.

The consolidated interim financial statements include the interim financial statements of Energisa and the subsidiaries.

	Line of business	% interest	
		6/30/2020	12/31/2019
<b>Direct subsidiaries</b>			
Energisa Sergipe - Distribuidora de Energia S/A (ESE) (1)	Electricity distribution	100	100
Energisa Borborema - Distribuidora de Energia S/A (EBO)	Electricity distribution	100	100
Energisa Paraíba - Distribuidora de Energia S/A (EPB) (1)	Electricity distribution	100	100
Energisa Minas Gerais - Distribuidora de Energia S/A (EMG) (1)	Electricity distribution	100	100
Energisa Nova Friburgo Distribuidora de Energia S/A (ENF)	Electricity distribution	100	100
Energisa Rondônia - Distribuidora de Energia S/A (ERO) (2)	Electricity distribution	95.52	95.52
Energisa Acre - Distribuidora de Energia S/A (EAC) (2)	Electricity distribution	95.09	95.09
Energisa Soluções S/A (ESO)	Energy distribution and generation services	100	100
Energisa Serviços Aéreos de Aeroinspeção S/A (ESER)	Aerial thermographic inspections	100	100
Energisa Planejamento e Corretagem de Seguros Ltda. (EPLA)	Insurance brokerage	58.26	58.26
Energisa Comercializadora de Energia Ltda (ECOM)	Electricity trading	100	100
Parque Eólico Sobradinho Ltda. (3)	Wind energy generation	100	100
Energisa Geração Usina Maurício S/A (GUM)	Electricity generation	100	100
Energisa Geração Central Solar Coremas S/A (3)	Solar energy generation	100	100
Energisa Geração Eólica Boa Esperança S/A (3)	Wind energy generation	100	100
Energisa Geração Eólica Mandacaru S/A (3)	Wind energy generation	100	100
Energisa Central Eólica Alecrim S/A (3)	Wind energy generation	100	100
Energisa Geração Central Eólica Umbuzeiro - Muquim S/A (3)	Wind energy generation	100	100
Energisa Participações Minoritárias S/A	Holding Company	85.31	85.31
FIM Zona da Mata	Exclusive investment fund	100	100
Caixa FI Energisa	Exclusive investment fund	100	100
Dinâmica Credit Receivables	Securitization of credits	100	100
Denerge Desenvolvimento Energético S/A	Holding Company	99.97	99.97
Energisa Transmissão de Energia S/A (1)	Holding Company	100	100
Energisa Geração Central Solar Rio do Peixe I S/A (a)	Wind energy generation	100	100
Energisa Geração Central Solar Rio do Peixe II S/A (a)	Wind energy generation	100	100
Energisa Transmissora de Energia I S/A (3) (b)	Electricity transmission	100	100
Energisa Transmissora de Energia II S/A (3) (b)	Electricity transmission	100	100
Energisa Transmissora de Energia III S/A (3) (b)	Electricity transmission	100	100
Alsol Energias Renováveis S/A	Distributed energy generation	89.21	89.21
<b>Indirect subsidiaries</b>			
Rede Energia Participações S.A (1)	Holding Company	95.21	95.21
Rede Power do Brasil S/A	Holding Company	95.2	95.2
QMRA Participações S/A	Holding Company	95.2	95.2
Energisa Mato Grosso Distribuidora de Energia S/A (1)	Electricity distribution	74.33	74.33
Energisa Mato Grosso do Sul Distribuidora de Energia S/A (1) (4)	Electricity distribution	95.14	95.14
Energisa Tocantins Distribuidora de Energia S/A	Electricity distribution	72.99	72.99
Multi Energisa Serviços S/A	Services	95.21	95.21
Energisa Sul - Sudeste - Distribuidora de Energia S/A (1)	Electricity distribution	94.49	94.49
Energisa Soluções Construções e Serviços em Linhas e Redes S/A	Energy distribution and generation services	100	100
Energisa Para Transmissora de Energia I S/A	Electricity transmission	100	100
Energisa Goiás Transmissora de Energia I S/A	Electricity transmission	100	100
Energisa Para Transmissora de Energia II S/A	Electricity transmission	100	99.90
Energisa Tocantins Transmissora de Energia S/A	Electricity transmission	100	100
Laralsol Empreendimentos Energéticos Ltda	Distributed energy generation	99.9	99.90

(a) The general meeting that incorporated Energisa Geração took place on January 10, 2019 and approved the incorporation of Energisa Geração Central Solar Rio do Peixe I S/A and Energisa Geração Central Solar Rio do Peixe II S/A, respectively.

(b) The public deed of incorporation states that the companies Energisa Transmissora de Energia I S/A; Energisa Transmissora de Energia II S/A and Energisa Transmissora de Energia III S/A were incorporated on May 20, 2019, respectively.

(1) Publicly held companies.

(2) The share surpluses of ERO and EAC not acquired by the employees and retirees, consisting of 128,665,217 common shares in Ceron and 10,088,904,771 common shares and 3,768,032,911 preferred shares of EAC, were paid in by the Company on March 01, 2019, which now has the new equity interests of 95.43% and 93.58% respectively.

(3) Preoperational.

(4) Rede Power do Brasil S/A is controlled by Rede Energia Participações S.A. and has an interest of 35.92% in EMS.

**Description of main consolidation procedures:**

- (a) Elimination of inter-company asset and liability account balances;
- (b) Elimination of the balances of investments and corresponding interests in the capital and earnings of subsidiaries; and
- (c) Elimination of inter-company income and expense balances arising from inter-company transactions.

**4. Segment reporting - consolidated**

An operational segment is a component of the Company that develops business activities from which revenue streams can be derived and expenses incurred, including revenue and expenses related to transactions with other Company components. All operational income from segments is reviewed frequently by Management to support decisions about new resources to be allocated to the segment and to evaluate its performance, for which individual interim financial information is made available.

Segment results reported to Management include items directly attributable to the segment and items that can be reasonably allocated. Items not allocated primarily consist of corporate assets.

The Company and its subsidiaries operate in energy distribution and sale and the provision of maintenance and operation of services for electricity distribution generation ventures. Summary segment reporting follows:

**a) Segment reporting**

	6/30/2020					
	Distribution	Generati on	Transmission	Sales	Services and other	Total
External Revenue	3,390,113	746	240,075	474,465	5,075,627	9,181,026
Intersegment Revenue	9,994	-	337	-	200,146	210,477
<b>Total</b>	<b>3,400,107</b>	<b>746</b>	<b>240,412</b>	<b>474,465</b>	<b>5,275,773</b>	<b>9,391,503</b>
Financial Revenue	(29,091)	7	669	1,085	444,462	417,132
Financial Expenses	(312,985)	(6)	(9,623)	(2,162)	(410,243)	(735,019)
<b>Total</b>	<b>(342,076)</b>	<b>1</b>	<b>(8,954)</b>	<b>(1,077)</b>	<b>34,219</b>	<b>(317,887)</b>
Amortization and depreciation	463,890	89	16	40	137,186	601,221
Net income by segment before income and social contribution taxes	96,644	(127)	169,176	(13,270)	404,467	656,890

	6/30/2019					
	Distribution	Generation	Transmission	Sales	Services and other	Total
External Revenue	8,891,159	136	181,939	372,150	21,685	9,467,069
Intersegment Revenue	8,440	-	-	-	175,325	183,765
<b>Total</b>	<b>8,899,599</b>	<b>136</b>	<b>181,939</b>	<b>372,150</b>	<b>197,010</b>	<b>9,650,834</b>
Financial Revenue	321,777	-	4,992	1,847	136,515	465,131
Financial Expenses	(580,340)	(4)	(7,804)	(1,875)	(576,882)	(1,166,905)
<b>Total</b>	<b>(258,563)</b>	<b>(4)</b>	<b>(2,812)</b>	<b>(28)</b>	<b>(440,367)</b>	<b>(701,774)</b>
Amortization and depreciation	547,917	35	15	21	21,027	569,015
Net income by segment before income and social contribution taxes	672,211	(274)	98,565	(12,204)	(382,365)	375,933

	Distribution	Generation	Transmission	Sales	Services and other	6/30/2020	12/31/2019
<b>Segment assets</b>	<b>24,361,976</b>	<b>12,854</b>	<b>1,363,257</b>	<b>477,611</b>	<b>17,723,994</b>	<b>43,939,692</b>	<b>41,224,171</b>
Current assets	9,609,484	795	125,665	209,345	1,633,843	11,579,132	10,240,247
Noncurrent assets	14,752,492	12,059	1,237,592	268,266	16,090,151	32,360,560	30,983,924
<b>Segment liabilities</b>	<b>16,220,335</b>	<b>424</b>	<b>943,282</b>	<b>454,093</b>	<b>19,409,665</b>	<b>37,027,799</b>	<b>34,761,951</b>
Current liabilities	3,413,304	342	67,164	156,497	7,277,215	10,914,522	7,916,276
Non-current liabilities	12,807,031	82	876,118	297,596	12,132,450	26,113,277	26,845,675

## b) Reconciliation of segment revenue, profits, assets and liabilities

	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
<b>Revenue</b>				
Total net segment revenue	4,490,527	9,391,503	4,811,192	9,650,834
Elimination of intersegment revenue	(91,815)	(210,477)	(108,208)	(183,765)
<b>Consolidated net revenue</b>	<b>4,398,712</b>	<b>9,181,026</b>	<b>4,702,984</b>	<b>9,467,069</b>
<b>Amortization and depreciation</b>				
Total amortization and depreciation of segments	300,202	601,221	268,481	569,015
<b>Consolidated amortization and depreciation</b>	<b>300,202</b>	<b>601,221</b>	<b>268,481</b>	<b>569,015</b>
<b>Financial revenue</b>				
Total financial revenue of segments	196,046	417,132	245,202	465,131
Elimination of intersegment revenue	(64,817)	(139,737)	(56,630)	(94,741)
<b>Consolidated financial revenue</b>	<b>131,229</b>	<b>277,395</b>	<b>188,572</b>	<b>370,390</b>
<b>Financial expense</b>				
Total financial expense of segments	(638,031)	(735,019)	(713,776)	(1,166,905)
Elimination of intersegment expense	64,817	139,737	56,630	94,741
<b>Consolidated financial expense</b>	<b>(573,214)</b>	<b>(595,282)</b>	<b>(657,146)</b>	<b>(1,072,164)</b>
Total net income for the segments	(14,773)	656,890	81,928	375,933
<b>Income before tax on net income</b>	<b>(14,773)</b>	<b>656,890</b>	<b>81,928</b>	<b>375,933</b>

	6/30/2020	12/31/2019
<b>Assets</b>		
Total segment assets	43,939,692	41,224,171
Other unallocated amounts	(1,881,339)	(1,904,357)
<b>Total consolidated assets</b>	<b>42,058,353</b>	<b>39,319,814</b>
<b>Liabilities</b>		
Total segment liabilities	37,027,799	34,761,951
Other unallocated amounts	(1,881,339)	(1,904,357)
<b>Total consolidated liabilities</b>	<b>35,146,460</b>	<b>32,857,594</b>



## 5. Cash and cash equivalents, short-term investments in the money market and secured funds

### 5.1 Cash and cash equivalents

The portfolio of short-term investments consists of Bank Deposit Certificates (CDBs) and Securities subject to repurchase agreements. Weighted average interest on the portfolio in the period ended June 30, 2020 was 99.7% of the CDI rate (101.9 % of the CDI at December 31, 2019).

Description	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Cash and sight deposits	6,296	6,345	168,617	255,955
Liquid financial investments:	288,741	62,078	1,915,285	407,148
Bank Deposit Certificate (CDBs)	232,520	-	1,321,750	-
Securities subject to repurchase agreements	56,221	62,078	593,535	407,148
<b>Total cash and cash equivalents - Current</b>	<b>295,037</b>	<b>68,423</b>	<b>2,083,902</b>	<b>663,103</b>

### 5.2 Money market and secured funds (stated at fair value through profit and loss)

The investment portfolio consists largely of Closed-End Investment Funds investing in assets selected to improve returns with minimal risk, including fixed-income securities, government bonds, repurchase agreements, debentures and CDBs. Weighted average interest on the portfolio at June 30, 2020 was 68.9% of the CDI rate (106.6% of the CDI rate at December 31, 2019).

Description	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
<b>1) At fair value through profit or loss</b>	<b>2,228,585</b>	<b>2,486,362</b>	<b>2,138,021</b>	<b>2,373,194</b>
Bank Deposit Certificate (CDBs)	14,264	14,022	114,004	36,277
Bank Deposit Certificates Commercial Guarantees (CDB) <sup>(1)</sup>	-	-	13,061	15,046
Securities held under repurchase agreements <sup>(2)</sup>	-	-	4,137	18,891
Debentures <sup>(3)</sup>	1,811,418	1,811,399	-	-
Financial Bill <sup>(4)</sup>	9,875	-	19,521	-
Investment Funds <sup>(5)</sup>	30,048	26	61,218	54,408
<b>Exclusive Investment Funds <sup>(6)</sup></b>	<b>362,980</b>	<b>660,915</b>	<b>1,812,566</b>	<b>2,137,703</b>
Bank Deposit Certificate (CDBs)	15,203	22,795	51,399	50,311
Bank Credit Note (CCB)	1,435	2,560	4,851	5,652
Securities held under repurchase agreements	127,247	112,459	400,408	248,215
Government securities	6,588	27,990	292,180	418,379
Multimarket Fund	9,334	-	26,143	-
Fixed-Income Fund	51,600	235,183	170,621	468,521
Financial Treasury Bills (LFT)	73,426	255,993	582,807	892,115
Financial bill (LF)	1,508	338	18,303	746
Financial bill (LTN)	4,008	1,086	27,142	16,226
National treasury notes (NTNB)	72,631	2,511	238,712	37,538
CCBs bills <sup>(7)</sup>	74,219	74,591	74,219	74,591
(-) Provision for losses on CCB bills <sup>(7)</sup>	(74,219)	(74,591)	(74,219)	(74,591)
Other instruments	-	-	-	252
Credit receivables investment funds <sup>(8)</sup>	-	-	113,514	110,617
<b>Total balance of money market and secured funds <sup>(9)</sup></b>	<b>2,228,585</b>	<b>2,486,362</b>	<b>2,138,021</b>	<b>2,373,194</b>
Current	437,156	710,030	1,769,054	2,016,399
Noncurrent	1,791,429	1,776,332	368,967	356,795

(1) Bank Deposit Certificate (CDB) - Commercial Guarantees - These investments denote funds underlying commercial client guarantees, pursuant to the energy sale contract. Funds in this amount were credited to current liabilities, yielding 90.0% to 100.0% (90.0% to 100.0% as of December 31, 2019) and a weighted average of 97.7% (98.1% as of December 31, 2019) of the CDI rate;

- (2) Debentures held under repurchase agreements - Sales of securities subject to a repurchase agreement undertaken by the seller, alongside the resale commitment undertaken by the buyer. They yield 65.0% to 80.0% (65.0% to 80.0% as of December 31, 2019) and the weighted average of 66.3% (65.5% as of December 31, 2019) of the CDI rate and underlie debentures;
- (3) Private debentures issued by the electricity DisCo subsidiaries;
- (4) Financial Bill - LF maturing 7/22/2020, yielding 108% of the CDI rate - BTG Pactual;
- (5) Investment Funds - includes funds classified as Fixed Income and yield -353.3% to 174.8% (34.4% to 114.3% as of December 31, 2019) and a weighted average of 154.8% (103.5% as of December 31, 2019) of the CDI rate.
- (6) Exclusive investment fund, includes investments in CDB, CCB, Repos, Fixed-Income Funds, Government Bonds, Multimarket Fund, LFT, LF, LTN and NTN bills and yield 102.5% (105.2% as of December 31, 2019) of CDI Fundo FI Energisa, 30.47% (109.7% as of December 31, 2019) of CDI Fundo Cataguases and 36.4% (115.7% as of December 31, 2019) of CDI Fundo Zona da Mata.
- (7) Bank Credit Note - CCBs;
- (8) Credit Rights Investment Fund: FIDC IV Energisa Centro Oeste maturing on 10/1/2034 and FIDC III Energisa 2008 maturing on 12/29/2020; and.
- (9) Includes R\$ 15,367 (R\$ 15,118 at December 31, 2019) parent company and R\$ 278,268 (R\$ 236,734 at December 31, 2019) consolidated related to restricted funds, as follows:

Secured funds	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Judicial deposit creditors	15,341	15,093	15,341	15,093
Frozen by court order	26	25	6,453	5,563
Credit receivables investment funds - FIDC	-	-	113,514	110,617
Light for All Program	-	-	99,584	62,853
Guarantee with energy sales	-	-	13,061	15,046
Consumer council	-	-	5,126	4,301
Other	-	-	25,189	23,261
<b>Total</b>	<b>15,367</b>	<b>15,118</b>	<b>278,268</b>	<b>236,734</b>

## 6. Clients, consumers and concessionaires

At the parent company this mainly includes specialist services provided to the subsidiaries, as detailed in note 13 - related-party transactions and the consolidated statement mainly includes billed and unbilled electricity sales to consumers, the latter determined by estimate recognized on the accrual basis, based on individual average daily consumption between the latest reading date and the close of the interim financial information.

	Parent company		Consolidated							Total	
			Outstanding balances		Overdue balances				PPECLD (7)		
	6/30/2020	12/31/2019	Up to 60 days	Over 60 days	Up to 90 days	91 to 180 days	181 to 360 days	Over 360 days		6/30/2020	12/31/2019
<b>Current amounts: <sup>(1)</sup></b>											
Residential	-	-	315,553	-	493,250	138,557	59,423	54,763	(279,689)	781,857	859,720
Industrial	-	-	149,901	-	37,338	10,297	16,243	41,686	(64,568)	190,897	233,911
Commercial	-	-	223,959	-	113,084	37,441	26,305	48,667	(86,787)	362,669	434,832
Rural	-	-	110,710	-	71,849	23,307	16,568	11,375	(27,284)	206,525	194,160
Public authorities	-	-	70,947	-	21,315	4,423	3,711	8,840	(18,950)	90,286	134,155
Public lighting	-	-	40,557	-	12,655	5,449	3,601	12,354	(22,006)	52,610	59,558
Public utility	-	-	52,988	-	21,891	6,342	10,791	75,777	(105,121)	62,668	64,607
Taxed service	-	-	3,421	-	-	-	-	-	-	3,421	3,264
Unbilled sales	-	-	937,406	-	-	-	-	-	-	937,406	958,987
Injunction supply	-	-	1,625	-	-	-	-	-	-	1,625	1,649
Collection Classification Process	-	-	5,995	-	-	-	-	-	-	5,995	(10,859)
Renegotiated amounts:											
Residential	-	-	34,963	123,786	27,299	13,803	10,897	57,582	(114,453)	153,877	165,725
Industrial	-	-	16,008	34,147	3,835	1,533	2,818	24,319	(32,724)	49,936	25,411
Commercial	-	-	22,215	118,334	9,338	4,213	3,841	22,326	(54,247)	126,020	104,906
Rural	-	-	7,061	24,165	4,577	2,235	1,906	5,803	(21,335)	24,412	27,844
Government <sup>(2)</sup>	-	-	20,111	353,315	4,894	476	435	7,924	(8,682)	378,473	400,896
Public lighting	-	-	5,911	39,596	808	27	127	22	(1,043)	45,448	47,963
Public utility	-	-	1,013	16,730	323	29	95	3,459	(3,820)	17,829	14,701
(-) Adjustment to present value <sup>(3)</sup>	-	-	(460)	(96,423)	-	-	-	-	-	(96,883)	(118,452)
<b>Subtotal - receivables</b>	-	-	<b>2,019,884</b>	<b>613,650</b>	<b>822,456</b>	<b>248,132</b>	<b>156,761</b>	<b>374,897</b>	<b>(840,709)</b>	<b>3,395,071</b>	<b>3,602,978</b>
Sales to concession operators - local currency <sup>(4)</sup>	-	-	215,312	-	-	-	-	34,590	(4,882)	245,020	359,354
Charge for using transmission and distribution system	-	-	4,507	-	340	29	-	9,716	(10,185)	4,407	4,484
Specialized Services	43,470	40,640	38,250	-	9,372	-	-	-	(2,325)	45,297	43,928
Decrease in use of the distribution system <sup>(5)</sup>	-	-	-	-	-	-	-	12,201	-	12,201	12,201
Energy sold to free clients	-	-	88,273	-	-	-	-	-	-	88,273	98,671
Others <sup>(6)</sup>	-	-	76,463	59,992	267,681	32,101	2,299	369,177	(20,175)	787,538	712,425
<b>Total</b>	<b>43,470</b>	<b>40,640</b>	<b>2,442,689</b>	<b>673,642</b>	<b>1,099,849</b>	<b>280,262</b>	<b>159,060</b>	<b>800,581</b>	<b>(878,276)</b>	<b>4,577,807</b>	<b>4,834,041</b>
Current	43,470	40,640								3,476,469	3,783,469
Noncurrent	-	-								1,101,338	1,050,572

(1) Maturities are scheduled for the 5<sup>th</sup> working day after the bills are delivered, except for government consumers who have 10 working days to pay;

(2) Adjustment recognized to present value on the debt of R\$ 4,265 (R\$ 4,175 as of December 31, 2019), recorded in profit or loss for the period under other financial expenses in the consolidated statement, calculated by applying the annual CDI rate of 2.58% p.a. (4.60% p.a. as of December 31, 2019);

(3) Net present value: calculated for renegotiated contracts without interest and/or those with an interest-rate of IPCA or IGPM. The annual average CDI rate of 2.58% p.a. was used for discounting to present value. (4.6% p.a. as of December 31, 2019);

(4) Includes energy sold at the Electricity Commercialization Chamber - CCEE.

Breakdown of CCEE credits	Consolidated	
	6/30/2020	12/31/2019
Outstanding balances	215,313	328,033
Credits linked to court injunctions <sup>(a)</sup>	34,589	34,589
<b>Sub-total credits CCEE <sup>(*)</sup></b>	<b>249,902</b>	<b>362,622</b>
(-) Energy acquisitions at CCEE	(272,817)	(456,126)
(-) System service charges	(12,858)	(3,257)
<b>Total CCEE credits</b>	<b>(35,773)</b>	<b>(96,761)</b>

(\*) The sub-total of R\$ 249,902 (R\$ 362,622 as of December 31, 2019) does not include the expected allowance for doubtful accounts of R\$ 4,882 (R\$ 3,264 as of December 31, 2019).

(a) Amounts linked to court injunctions that can be subject to change, depending on the outcome of the legal proceedings in progress. The subsidiaries ESE, EMG, ENF and ESS did not make a provision for expected possible loan losses referring to the balances bound to these injunctions, as they hold that the amounts will be received in full either from the borrowers judicially contesting the loans or from other companies which the CCEE specifies in the future.

(5) The amounts intended to restore the subsidiary EMT's revenue for providing the distribution grid to free consumers, generators and incentivized sources. For the remaining balance of R\$ 12,201 (R\$ 12,201 as of December 31, 2019), recorded under noncurrent assets, suspended by injunction, the same amount is recorded against other accounts payable in the consolidated noncurrent liabilities;

(6) The item other includes ICMS on the use of the distribution system by free consumers of R\$ 426,367 (R\$ 372,803 as of December 31, 2019), on energy demand recorded in noncurrent assets and which has been suspended under injunctions. The amounts have been charged to value-added tax on goods and Services - ICMS in taxes and social contributions (note 24), in consolidated non-current liabilities and includes service fees and other consumer receivables.

(7) The allowance for doubtful accounts was made based on expected losses, using a simplified recognition approach, historic loss rates, future delinquency probability and management's best expectations.

The recording of expected losses includes future delinquency probability variables that are currently aggravated by the Covid-19 pandemic, where the disconnecting of electricity by concession operators has been suspended by the regulatory agency to protect consumers given the essential nature of electricity consumption. Although the forecast projects higher delinquency as a result of this situation, this variable is expected to have a limited effect on expected loss analyses, as concession operators will be able to begin disconnecting again on 7/1/2020. The disconnection deadline due to non-payment ends on 6/30/2020. Another mitigating factor is the measures assisting concession operators classified by the regulatory agency as a benefit for helping consumers, as mentioned above. In addition to the historical basis as a metric for measuring expected losses, material future delinquency conditions are also analyzed by the Company to calculate final expected losses.

See the changes in the expected losses on allowance for doubtful accounts:

Changes in provisions	6/30/2020	12/31/2019
<b>Opening balance - current - 12/31/2019 and 12/31/2018</b>	<b>703,949</b>	<b>605,063</b>
Balance of acquisition of the new business combination	-	220
Provisions recorded in the year/period (*)	370,926	212,491
Write-off of electricity bills - uncollectible	(77,807)	(113,825)
<b>Closing balance - current - 06/30/2020 and 12/31/2019</b>	<b>997,068</b>	<b>703,949</b>
<b>Allocation:</b>		
Clients, consumers and concessionaires	878,276	587,124
Credit receivables (note 7)	75,418	75,220
Other receivables (note 12)	43,374	41,605
<b>Closing balance</b>	<b>997,068</b>	<b>703,949</b>

(\*) The total losses expected on doubtful accounts determined in the period ended June 30, 2020 of R\$ 370,926 (R\$ 212,491 as of December 31, 2019), include R\$ 188,398 due to higher delinquency resulting from the impact of COVID-19.

## 7. Credit receivables

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Enforcement of PM securities of Cuiabá (1)	-	-	8,757	10,943
Municipality Securities (1)	-	-	67,525	67,780
Credit receivables (2 and 3)	25	76	45,660	45,972
Allowance for doubtful accounts (1.2 and 3)	-	-	(75,418)	(75,220)
Adjustment to present value (1, 2 and 3)	-	-	(22,725)	(22,902)
<b>Total</b>	<b>25</b>	<b>76</b>	<b>23,799</b>	<b>26,573</b>
Current	25	76	15,255	16,116
Non-current	-	-	8,544	10,457

As of June 30, 2020 the credits mature as follows:

Invoice due dates	Parent company	Consolidated (*)
	6/30/2020	6/30/2020
Overdue	-	6,862
2021	25	6,076
2022	-	7,894
2023	-	835
2024 onwards	-	77,550
<b>Total</b>	<b>25</b>	<b>99,217</b>

(\*) Presented net for the present value.

### (1) Indirect subsidiary EMT

Enforcement of PM securities of Cuiabá - R\$ 8,757 (R\$ 10,943 as of December 31, 2019):

- (i) Government securities under proceeding (383/2001 - 3<sup>rd</sup> Lower Treasury Court - Cuiabá), filed against the municipality of Cuiabá, which resulted in order 13.699/2004/TJMT. The receivables of R\$ 8,757 (R\$ 10,943 as of December 31, 2019) are in the process of receipt, and 48 installments have been received, there remaining 19 installments restated at the rate of 0.5% per month. Subsidiary management constituted the present value of R\$ 7 (R\$ 11 as of December 31, 2019) at the average annual interest rate of CDI 0.5% p.a. (4.60% p.a. as of December 31, 2019).

Other Municipal Government Securities:

Municipal Governments	6/30/2020	12/31/2019
Municipal Government of Alta Floresta (*)	2,787	3,042
Municipal Government of Cáceres	4,021	4,021
Municipal Government of Juscimeira	4,127	4,127
Water and sewage department of Várzea Grande - DAE VG	56,590	56,590
<b>Total</b>	<b>67,525</b>	<b>67,780</b>

(\*) Includes net present value of R\$ 14 (R\$ 16 as of December 31, 2019) for the tax credit right of Alta Floresta.

- (ii) Consists of municipal government securities, where the securities were issued after the final legal conviction of the debtors, in accordance with the court order, in addition to payment requisitions to demand the municipalities pay debts related to electricity bill debits for the period July 1998 to June 2014 in the amount of R\$ 67,525 (R\$ 67,780 as of December 31, 2019), payable from July 27, 1998. The amount was transferred from clients, consumers and concession operators and the evidentiary stages in all cases have finished, and all cases are final and unappealable. R\$ 64,738 (R\$ 64,738 as of December 31, 2019) of this amount has been provisioned for.

**(2) Credit receivables:****Indirect subsidiary EMT**

Acquisition of carbon credits on July 16, 2008 from Companhia Técnica de Comercialização de Energia, with a balance as of June 30, 2020 of R\$ 1,625 (R\$ 1,625 as of December 31, 2019), which have been completely provisioned for.

**Indirect subsidiary ESS:**

- (i) In 2003 the subsidiary ESS acquired R\$ 44,034 (R\$ 44,034 as of December 31, 2019) non-tax credits arising from an award against the Federal Government in proceedings seeking a right to offset federal taxes and contributions recognized under a *res judicata* court decision. These credits are under dispute in proceedings brought by the party holding credit rights against the Federal Government. The subsidiary brought these proceedings with an claim for assistance which was rejected by the first instance court for purely procedural reasons. An appeal was brought against the decision which is pending adjudication by the Federal Court of the 1<sup>st</sup> Region. Following their accession to the Special Tax Financing Program (PAEX) on 12/15/2006 under Provisional Measure 303/2006, the subsidiary ESS withdrew from their claim to offset those credits but remain party to the proceedings to seek recognition of their credit rights. The realization of these credits depends on a successful outcome from the proceedings, the probability of which has been rated as "possible" by the Company's subsidiary. Management recognized a provision for impairment losses of this asset, recorded as a deduction to consolidated credits receivable of R\$ 21,400 (R\$ 21,400 as of December 31, 2019) and R\$ 22,633 (R\$ 22,633 as of December 31, 2019) in the item adjustment to present value.
- (ii) Includes the collection arrangement, mutual use of poles and other items amounting to R\$ 3,112 (R\$ 3,231 as of December 31, 2019). The subsidiary has a mutual pole use recoverable loss of R\$ 762 (R\$ 762 as of December 31, 2019).
- (iii) Consists of municipal government securities of R\$ 852 (R\$ 852 at December 31, 2019), which were issued after the debtors had been convicted by the highest courts. The subsidiary recorded an impairment loss for government securities of R\$ 290 (R\$ 290 as of December 31, 2019).

**Indirect subsidiary ETO:**

The indirect subsidiary ETO recorded the amount of R\$ 11,254 (R\$ 11,466 as of December 31, 2019) as follows:

- (i) R\$ 7,871 (R\$ 8,088 as of December 31, 2019) denotes municipal government securities, which after the final legal conviction of the debtors the securities were issued, in accordance with the court order, in addition to payment requisitions to demand the municipalities pay debts related to electricity bill debits.

All the cases have had the evidentiary stages completed, and are final and unappealable, as a consequence the municipal securities were formed as follows:

Municipal Governments	6/30/2020	12/31/2019
Paraíso	1,208	1,527
Taguatinga	3,700	3,945
Divinópolis (*)	258	258
Miranorte	220	386
Porto Nacional (*)	651	651
Sítio Novo (*)	-	771
Santa Fé do Araguaia (*)	1,030	260
Other (*)	804	290
<b>Total</b>	<b>7,871</b>	<b>8,088</b>

(\*) The subsidiary recorded an impairment loss for R\$ 2,743 (R\$ 2,227 as of December 31, 2019).

- (ii) Includes R\$ 3,029 (R\$ 3,029 as of December 31, 2019) includes overdue unpaid electricity bill credits resulting from the collection proceeding filed against the debtor Itafós Mineração S/A, accepted by the courts and made final and unappealable, where the credits were fully qualified in the case records of the Extrajudicial Reorganization Proceeding of the debtor 0000459-40.2016.827.2709, ratified on August 29, 2016, and in progress before the 1<sup>st</sup> Civil Court of Arraias - TO and the amount of R\$ 354 (R\$ 349 as of December 31, 2019) for other receivables.

Management of the subsidiary ETO made a provision for impairment of R\$ 13 and provision for adjustment to present value of receivable credit securities in the amount of R\$ 71 (R\$ 137 as of December 31, 2019) recorded under other financial expenses in the consolidated income statement for the period.

**(3) Parent Company and other subsidiaries:**

- (i) At the parent company the amount of R\$ 25 and (R\$ 76 as of December 31, 2019) denotes receivables from Raizen do Brasil and R\$ 6,158 (R\$ 6,088 as of December 31, 2019) denotes other receivables from third parties of the subsidiaries CTCE, EPB, EMG, ESE, Dinâmica and ERO.
- (ii) In the period the subsidiary EMG recorded an impairment loss for Manhuaçu municipal government securities of R\$ 746 (R\$ 746 as of December 31, 2019).
- (iii) In the period the subsidiary ERO recorded an impairment loss of R\$ 4,501 (R\$ 4,819 as of December 31, 2019) and net present value of R\$ 105 as of December 31, 2019).



## 8. Dividends receivable

Subsidiaries	Parent company	
	6/30/2020	12/31/2019
Energisa Nova Friburgo Distribuidora de Energia S/A (*)	1,289	1,289
Energisa Comercializadora de Energia Ltda.	-	9,025
Energisa Planejamento e Corretagem de Seguros Ltda	-	274
Dinâmica Direitos de Créditos S/A	-	26
<b>Total Current Assets</b>	<b>1,289</b>	<b>10,614</b>

(\*) dividends received on 7/14/2020.

## 9. Recoverable taxes

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Value Added Tax on Sales and Services - ICMS	-	-	320,473	306,481
Corporate Income Tax - IRPJ	157,222	129,283	769,227	695,985
Social Contribution on Net Income -CSLL	6,054	4,221	169,348	167,575
PIS and COFINS Contributions	1,441	1,567	134,233	152,300
Effects of reducing ICMS on the PIS and Cofins calculation base (*)	-	-	1,009,271	665,780
Other	143	193	56,679	55,318
	<b>164.860</b>	<b>135.264</b>	<b>2.459.231</b>	<b>2,043,439</b>
Current	69,585	99,837	1,075,638	1,021,209
Non-current	95,275	35,427	1,383,593	1,022,230

(\*) The subsidiaries EPB, EBO, ETO, ESS and ESE recorded recoverable PIS and COFINS credits of R\$ 1,009,271 (R\$ 665,780 as of December 31, 2019), with R\$ 425,311 (R\$ 389,900 as of December 31, 2019), R\$ 68,396 (R\$ 63,176 as of December 31, 2019), R\$ 231,499 (R\$ 212,704 as of December 31, 2019), R\$ 29,470 and R\$ 254,595 of the subsidiaries EPB, EBO, ETO, ESS and ESE, respectively as a result of ICMS being removed from the calculation base after their legal cases were made final and unappealable, calculated based on Management's best estimate. The amounts were duly restated by applying the Selic base interest rate, which in the period amounted to R\$ 75,840 (R\$ 90,878 as of June 30, 2019), recorded under other financial revenue in the statement of income for the period. The figures of the subsidiaries ESE and ESS were recognized in the 2<sup>nd</sup> quarter of 2020. The subsidiaries will establish tax credit recovery procedures in accordance with the legal regulations as soon as their calculations are complete, as per note 30.

The other items denote tax credits on negative balances of income and social contribution taxes, ICMS on the acquisition of intangible assets/property, plant and equipment and overpayments of taxes and contributions, which will be recovered or offset against taxes in future periods, in due accordance with the applicable existing tax legislation.

## 10. Readjustments, Rate Reviews and other regulatory matters - consolidated

### 10.1 Rate adjustments:

The rates are adjusted annually and the concession operator's revenue is divided into two portions: Parcel A (consisting of non manageable expenses) and Parcel B Portion (efficient operating costs and capital costs). The annual rate adjustment aims to pass through uncontrollable costs and to monetarily restate controllable costs.

The subsidiaries' rates have been readjusted as follows:

DisCo	Ratifying Resolution	Average effect to be faced by (%)	Valid from
ESS	Resolution 2570, issued 7/9/2019	1.30%	7/12/2019
EMG (*)	Resolution 2696, issued 6/17/2020	6.41%	6/22/2020
EBO	Resolution 2665, issued 1/28/2020	-1.78%	2/4/2020
ENF (*)	Resolution 2698, issued 6/17/2020	2.39%	6/22/2020
EPB	Resolution 2596, issued 8/20/2019	-4.27%	8/28/2019
ETO	Resolution 2567, issued 7/2/2019	-0.33%	7/4/2019
ESE (*)	Resolution 2678, issued 4/20/2020	1.20%	4/22/2020
EMS (*)	Resolution 2671, issued 4/7/2020	6.90%	4/8/2020
EMT (*)	Resolution 2672, issued 4/7/2020	2.47%	4/8/2020
ERO (**)	Resolution 2648, issued 12/10/2019	0.11%	12/13/2019
EAC (**)	Resolution 2649, issued 12/10/2019	-4.24%	12/13/2019

(\*) Because of the Covid-19 pandemic, Resolutions 2.671, 2.672, 2.678, 2.696 and 2.698 permitted the deferral of the adjustment to June 30, 2020 for the subsidiaries EMS, EMT, ESE, EMG and ENF, in exchange for deferring payment of the monthly energy development account - CDE quotas in equal financial amounts. The rate adjustments were applied on July 01, 2020.

(\*\*) As stated in the notice of auction 02/2018, at which ERO and EAC were acquired ERO and EAC, Energisa Group requested ANEEL provide the Extraordinary Rate Review for these distribution companies. However, this request was denied by the Regulatory Agency, and only the Annual Rate Adjustment was ratified. Management of the subsidiaries filed an application to have Aneel's position changed.

## 10.2 Rate reviews:

The subsidiaries' periodic rate reviews take place: (i) every four years at EBO and EPB, and (ii) every five years at ESE, EMT, EMS, EMG, ENF, ESS (\*), ETO, ERO and EAC.

In this process ANEEL recalculated the rates according to the changes in the structure of the concession operators' costs and sales, in order to foster the efficiency and affordability of the rates. The adjustments and reviews are rate restatement mechanisms, both stipulated in the concession agreement. The concession operators may also request an extraordinary review whenever an event causes a significant economic and financial imbalance in the concession.

The rate adjustments in force have been summarized below:

DisCo	ANEEL Ruling	Average effect on consumers (%)	Valid from
ESS (*)	Resolution 2071, issued 5/3/2016	-0.94%	5/10/2016
EBO	Resolution 2200, issued 1/31/2017	0.43%	2/4/2017
EMG	Resolution 2092, issued 6/21/2016	2.16%	6/22/2016
EMS	Resolution 2380, issued 4/3/2018	9.87%	4/8/2018
EMT	Resolution 2379, issued 4/3/2018	11.53%	4/8/2018
ENF	Resolution 2091, issued 6/21/2016	8.86%	6/22/2016
EPB	Resolution 2291, issued 8/22/2017	14.55%	8/28/2017
ESE	Resolution 2387, issued 4/17/2018	11.30%	4/22/2018
ETO	Resolution 2105, issued 6/28/2016	12.81%	7/4/2016
ERO (**)	Resolution 1657, issued 11/26/2013	13.17%	11/30/2013
EAC (**)	Resolution 1655, issued 11/26/2013	10.73%	11/30/2013

(\*) As of June 30, 2017 ESS, took over CFLO, CNEE, EDEVP and EEB. By way of Authorizing Resolution 6318 and Ratifying Resolution 2271 issued June 11, 2017, ANEEL approved the first rate adjustment index of Energisa Sul Sudeste, which had a single rate. As the distribution companies used to have different rates, the average increase felt by consumers in the new concession grouped in this first year was differentiated.

(\*\*) The Extraordinary General Meeting held October 31, 2019 approved the changes to the names of Centrais Elétricas de Rondônia S/A (CERON) and Companhia de Eletricidade do Acre (ACRE) to the following: Energisa Rondônia - Distribuidora de Energia S/A (ERO) and Energisa Acre - Distribuidora de Energia S/A (EAC), respectively.

### 10.3 Extraordinary Rate Review

On March 26, 2019 ANEEL Resolution 2.523 approved the extraordinary review that affected the direct subsidiaries EBO, ERO and EAC, due to early termination of the payment of the CDE ACR account quota. The new amounts are effective from April 01, 2019, thereby affecting the sector financial assets and liabilities of the direct subsidiaries.

DisCo	ANEEL Ruling	Average effect on consumers (%)	Valid from
ERO <sup>(1)</sup>	Resolution 2524, issued 3/26/2019	17.87%	4/1/2019
EBO <sup>(2)</sup>	Resolution 2523, issued 3/26/2019	1.75%	4/1/2019
EAC <sup>(2)</sup>	Resolution 2523, issued 3/26/2019	18.13%	4/1/2019

<sup>(1)</sup> On 3/26/2019 the subsidiary ERO suffered an average decrease of 7.4% in its electricity rates, resulting in a decrease in the average readjustment rate (approved in December 2018) from 25.34% to 17.87%.

<sup>(2)</sup> On 3/26/2019 the subsidiaries EBO and EAC experienced an average reduction of 2.5% and 2.6%, respectively, in their electricity rates, due to the deduction of the portion of the loan from the ACR account, in the Energy Development Account - CDE and adjustments to the portions of other CDE items (CDE USO and CDE Decree), resulting in a decrease to the average readjustment rate at EBO of 4.36%, approved in January 2019, to 1.75% and 21.29% at EAC, approved in December 2018, to 18.13%.

Pursuant to the Concession Agreements of Energisa Rondônia and Energisa Acre, the Companies submitted an application 12 months in advance for an Extraordinary Rate Review in replacement of the annual adjustment which was to take place on December 13, 2019. The Aneel Collegiate Board denied the application on October 15, 2019. Aneel is currently analyzing the administrative claims to have this decision reviewed.

### 10.4 Rate flags:

From 2015 energy bills will start using the Rate Flag System.

The rate flags are used to inform consumers of the electricity generation conditions in the National Interconnected Grid - SIN by including a surcharge in the Energy Rate - TE.

The rate flag system consists of:

Green rate flag

Yellow rate flag

Red rate flag, segregated into Tiers 1 and 2

The green rate flag signals favorable energy generation conditions, with no surcharge.

The Yellow Rate Flag signals less favorable generation conditions. The rate rises R\$ 1.00 for each 100 kilowatt-hours (kWh) consumed in the month. From June 2019 the rate increase changed to R\$ 1.50 for every 100 kilowatt-hours (kWh). In November 2019 it changed to R\$ 1.34 for each 100 kilowatt-hour (kWh).

The Red Rate Flag signals costlier energy generation conditions. This flag is split into the following two tiers:

Tier 1: a rate of R\$ 3.00 for each 100 kilowatt-hours (kWh) consumed in the month; From June 2019 the rate increase changed to R\$ 4.00 for every 100 kilowatt-hours (kWh). In November 2019 it changed to R\$ 4.16 for each 100 kilowatt-hour (kWh).

Tier 2: a rate of R\$ 5.00 for each 100 kilowatt-hours (kWh) consumed in the month. From June 2019 the rate increase changed to R\$ 6.00 for every 100 kilowatt-hours (kWh). In November 2019 it changed to R\$ 6.24 for each 100 kilowatt-hour (kWh).

By way of Ratifying Resolution 2.551, effective from June/2019, on May 21, 2019 ANEEL approved the change to the values of the Yellow and Red Rate Flags - Level 1 and Level 2, as mentioned above.

By way of Ratifying Resolution 2,628, effective from October 22, 2019, ANEEL changed the values of the Yellow and Red Rate Flags - Level 1 and Level 2, from November, as mentioned above.

Because of the COVID-19 Pandemic, on May 26, 2020 a public meeting of the National Electricity Regulatory Agency (ANEEL) executive board disclosed emergency measures to provide electricity bill relief for consumers and to assist the electric sector in the current situation, deciding to maintain the green flag in place until December 31, 2020.

In the period, the rate flags were in force as follows:

	6/30/2020	6/30/2019
January	Yellow	Green
February	Green	Green
March	Green	Green
April	Green	Green
May	Green	Yellow
June	Green	Green

### 10.5 Other regulatory issues - overcontracting:

Overcontracting by the Energisa Group distribution companies is primarily due to the obligation imposed on electricity concession operators to acquire energy at the 2015 A-1 auction in 2015 and the migration of special clients to the Free Contracts System (ACL).

Regardless of their requirement, electricity distribution companies in Brazil are subject to the mandatory acquisition of at least 96% of their Replacement Amounts in the last auction of 2015, where failure to comply with this rule will constitute risks outside the agents' management, including the imposition of losses on the subsidiaries, electricity distribution companies due to an activity that does not compensate (energy acquisition).

Due to the worsening economic recession and falling income levels and consequently the demand met by distribution agents, the Concession Authority issue Decree 8828/16, changing the obligation to acquire the minimum mandatory amount for future auctions, when not necessary. In respect of the past, the matter continues to be discussed and analyzed with the agents.

Similarly, in relation to the migration of special clients from the captive market to the free market ANEEL changed the regulations permitting the returning to them of the corresponding energy as from the A-1 auction in 2016. As it is not possible to reduce the existing contracts as this possibility was not clear for the winner in the notice of the previous auctions, these surpluses have to be recognized as involuntary.

Energisa Group accordingly appealed to ANEEL to have this overcontracting recognized as involuntary, thereby countering the losses of the electricity distribution subsidiaries. At an Executive Board meeting held April 25, 2017, ANEEL determined that each distribution company's involuntary contracting be assessed individually, considering the maximum effort to achieve the contractual coverage level, as established in Normative Resolution 453/2011. Note that the administrative proceedings opened by the electricity companies have not been resolved by ANEEL.

The Group's gain amounts to R\$ 4,495 (R\$ 4,495 as of December 31, 2019) which will be offset.

Because of the pandemic, in FY 2020 the DisCo subsidiaries EMT, ESE, EMG, EAC and EBO have been breaching the regulatory limit (100% and 105%). However, Government Decree 10.350 issued May 18, 2020 recognize the load reduction was involuntary due to the effects of the COVID-19 pandemic, which removes the risk of financial impact for the Group. In order to minimize the impacts of overcontracting, the Company and its subsidiaries have been making every effort to use the available mechanisms, such as participating in the Monthly Surplus and Deficit Offsetting Mechanism (MCSD) and Energia Nova, Surplus Sale Mechanism - MVE and the performing of bilateral agreements with generators. The other subsidiaries EMS, EPB, ERO, ESS and ETO did not breach the regulatory limit.

## 11. Consolidated sector financial assets and liabilities

Denote assets and liabilities dating from temporary differences between the ratified costs of the A Parcel and other financial components, which are included in the rate at the start of the rate period and those which are effectively incurred throughout the period the rate is in force. The amounts are realized when other rate periods come into force or the concession is terminated with calculated unrecovered balances, which will be included in the compensation base.

The recognized amounts of sector financial regulatory assets and liabilities were charged to revenue from the sale of goods and services.

The contractual amendments issued by ANEEL guarantee that the CVA amounts and other financial item shall be incorporated into the compensation calculation upon termination of the concession.

The electricity distribution subsidiaries recorded the changes in these costs as sector financial assets and liabilities, as shown below:

Financial sector assets	Balances at 12/31/2019	Operating Revenue		Financial Income/Loss	Transfer	Balances at 6/30/2020	Amounts undergoing amortization	Amounts being recorded	Current	Noncurrent
		Addition	Amortization	Yield						
Items of A Parcel (1)										
Electricity purchased for resale	585,987	(14,750)	(322,443)	183	43,431	292,408	122,075	170,333	283,349	9,059
Transportation of electricity to national grid	113,649	35,878	(34,674)	1,352	(185)	116,020	62,530	53,490	113,343	2,677
Alternative Energy Sources Incentive Program - PROINFA	13,556	(34)	(9,399)	-	(657)	3,466	3,466	-	3,466	-
Transportation of electric power - Itaipu	12,875	5,013	(5,474)	125	-	12,539	7,153	5,386	11,950	589
Energy Development Account - CDE	115,991	31,337	(63,358)	1,365	10,323	95,658	63,127	32,531	95,001	657
Financial components										
Neutrality of A Parcel (3)	5,854	52,524	(1,616)	277	(11,646)	45,393	5,177	40,216	36,368	9,025
Electricity overcontracting (4)	13,406	152,637	(4,190)	(4)	36,400	198,249	-	198,249	180,120	18,129
CUSD	569	1,677	(514)	4	(94)	1,642	1,505	137	1,620	22
Submarket exposure (6)	327,934	44,786	(152,394)	2,023	(60)	222,289	164,743	57,546	217,357	4,932
Designated RGRs (7)	695,569	-	-	13,798	-	709,367	-	709,367	-	709,367
Financial guarantees (8)	4,649	1,883	(1,876)	51	-	4,707	1,765	2,942	4,045	662
Recoverable Balance (9)	5,576	19,859	(4,096)	(51)	(5,281)	16,007	8,181	7,826	12,026	3,981
Rate postponement effects (10)	-	65,903	-	150	-	66,053	-	66,053	64,017	2,036
Other financial items (11)	193,355	-	(102,007)	-	-	91,348	90,672	676	91,337	11
Total Assets	2,088,970	396,713	(702,041)	19,273	72,231	1,875,146	530,394	1,344,752	1,113,999	761,147

Financial sector liabilities	Balances at 12/31/2019	Operating Revenue		Financial Income/Loss	Transfer	Balances at 6/30/2020	Amounts undergoing amortization	Amounts being recorded	Current	Noncurrent
		Addition	Amortization	Yield						
Items of A Parcel (1)										
Electricity purchased for resale	3,006	20,459	(5,261)	108	43,431	61,743	31,640	30,103	37,991	23,752
Transportation of electricity to national grid	1,511	-	(1,326)	-	(185)	-	-	-	-	-
Alternative Energy Sources Incentive Program - PROINFA	-	19,102	(1,114)	193	(657)	17,524	5,903	11,621	16,186	1,338
System Service Charges - ESS (2)	355,192	250,375	(182,107)	3,586	-	427,046	145,963	281,083	389,664	37,382
Energy Development Account - CDE	18,106	(17,531)	(9)	184	10,323	11,073	-	11,073	7,098	3,975
Financial components										
Neutrality of parcel A (3)	72,882	20,659	(37,721)	851	(11,646)	45,025	45,025	-	45,025	-
Electricity overcontracting (4)	308,750	(17,837)	(162,667)	1,406	36,400	166,052	139,124	26,928	155,577	10,475
Rate Returns (5)	231,560	54,917	(13,919)	3,351	-	275,909	8,314	267,595	59,333	216,576
CUSD	2,067	530	(1,960)	62	(94)	605	549	56	599	6
Submarket exposure (6)	22	45	-	(1)	(60)	6	-	6	-	6
Recoverable Balance (9)	26,199	3,425	(11,668)	(596)	(5,281)	12,079	10,852	1,227	12,037	42
Other financial items (11)	133	-	(133)	-	-	-	-	-	-	-
Total Liabilities	1,019,428	334,144	(417,885)	9,144	72,231	1,017,062	387,370	629,692	723,510	293,552
Net balance	1,069,542	62,569	(284,156)	10,129	-	858,084	143,024	715,060	390,489	467,595

- Recoverable uncontrollable rates of the A Portion - (CVA):** Interministerial Ordinance 25, issued January 24, 2002 by the Ministries of State Finance and Mines and Energy, established the Compensation Account for Parcel A Variation - CVA", as the account for recording negative or positive changes in costs occurring in the period between annual rate adjustments, relating to the items established in the electricity distribution concession agreements. These changes are determined as the difference between the expense effectively incurred and the expenses estimated when the rate is established in the annual rate adjustments. The amounts included in the CVA are restated monetarily based on the Selic base interest rate. Includes R\$ 48 consisting of the returned remaining balance of the ACR account, which will be returned in the next rate adjustment to the end consumer.
- System service charges - ESS:** denotes a charge intended to cover the system service costs, which includes auxiliary services provided by users of the National Interconnected Grid - SIN. Includes R\$ 144,986 recorded in the second quarter for the receipt of CCEE cash relief due to the Covid-19 pandemic;
- Neutrality of the "A" Parcel:** denotes the neutrality of sector charges in the rate, determining the monthly differences between the amounts billed and the amounts included in the rates.
- Pass-through of energy overcontracting (surplus energy):** by way of the regulated energy contracts, distribution companies should ensure the entire market demand is met. Purchases greater than or lower than this parameter will result in ANEEL applying the rate of review and adjustment processes to determine the cost of passing through the acquisition of the overcontracting amount, limited to 5% in relation to the annual regulatory supply charge of the distribution company and the energy cost regarding exposure to the spot market.
- Rate returns:** denotes revenue from surplus demand and surplus reactive energy revenue earned as from the 4<sup>th</sup> Cycle of the Periodical Rate Reviews (4CRTP), from November 2017, appropriated in sector financial liabilities and restated monthly by applying the variance of the SELIC and to be amortized as from commencement of the 5<sup>th</sup> periodical rate review cycle (5CRTP).

- (6) **Submarket exposure:** denotes the financial gain deriving from differences between the Difference Settlement Price (PLD) as a result of energy transfers between submarkets.
- (7) **Designated RGR** - In July 2016, the 165<sup>th</sup> Extraordinary General Meeting - AGE of Eletrobrás, resolved not to extend the public electricity distribution concessions held by the Company. In light of this, the Ministry of Mines and Energy - MME published Ordinance 388/2016, which defined the terms and conditions for providing the temporary public service and designated the Company as a temporary public distribution service provider, entitling it to RGR funds to operate, incurring interest at the rate of 111% of SELIC. By way of official notice 242 issued in June 2018, ANEEL determined that the new concession operator is entitled to receive RGR contribution funds via rates, subject to the regulatory agency's approval. The Company created a Regulatory Asset to the same amount of the payments received by November 2018. Signed on December 6, 2018, concession agreement 003/2018 states that RGR funds received will be paid monthly, in equal payments, between the month following the month of the first ordinary review and the completion of the concession agreement.
- The Company bid 21% for ERO and 31% for EAC, with a discount on the debit balance of the RGR loans of R\$ 169,205, with R\$ 101,038 and R\$ 52,454, respectively secured by 2018 as per the auction notice.
- (8) **Financial Guarantees:** pass-through of costs deriving from the settlement and custody of financial guarantees established in the contracts addressed in article 15 (generation distributed by public order), art. 27 (CCEAR of new and existing energy auctions) and art. 32 (adjustment auctions) of Decree 5163/2004.
- (9) **Balance offsettable of the CVA of the previous cycle:** pursuant to article 3 (4) of Interministerial Ordinance MME/MF 25/2002, we found that the balance of the CVA being process included in the rate process was effectively offset, taking into account the changes occurring between the electricity market used to define this rate process and the market verified in the 12 months of the offsetting, in addition to the difference between the projected interest rate and the actual Selic base interest rate.
- (10) **Rate postponement effects:** because of the Covid-19 pandemic, the subsidiaries undergoing a rate review in the first half requested ANEEL defer the adjustment until July 01, 2020, in exchange for deferring payment of the monthly energy development account - CDE quotas in equal financial amounts.
- (11) **Other financial items:** this includes the other nonrecurrent specific financial items of the distribution companies, such as Reversal of the financial RTE2015, Eletronuclear Differential, DIC/FIC Offsetting Pass-through and deferral of the 2018 RTE of the subsidiary ERO, where the pass-through was approved for 2019 RTE, and is being amortized in 2020.

## 12. Other accounts receivable

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Low-income Subsidy <sup>(1)</sup>	-	-	99,991	72,740
Service orders in progress - PEE and R&D	-	-	192,897	204,134
Service orders in progress - other	-	-	26,400	20,759
Deactivation orders in progress	-	-	7,933	6,336
Expenses to be reimbursed - ODR	-	-	585	1,377
Advances to suppliers and employees	1,111	866	92,739	78,767
CDE subsidy - rate discount <sup>(2)</sup>	-	-	105,451	136,688
Banco Daycoval <sup>(3)</sup>	-	-	176,791	176,791
Provision for losses Banco Daycoval <sup>(3)</sup>	-	-	(176,791)	(176,791)
Other credits receivable - CELPA <sup>(4)</sup>	-	-	84,784	90,106
(-) Net to present value - CELPA <sup>(4)</sup>	-	-	(28,695)	(29,635)
Subrogation of CCC <sup>(5)</sup>	-	-	18,233	19,909
Low income standard	-	-	3,260	3,260
Advance for post-employment benefits	-	-	8,704	8,704
Credits receivable Banco Pine	-	-	1,663	1,663
Prepaid expenses	5,472	12,705	50,863	65,771
Accounts receivable from sale of generation companies <sup>(6)</sup>	113,500	113,500	113,500	113,500
Credits receivable from third parties <sup>(7)</sup>	-	-	58,276	53,603
Credits receivable from Eletrobrás - LPT <sup>(8)</sup>	-	-	18,365	18,365
Acquisition of fuel by CCC account <sup>(9)</sup>	-	-	56,037	99,069
Reinvestment deposit - tax incentives	-	-	3,962	8,539
Advances - Inergus <sup>(10)</sup>	-	-	74,196	68,914
CCC total generation cost - Law 12,111/2009 <sup>(11)</sup>	-	-	119,030	66,310
CCC Credits - ICMS receivable EAC <sup>(12)</sup>	-	-	55,817	55,817
CCC Accounts receivable Pis/Cofins <sup>(13)</sup>	-	-	80,979	-
Other <sup>(*)</sup>	27,123	26,102	56,267	81,458
Allowance for doubtful accounts	(51,480)	(51,480)	(66,396)	(64,618)
<b>Total</b>	<b>95,726</b>	<b>101,693</b>	<b>1,234,841</b>	<b>1,181,536</b>
Current	33,706	39,673	836,258	873,156
Non-current	62,020	62,020	398,583	308,380



(\*) This includes R\$ 746 (R\$ 674 as of December 31, 2019) at the parent company denoting related-party transactions for endorsement commission services provided and in the consolidated statement R\$ 43,374 (R\$ 41,605 as of December 31, 2019) consisting of the allowance for expected doubtful accounts.

(1) **Low-income subsidy** - consists of the subsidy for the low-income residential sector with monthly consumption of under 220 kWh, subject to certain requirements being met. This revenue is paid for with funds from the RGR - Global Reversal Reserve and the CDE - Energy Development Account, both administrated by CCEE. The outstanding balances consist of provisions for May and June 2020, which management does not expect to incur losses on.

See the changes occurring in the period/year:

Low-income subsidy	EMG	ENF	ESE	EPB	EBO	EMT	ETO	EMS	ESS	ERO	EAC	Total
<b>Consolidated balances on 12/31/2018</b>	<b>4,260</b>	<b>333</b>	<b>8,850</b>	<b>10,451</b>	<b>1,811</b>	<b>8,831</b>	<b>7,097</b>	<b>7,893</b>	<b>4,446</b>	<b>3,381</b>	<b>11,374</b>	<b>68,727</b>
Low-income subsidy	17,458	1,922	47,862	95,452	9,461	43,494	40,276	39,581	19,213	18,148	13,959	346,826
Reimbursement realized via CCEE	(17,236)	(1,915)	(48,256)	(89,768)	(9,532)	(44,018)	(40,399)	(39,865)	(19,327)	(18,329)	(14,168)	(342,813)
<b>Consolidated balances on 12/31/2019</b>	<b>4,482</b>	<b>340</b>	<b>8,456</b>	<b>16,135</b>	<b>1,740</b>	<b>8,307</b>	<b>6,974</b>	<b>7,609</b>	<b>4,332</b>	<b>3,200</b>	<b>11,165</b>	<b>72,740</b>
Low-income subsidy	18,032	2,085	46,332	92,060	9,882	52,890	39,936	45,693	20,138	19,795	15,438	362,281
Reimbursement realized via CCEE	(16,780)	(1,899)	(43,793)	(85,933)	(9,255)	(47,802)	(37,053)	(41,958)	(18,399)	(18,027)	(14,131)	(335,030)
<b>Consolidated balances on 6/30/2020</b>	<b>5,734</b>	<b>526</b>	<b>10,995</b>	<b>22,262</b>	<b>2,367</b>	<b>13,395</b>	<b>9,857</b>	<b>11,344</b>	<b>6,071</b>	<b>4,968</b>	<b>12,472</b>	<b>99,991</b>

(2) **CDE Subsidy - Rate Discount** - denotes funds transferred to the concession operators authorized by the federal government to cover the CDE subsidy for discounts to rates applicable to the users of the public electricity distribution service. The amounts are recognized monthly according to benefits passed through to consumers and charged to the statement of income for the period/year - operational revenue, while CCEE reimbursements take place in monthly payments calculated at the start of each year. The balances denote subsidies incurred, less payments received. Differences are included in the annual calculations. After ANEEL validation, the balances presented will be reimbursed over the course of the following year.

See the changes occurring in the period/year:

CDE Subsidiary	EMG	ENF	ESE	EPB	EBO	EMT	ETO	EMS	ESS	ERO	EAC	EGO	Total
<b>Consolidated balances on 12/31/2018</b>	<b>10,198</b>	<b>374</b>	<b>1,653</b>	<b>26,176</b>	<b>(404)</b>	<b>54,442</b>	<b>12,864</b>	<b>27,099</b>	<b>20,359</b>	<b>21,508</b>	<b>3,852</b>	<b>-</b>	<b>178,121</b>
Rate discount due to Irrigation and Rural subsidy	55,735	4,048	44,525	89,625	8,397	283,960	73,552	164,698	112,470	77,481	15,932	-	930,423
Reimbursement realized via CCEE	(58,053)	(3,831)	(44,223)	(98,714)	(8,061)	(298,746)	(71,898)	(171,548)	(102,908)	(94,677)	(19,197)	-	(971,856)
<b>Consolidated balances on 12/31/2019</b>	<b>7,880</b>	<b>591</b>	<b>1,955</b>	<b>17,087</b>	<b>(68)</b>	<b>39,656</b>	<b>14,518</b>	<b>20,249</b>	<b>29,921</b>	<b>4,312</b>	<b>587</b>	<b>-</b>	<b>136,688</b>
Rate discount due to Irrigation and Rural subsidy	27,347	1,624	16,680	44,320	3,205	143,270	36,227	77,470	35,308	32,090	7,301	422	425,264
Reimbursement realized via CCEE	(25,056)	(1,979)	(22,677)	(47,059)	(3,863)	(146,684)	(36,970)	(85,147)	(49,860)	(30,562)	(6,462)	(182)	(456,501)
<b>Consolidated balances on 6/30/2020</b>	<b>10,171</b>	<b>236</b>	<b>(4,042)</b>	<b>14,348</b>	<b>(726)</b>	<b>36,242</b>	<b>13,775</b>	<b>12,572</b>	<b>15,369</b>	<b>5,840</b>	<b>1,426</b>	<b>240</b>	<b>105,451</b>

(3) **Banco Daycoval** - denotes the amounts transferred by Banco Daycoval S.A. to the current account of Rede Energia Participações S.A on February 28, 2012 to settle outstanding debts, as justified by the Financial Institution. Management of the subsidiaries EMT, ESS and EMS consider these transfers improper and have filed suit to recover this amount. The balance has been provisioned for as this is a contingent asset, as its realization will only be confirmed as a result of uncertain future events occurring or not, which are not under the subsidiaries' management control.

(4) **Other credits receivable from Celpe** - are amounts that Rede Energia and the indirect subsidiaries EMT, ETO, EMS, ESS and Multi Energisa have receivable against Centrais Elétricas do Pará S.A. - CELPA, resulting from related-party transactions, up to the date of sale to Equatorial Energia S/A on September 25, 2012. The intercompany credits will be partially assumed by Rede Power do Brasil S/A, to the extent this is worthwhile, which will be liable to the related parties for the portion of the credit assumed and will be offset. Around 69% of the total balance

was assumed by Rede Power do Brasil S/A and the remainder began to be paid in semi-annual payments on September 30, 2019, ending in September 2034.

(5) **Subrogation to CCC** - the subsidiary EMT was classified in the subrogation of the right to use the Fuel Consumption Account - CCC due to the implementation of electricity ventures that led to a decrease in the CCC expense, which helped secure rates for end consumers. The following ventures with outstanding receivables were approved to calculate the benefit:

Project	Status	Amount invested	Amount subrogated	Received	Receivable	
					6/30/2020	12/31/2019
Sapezal / Comodoro Transmission System	in service	36,225	32,254	17,438	14,816	16,204
Rondolândia Transmission System	in service	10,203	4,613	4,574	39	39
Paranorte Transmission System	in service	6,697	4,915	1,537	3,378	3,666
<b>Total</b>		<b>53,125</b>	<b>41,782</b>	<b>23,549</b>	<b>18,233</b>	<b>19,909</b>
Current (Principal)					3,398	5,481
Noncurrent (Principal)					14,835	14,428

(6) **Accounts receivable for generation company sales** - denotes the amount Energisa is entitled to receive at least R\$ 113,500 from the selling of its electricity generation assets relating to additional price adjustments subject to other conditions precedent under the purchase and sale agreements signed with the buyer ("Price Adjustment"). Receipt of this amount is part of an arbitration proceeding filed by the Company against the buyer, in which the company will have its contractual rights upheld, on the terms of the partly favorable arbitration award delivered on 5/7/2020.

(7) **Third-party accounts receivable** - denotes third-party credits for mutual use of a pole and sale of scrap.

(8) **Credit receivable from Centrais Elétricas Brasileiras** - the subsidiary EMT has credits receivable from Centrais Elétricas Brasileiras S/A - Eletrobrás, under Contract ECFS-348/2014, signed on August 7, 2014. The amount concerns the final releases of tranche 6 of the economic subsidy established by this instrument, where the funds come from the Energy Development Account (CDE), and are intended for full application in the Light for All Program, charged to Obligations related to the public electricity service concession and permission.

(9) **Acquisition of CCC account fuel** - the subsidiary EMT has balances receivable under the Fuel Consumption Account - CCC where by way of Technical Note 01/2018-SFF issued January 3, 2018 and 36/2019-SFF issued March 12, 2019 ANEEL detailed the methodology created for the monthly oversight and reprocessing of benefits for the period July 30, 2009 to April 30, 2017, demonstrated the technical analyses of the information collected on energy, power and fuel purchase contracts, electricity and fuel measurements and regulatory treatments given to the company's statements, in order to determine any asset or liability of the beneficiary in accordance with Normative Resolution 427/2011. R\$ 44,329 was recognized in FY 2019, with: R\$ 30,885 charged to the item operating service cost - other and R\$ 13,444 recorded in finance income in other financial revenue. The total to be reimbursed by CCEE was divided over 12 monthly consecutive installments of R\$ 8,163. In the period ended June 30, 2020 six installments were received and the balance amounts to R\$ 56,037 (R\$ 99,069 as of December 31, 2019).

(10) **INERGUS advance** denotes funds advanced by the subsidiary Energisa Sergipe to Instituto Energipe de Seguridade Social ("INERGUS") to guarantee the liquidity and financial flow from the Defined-Benefit Plan (BD). The amounts transferred to the BD Plan comprise an advance for covering part of the technical deficit, which will be subject to a debt acknowledgment agreement to be entered into by the subsidiary ESE and INERGUS.

(11) **CCC total generation cost - Law 12,111/2009** - the reimbursement rights corresponding to the energy costs in Islanded Systems and Bilateral Contracts, which are paid for by the CDE-CCC Fund are recorded under current and noncurrent assets. They are recognized based on Law 12,111/2009, whose information is provided by the subsidiaries ERO and EAC at the Electricity Trading Chamber- CCEE, which manages the CDE Account. After being approved by the manager, these amounts are passed through to subsidiaries and used to settle amounts owed to the corresponding suppliers involved in the process. R\$ 485,158 was received in June 2020 by the subsidiaries ERO and EAC for January to June/2020.

(12) **CCC Credits - ICMS receivable EAC** - This denotes CCC credits recognized by the subsidiary EAC for unrecovered ICMS on acquisitions of diesel oil consumed during the electricity generation process in islanded systems within Acre State for the period 2014 to October 2016. The figures at June 30, 2020 can be seen in note 24.

(13) In March 2020 the subsidiaries Energisa Rondônia and Energisa Acre recognized CCC receivables from CCEE of R\$ 49,844 and R\$ 31,135 respectively, determining reviews of their internal processes which detected that in accordance with the calculation methodology hitherto applied for the purpose of receiving the CCC reimbursement, they do not consider the full pass-through of the taxes (Pis and Cofins), contravening Art. 3 (1,IV) of Law 12,111/2009 which in turn guarantees the pass-through to the concession operators of the taxes payable on the Total Generation Cost.

## 13. Related-party transactions

The Company is directly controlled by Gipar S/A (30.50% of the total capital), which in turn is controlled by Nova Gipar (83.35% of the total capital). The latter is controlled by Itacatu S/A (67.27% of the total capital) and by Multisetor S/A (32.73% of the total capital). Itacatu S/A is controlled by Multisetor S/A (72.15% of the total capital). Multisetor is controlled by Mr. Ivan Muller Botelho (78.83% of the voting stock).

The related-party balances are as follows:

Parent company	6/30/2020		12/31/2019	
	Assets	Liabilities	Assets	Liabilities
Clients, consumers and concession operators specialized services	43,470	-	40,640	-
Other receivables - other - Endorsement commission	746	-	674	-
Money market and secured funds - Debentures	1,811,418	-	1,811,399	-
<b>Loans (1):</b>				
. Companhia Técnica de Comercialização de Energia S/A (1)	1,099	-	1,068	-
. Companhia Técnica de Comercialização de Energia S/A (2)	33,738	-	30,906	-
. QMRA Participações S/A (option "C" credits - RJ) (3)	92	-	-	-
. Rede Energia Participações S/A (2) and (3)	73,316	314,946	66,876	-
. Energisa Acre - Distribuidora de Energia S/A (4)	103,002	-	99,654	-
. Energisa Rondônia - Distribuidora de Energia S/A (4)	334,498	-	321,836	-
. Energisa Goiás Transmissora de Energia I (1)	100,808	-	92,515	-
. Energisa Para Transmissora de Energia I (1)	2,031	-	1,708	-
. Energisa Para Transmissora de Energia II (1)	50,479	-	39,712	-
. Energisa Tocantins Transmissora de Energia (1)	16,209	-	14,093	-
. Energisa Participações Minoritárias (1)	-	-	12	-
. Energisa Comercializadora de Energia Ltda (1)	38,312	-	-	-
. Denerge Desenvolvimento Energético S/A	264,513	-	-	-
<b>Total Noncurrent</b>	<b>1,018,097</b>	<b>314,946</b>	<b>668,380</b>	<b>-</b>
<b>Investments - Funds allocated to future capital increase (5):</b>				
. Energisa Geração Central Solar Coremas S/A	10	-	10	-
. Parque Eólico Sobradinho S/A	160	-	580	-
. Energisa Geração Usina Maurício S/A	1,080	-	3,915	-
. Energisa Geração Central Eólica Boa Esperança S/A	3	-	11	-
. Energisa Geração Central Eólica Mandacaru S/A	3	-	12	-
. Energisa Geração Central Eólica Alecrim S/A	3	-	11	-
. Energisa Geração Central Eólica Umbuzeiro Muquim S/A	3	-	12	-
. Energisa Transmissora de Energia S/A	50	-	50	-
. Energisa Geração Central Solar Rio do Peixe I S/A	310	-	963	-
. Energisa Geração Central Solar Rio do Peixe II S/A	50	-	17	-
. Denerge Desenvolvimento Energético S/A	-	-	132,937	-
. Energisa Serviços Aéreos de Aeroinspeção S/A	385	-	350	-
. Energisa Transmissão de Energia I	-	-	10	-
. Energisa Transmissão de Energia II	-	-	10	-
. Energisa Transmissão de Energia III	-	-	10	-
	<b>2,057</b>	<b>-</b>	<b>138,898</b>	<b>-</b>
<b>Total</b>	<b>2,875,788</b>	<b>314,946</b>	<b>2,659,991</b>	<b>-</b>

- (1) The loan contracts have a term of 24 months, except ERO and EAC, which have terms of 36 months, under the contracts, and can be extended for equal and successive periods. The loans with related parties are charged interest at the average borrowing rate, which in the period was an average of the CDI rate + 0.4474 p.a. (CDI + 0.6051 p.a. as of December 31, 2019), and includes the private assignment and acquisition of credit receivables and other covenants entered by Energisa on December 31, 2016 with the subsidiaries Rede Energia and Rede Power.
- (2) Acquisition of credits assigned under the judicial reorganization process of the indirect subsidiary.
- (3) The credits receivable of Rede Energia Participações S/A, acquired from the creditors, will be paid initially by the company undergoing reorganization on the following conditions: (i) amount equal to 25% of the total credits assigned will be paid in a lump sum within up to 1 year of the date this assignment is paid, incurring interest of 12.5% p.a. as from the date the assignment is made; and (ii) remaining amount equal to 75% of the total credits assigned will be paid after 22 years in a lump sum with capitalized interest of 0.5% p.a. due as from the date the assignment is paid. In 2014 the parties agreed to extend the maturity of the single installment maturing in July 2015 by 10 years, corresponding to 25% of the total debt amount. However, the term is maintained of 22 years for payment of the remaining amount equal to 75% of the total debt with capitalized interest of 0.5% per annum, due as from the date of payment. At the end of the year the parties renegotiated the debt by applying interest equal to the CDI rate + 2% per annum with semiannual amortization payable on June and December 26 each year.
- (4) For the companies ERO and EAC the loan agreements have a term of 36 months with settlement at the end of year three. The contracts yield interest at the rate of CDI + 2.5% p.a..
- (5) The funds intended for future capital increase are not remunerated and are recorded under investments. The balances made as of December 31, 2019 have been fully capitalized.

## Contract conditions:

Subsidiaries	Rate	Maturity
. Companhia Técnica de Comercialização de Energia S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	9/12/2020
. Energisa Rondônia - Distribuidora de Energia S/A	CDI interest + 2.5 p.a	5/4/2022
. Energisa Acre - Distribuidora de Energia S/A	CDI interest + 2.5 p.a	5/4/2022
. QMRA Participações S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	1/24/2022
. Energisa Comercializadora de Energia Ltda.	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	1/1/2021
. Energisa Comercializadora de Energia Ltda.	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	6/25/2022
. Energisa Para Transmissora de Energia II S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	12/1/2021
. Energisa Para Transmissora de Energia I S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	12/1/2021
. Energisa Goiás Transmissora de Energia I S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	12/1/2021
. Energisa Tocantins Transmissora de Energia S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	12/1/2021
. Rede Energia S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	5/1/2022
. Denerge Desenvolvimento Energético S/A	Weighted average of interest on loans taken out by Group companies + variance of the CDI rate	5/1/2022

## Transactions conducted in the period/year by the Company and its subsidiaries:

Direct and indirect subsidiaries and their parent company	Administrative services provided (1)	Services contracted	Restatement of loans/commission endorsement and security yield (Financial revenue (expense)) (2 and 3)	Balance receivable (Receivables, consumers and concession operators)	Balance receivable (Endorsement commission and debentures (4))
. Energisa Minas Gerais - Distribuidora de Energia S/A	6,612	-	5,050	2,509	69,741
. Energisa Paraíba - Distribuidora de Energia S/A	16,653	-	8,442	6,551	198,241
. Energisa Sergipe - Distribuidora de Energia S/A	8,569	-	8,359	3,974	121,776
. Energisa Borborema - Distribuidora de Energia S/A	2,761	-	637	1,850	73
. Energisa Soluções S/A	1,365	75	-	503	-
. Energisa Nova Friburgo - Distribuidora de Energia S/A	678	-	636	335	30
. Energisa Mato Grosso - Distribuidora de Energia S/A	26,804	-	11,167	8,575	321,712
. Energisa Mato Grosso do Sul - Distribuidora de Energia S/A	16,109	-	3,031	5,155	153,997
. Energisa Tocantins - Distribuidora de Energia S/A	11,229	-	5,448	3,650	219,283
. Energisa Sul-Sudeste Distribuidora de Energia S.A	13,390	-	5,409	4,285	212,583
. Energisa Soluções Construções e Serv em Linhas e Rede S.A.	657	-	-	208	-
. Companhia Técnica de Comercialização de Energia	-	-	2,861	-	-
. Multi Energisa Serviços S/A	1,021	-	-	327	-
. Energisa Planejamento e Corretagem de Seguros Ltda.	4	-	-	5	-
. Energisa Serviços Aéreos e Aero Inspeção S/A	2	-	-	-	-
. Energisa Comercializadora de Energia Ltda.	482	-	230	169	-
. Energisa Geração Usina Mauricio S/A	1	-	-	1	-
. Gipar S/A (2)	-	-	(6,261)	-	-
. Rede Energia Participações S/A	-	-	4,033	-	-
. Energisa Rondônia - Distribuidora de Energia S/A	15,358	-	21,313	7,038	334,573
. Energisa Acre - Distribuidora de Energia S/A	5,045	-	8,095	1,104	180,155
. Energisa Para Transmissora de Energia I S/A	-	-	52	-	-
. Energisa Goiás Transmissora de Energia I S/A	-	-	2,643	-	-
. Energisa Para Transmissora de Energia II S/A	-	-	1,309	-	-
. Energisa Tocantins Transmissora de Energia S/A	-	-	424	-	-
. QMRA Participações S/A	-	-	2	-	-
. Dinâmica Direitos Creditórios S/A	-	-	-	2	-
. Denerge	-	-	1,848	-	-
<b>6/30/2020</b>	<b>126,740</b>	<b>75</b>	<b>84,728</b>	<b>46,241</b>	<b>1,812,164</b>
<b>12/31/2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,411</b>	<b>1,812,073</b>
<b>6/30/2019</b>	<b>116,054</b>	<b>53</b>	<b>79,399</b>	<b>-</b>	<b>-</b>

(1) Consists of administrative services and sharing of human resources for delivering the portion of macro processes provided to its subsidiaries. The costs are benchmarked to the benchmark company model used by the ANEEL regulated department for rate purposes. The contracts have been approved by ANEEL. The sharing contracts were signed on March 1, 2017, with a term of validity of 60 months, and can be extended via an amendment subject to approval by ANEEL;

(2) This consists of the endorsement commission on loans charging 1.5% p.a. for subsidiaries - electricity distribution companies and the parent company Gipar, with interest of 1% p.a.;

The endorsement commission referring to the contract with Gipar S/A yields interest of 1% p.a. and includes prepayments. In FY 2019, the amount of R\$ 12,199 was paid and classified as a prepayment recorded under "prepaid expenses" and recognized in profit and loss at the rate of 1/12 per month. R\$ 6,261 was recorded in the period ended June 30, 2020 (R\$ 12,307 as of December 31, 2019) recorded in other financial expenses - endorsement commission in profit and loss for the period. The unappropriated balance as of June 30, 2020 is R\$ 2,087, which will be recognized by August 2020;

(3) This denotes the interest costs on loans entered into with the subsidiaries for the period ended June 30, 2020, comprising the respective balances of each loan;

(4) In 2017 the Company acquired all of the incentivized series 1 and 2 debentures issued by the subsidiaries EMG, ESE, EPB, EMT, ESS, ETO and EMS, maturing on 6/15/2022 and yielding the IPCA price index plus 5.60% per annum for Series 1 and maturing on 6/15/2024 and yielding the IPCA price index plus 5.6601% per annum for Series 2. As of June 30, 2020 the restated value is R\$ 1,811,418 (R\$ 1,811,399 as of December 31, 2019) for its direct subsidiaries EMG, ESE and EPB and for its indirect subsidiaries ESS, EMT, ETO and EMS, as follows: (i) EMG R\$ 69,535; EPB - R\$ 198,138; ESE - R\$ 121,442; EMT - R\$ 321,713; ETO - R\$ 219,283, ESS - R\$ 212,583, EMS R\$ 153,997, EAC R\$ 180,155 and ERO R\$ 334,572 (EMG R\$ 68,903; EPB - R\$ 195,572; ESE - R\$ 119,871; EMT - R\$ 322,582; ETO - R\$ 218,464, ESS - R\$ 212,185, EMS R\$ 150,965, EAC R\$ 183,000 and ERO R\$ 339,857 as of December 31, 2019);

Cost of procuring endorsement and guarantee commission of the parent company for loans and financing agreements of the subsidiaries, at the rate of 1.5% p.a. The balance payable as of June 30, 2020 amounts to R\$ 746 (R\$ 674 as of December 31, 2019).

## D&O compensation

	Parent company		Consolidated	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019
Annual compensation <sup>(a)</sup>	8,911	9,380	80,193	82,578
Compensation of the board of directors members	436	361	2,356	2,106
Executive Board compensation	633	758	9,377	10,186
Other Benefits <sup>(b)</sup>	898	650	9,056	7,033

(a) Overall limit on the annual compensation of directors and officers approved at the EGM/AGM held April 28, 2020. The limit for FY 2019 was approved at the EGM/AGM held April 30, 2019.

(b) It includes payroll charges and private pension, health care and life insurance benefits.

The highest and lowest compensation attributed to directors and officers for June 2020 was R\$ 75 and R\$ 1 for the parent company and R\$ 75 and R\$ 1 in the consolidated statement (R\$ 101 and R\$ 1 for the parent company and R\$ 154 and R\$ 2 in the consolidated statement as of June 30, 2019) respectively. The average compensation in the period ended June 30, 2020 was R\$ 18 at the parent company and R\$ 14 in the consolidated statement (R\$ 12 at the parent company and R\$ 34 in the consolidated statement as of June 30, 2019).

## Variable Compensation Program (ILP)

The Company and its subsidiaries offer their executives a Long-Term Incentive Plans (ILP). This plan aims to (i) align the interests between shareholders and executives (ii) promote meritocracy (iii) retain highly performing executives (iv) encourage sustainable results and achieve corporate targets, while sharing value created. The benefit is aimed at Company executives and will be paid in Units of the parent company Energisa S/A up to the established limit of 0.5% of the Company's share capital, on the date the plan is approved, i.e. 1,729,827 units, based on a value defined for each level taking into account individual performance, to be established in the share grant agreement and each individual's performance, according to each executive's scope. The benefit aims to attract and retain key personnel and reward them for the performance, based on the Company's performance targets. This plan was approved at the Annual and Extraordinary General Meeting held April 25, 2018 and its regulations were approved on May 10, 2018.

The Subsidiaries currently have two stock option programs and two contractual grants in progress. The program is subject to performance conditions (Relative Total Shareholder Return (TSR) and Free cash flow), which modify the target according to the ranges achieved.



The 1<sup>st</sup> program was approved on May 10, 2018 with a ceiling of 241,080 units and vesting period of 3 years as from the grant date of May 2, 2018. The 2<sup>nd</sup> program was approved on May 9, 2019 with a payment ceiling of 210,754 units and vesting period of 3 years as from the grant date of May 10, 2019.

Pursuant to IFRS 2/CPC 10, the Company and its subsidiaries determine the fair value of restricted (units) subject to performance conditions (Performance Shares) awarded based on the Monte Carlo model to permit the grace period conditions be factored into the asset's fair value. The expense is recognized on a "pro rata temporis" basis, which begins at the grant date until the date of the beneficiary acquires the right to receive the shares.

#### Assumptions and calculating the fair value of shares granted:

The fair value was determined using the following assumptions:

	1 <sup>st</sup> ILP program	2 <sup>nd</sup> ILP program
Calculation Method	Monte Carlo	Monte Carlo
Total share options awarded	234,703	205,302
Stock options expired	18,360	5,452
Vesting period	3 years	3 years
Risk-free interest rate <sup>(a)</sup>	8.2%	7.7%
Volatility <sup>(b)</sup>	29.29%	25.06%
Fair value at grant date	R\$ 27.68	R\$ 34.07

(a) For program 1 interest rate = 8.2% (projected DI for a maturity term equal to the end of the grace period of the Program - D11J2021). For program 2 Interest rate = 7.7% (projected DI for a maturity term equal to the end of the grace period of the Program - D11J2022).

(b) Volatility and correlation between the share prices (of Energisa S/A and competitors included in the IEE ("Electricity Index and its peers")) for the Total Shareholder Return (TSR)) were calculated based on historic values one year prior to the program's grant date.

Due to the specific features of the Company's long-term incentive plan mentioned above, there is no strike price or exercise limit for associates.

In the period ended June 30, 2020, R\$ 1,984 (R\$ 1,321 as of June 30, 2019) was recognized under the Share Option Grant Plan in the income statement for the period under operating costs and expenses, with R\$ 438 (R\$ 499 as of June 30, 2019) and R\$ 1,546 (R\$ 822 as of June 30, 2019) for the parent company and subsidiaries respectively. The amount recognized as a capital reserve in equity as of June 30, 2020 was R\$ 6,946 (R\$ 4,962 as of December 31, 2019).

#### 14. Tax credits, deferred taxes and current income tax and social contribution expenses

The deferred IRPJ and CSLL are calculated on differences between the balances of assets and liabilities in the interim financial statements and the corresponding tax bases used in the current IRPJ and CSLL calculation. The probability of recovering these balances is reviewed at the end of each period, and when it is no longer probable that future taxable income will be available to enable the recovery of all or part of the taxes, the asset balance is reduced by the amount expected to be recovered.

The Company and its subsidiaries have tax losses and a negative basis of social contribution not recognized in the interim financial information of R\$ 228,318 (R\$ 201,720 as of December 31, 2019) at the parent company and R\$ 3,273,810 (R\$ 3,199,359 as of December 31, 2019) consolidated.

	Consolidated	
	6/30/2020	12/31/2019
<b>Assets</b>		
Tax loss carryforward	231,840	210,404
Negative basis of social contribution	85,615	77,870
Temporary differences	1,243,614	1,161,077
<b>Total noncurrent assets</b>	<b>1,561,069</b>	<b>1,449,351</b>



	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
<b>Liabilities</b>				
Temporary Differences:				
Income Tax	233,208	234,290	3,372,806	3,281,696
Social Contributions	83,955	84,345	1,214,210	1,181,411
<b>Total - noncurrent liabilities</b>	<b>317,163</b>	<b>318,635</b>	<b>4,587,016</b>	<b>4,463,107</b>
<b>Total net noncurrent assets and liabilities</b>	<b>(317,163)</b>	<b>(318,635)</b>	<b>(3,025,947)</b>	<b>(3,013,756)</b>

Temporary differences are as follows:

	Parent company			
	6/30/2020		12/31/2019	
	Calculation basis	IRPJ + CSLL	Calculation basis (*)	IRPJ + CSLL
<b>Assets/Liabilities</b>				
Gain made on business combination	(818,693)	(278,356)	(818,693)	(278,356)
Gain/Loss on investments	(124,352)	(42,280)	(124,352)	(42,280)
Other exclusions/additions	10,213	3,473	5,885	2,001
<b>Total - Noncurrent Liabilities</b>	<b>(932,832)</b>	<b>(317,163)</b>	<b>(937,160)</b>	<b>(318,635)</b>

(\*) calculation base less the tax limit of 30%.

	Consolidated			
	6/30/2020		12/31/2019	
	Calculation Base	IRPJ + CSLL	Calculation Base (*)	IRPJ + CSLL
<b>Assets/Liabilities</b>				
Tax loss carryforward	927,360	231,840	841,614	210,404
Negative basis of social contribution	951,273	85,615	865,225	77,870
Allowance for expected doubtful accounts - (PPECLD and Daycoval)	853,169	290,077	658,950	224,043
Provisions for labor, civil, tax and regulatory risks	873,361	296,943	876,353	297,960
Tax credits - goodwill (1)	228,157	77,573	240,615	81,809
Provision for actuarial adjustment	827,406	281,318	807,132	274,425
Other provisions (PEE; R&D; Fees and Other)	558,349	189,839	534,695	181,796
Mark-to-market of debt securities	247,384	84,111	220,287	74,898
Other temporary additions	72,061	24,502	76,886	26,146
Intangible assets - appreciation (2)	(7,430,231)	(2,526,279)	(7,585,952)	(2,579,224)
Gain/loss made on business combination (*)	(1,007,100)	(342,414)	(1,007,100)	(342,414)
Portion of VNR - concession financial asset and restatement (3)	(1,114,352)	(378,880)	(1,115,840)	(379,386)
Net to present value (4)	(2,350,837)	(799,285)	(2,367,238)	(804,861)
Mark-to-market - derivatives	(1,250,517)	(425,176)	(726,704)	(247,080)
Revaluation reserve charges	(98,633)	(33,535)	(110,657)	(37,623)
Compensation of contract asset	(117,401)	(39,916)	(88,941)	(30,239)
Gain/Loss on investments	(124,352)	(42,280)	(124,352)	(42,280)
<b>Total</b>	<b>(7,954,903)</b>	<b>(3,025,947)</b>	<b>(8,005,027)</b>	<b>(3,013,756)</b>
Total Noncurrent Assets	5,536,318	1,561,069	5,121,757	1,449,351
Total - Noncurrent Liabilities	(13,491,221)	(4,587,016)	(13,126,784)	(4,463,107)

(\*) calculation base less the tax limit of 30%.

(1) The tax credits - goodwill of R\$ 77,753 (R\$ 81,809 as of December 31, 2019) are being realized over the remaining term of the subsidiaries' concession term: EBO (12 years) and EPB (13 years) by the straight-line method.

- (2) Intangible assets appreciation - includes R\$ 1,844,204 (R\$ 1,876,717 as of December 31, 2019) of deferred income and social contribution taxes on the goodwill attributed to the concession value calculated in the business combination of ERO and EAC, less realized amortization in the period of R\$ 32,513 (R\$ 65,027 at December 31, 2019).
- (3) Portion of VNR - concession financial asset and restatement - This denotes income and social contribution taxes payable on the portion of the concession financial asset - VNR of the subsidiaries EMG, ENF and ESS, which as a result of having signed the new amendments to the concession agreement extending the concession term to 2045, transferred the balance of the concession financial asset determined up to the signature of these amendments to intangible assets to be amortized over the remaining useful life of the assets in accordance with the new concession term, which will result in the realization of the deferred credits to be realized under the amortization.
- (4) Adjustment to present value - basically denotes the value recorded by the subsidiaries Rede Energia Participações and CTCE, for the credits of the creditors who chose options A and B in the Judicial Reorganization Plan.

The deferred tax credits were realized as follows:

Years	Consolidated
2021	50,704
2022	120,431
2023	114,583
2024	112,440
2025	105,618
2026 to 2027	235,538
2028 to 2030	821,755
<b>Total</b>	<b>1,561,069</b>

The income and social contribution amounts which affected the income for the period, in addition to the offsetting of the tax credits recorded, are shown below:

	Parent company			
	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
Income before tax on net income	(103,869)	466,971	(37,098)	78,579
Combined tax bracket	34%	34%	34%	34%
Income and social contribution taxes calculated at the total tax bracket	35,315	(158,770)	12,613	(26,717)
Adjustments:				
Permanent items:				
Share of profit (loss) of equity-accounted investees	66,501	124,257	72,808	169,454
Mark-to-market - subscription bonus (*)	(102,423)	47,345	(65,947)	(106,067)
Tax credits not recorded in the period	(105)	(11,361)	(13,329)	(32,680)
<b>Current and deferred income and social contribution taxes</b>	<b>(712)</b>	<b>1,471</b>	<b>6,145</b>	<b>3,990</b>
Effective rate	0.69%	0.32%	16.56%	5.08%

	Consolidated			
	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
Income before tax on net income	(14,773)	656,890	81,928	375,933
Combined tax bracket	34%	34%	34%	34%
Income and social contribution taxes calculated at the total tax bracket	5,023	(223,343)	(27,856)	(127,817)
Adjustments:				
Permanent items:				
SUDENE and SUDAM Incentives (1)	33,201	62,421	69,199	119,427
Tax credits not recorded in the period	(20,445)	(72,736)	(68,465)	(145,559)
Mark-to-market - subscription bonus (*)	(102,423)	47,345	(65,947)	(106,067)
Effect of tax regime - presumed profit	11,436	22,989	-	-
Tax incentives and other permanent items	7	166	2,281	3,997
<b>Income and social contribution taxes on profit</b>	<b>(73,201)</b>	<b>(163,158)</b>	<b>(90,788)</b>	<b>(256,019)</b>
Effective rate	495.51%	24.84%	110.82%	68.10%

(\*) Denotes subscription bonuses of the 7<sup>th</sup> issuance debentures, see note 22.

- (1) In 2012 ESE, EPB and EBO obtained approval from the Superintendência do Desenvolvimento do Nordeste (Northeast Development Agency - SUDENE) of their tax incentive applications, thereby reducing the income tax and surcharges by 75% on exploration profit for the period 1/1/2012 to 12/31/2021. In December/2014 the Amazônia Development Agency - SUDAM approved the applications made by the subsidiaries ETO and EMT for reductions to their income tax and surcharges (75%) for the period 1/1/2014 to 12/31/2023.

The decreases to the income tax and surcharges obtained by the subsidiaries amount to R\$ 62,421 (R\$ 119,427 as of June 30, 2019). These amounts were recorded directly in the income statement for the period under "current income and social contribution taxes", and will be allocated to the tax incentive reserve at the subsidiaries.

Supported by the existing legislation, in 2018 the subsidiaries submitted new applications to obtain the tax incentive, in order to extend it for the period of 10 years as from approval.

ESE and EBO accordingly had their benefits extended until 12/31/2027 and 12/31/2028 respectively. The other subsidiaries are still waiting for their applications to be analyzed that they formally submitted to the Northeast Development Agency (Superintendência de Desenvolvimento do Nordeste - SUDENE) and the Amazonian Development Agency (Superintendência do Desenvolvimento da Amazônia - SUDAM).

The publication of Law 13,799/2019 extended the term for approving and obtaining the incentive containing a 75% decrease in IRPJ and surcharges until 12/31/2023. The subsidiaries' projects are therefore expected to have the benefits guaranteed by SUDENE until 2028, after the issuance of Constitutive Reports, increasing the incentive term for a further 7 years.

## 15. Concession financial asset and public service concession (contract asset) - consolidated

### 15.1 Concession financial asset

The electricity distribution contracts of subsidiaries come within the criteria for applying Technical Interpretation ICPC 01 (IFRIC 12), addressing concession arrangements, and refer to the infrastructure investments to be compensated by the Concession Authority, during the period and at the end of the concessions, classified as financial assets and measured at fair value through profit or loss as established in the regulatory framework governing the segment and the concession agreement signed by the subsidiaries and Aneel.

The compensation on the concession financial asset was therefore recorded under operating revenue as a compensable financial asset of the concession amounting to R\$ 9,667 (R\$ 232,689 as of December 31, 2019).

See the changes occurring in the period/year:

	Balances at 12/31/2019	Additions (1)	Write- offs	Operating revenue - concession financial asset (2)	Balances at 6/30/2020
Energisa Minas Gerais (EMG)	31,232	437	(2)	62	31,729
Energisa Paraíba (EPB)	640,976	22,733	(224)	1,464	664,949
Energisa Sergipe (ESE)	466,695	20,934	(473)	1,013	488,169
Energisa Nova Friburgo (ENF)	3,927	99	-	8	4,034
Energisa Borborema (EBO)	74,014	2,309	(28)	166	76,461
Energisa Mato Grosso (EMT)	2,689,436	152,927	(6,199)	4,843	2,841,007
Energisa Tocantins (ETO)	28,297	6,318	(18)	49	34,646
Energisa Mato Grosso do Sul (EMS)	1,095,447	42,958	(1,307)	1,948	1,139,046
Energisa Sul Sudeste (ESS)	62,080	2,217	-	108	64,405
Energisa Rondônia - Distribuidora de Energia S/A (ERO)	29,027	2,701	(1,903)	(93)	29,732
Energisa Acre - Distribuidora de Energia S/A (EAC)	9,829	325	-	99	10,253
<b>Noncurrent Balance</b>	<b>5,130,960</b>	<b>253,958</b>	<b>(10,154)</b>	<b>9,667</b>	<b>5,384,431</b>

(1) Transfer from intangible assets to concession financial asset.

(2) The financial assets are stated and classified at fair value through profit or loss, restated by the monthly variance of the IPCA price index, the index used by the regulatory agency in rate adjustment processes less Management's best expected percentage and historic disallowances in previous ratifications, reflecting Management's best estimate of the asset's fair value.

	Balances at 12/31/2018	Additions (1)	Write- offs	Operating revenue - concession financial asset (2)	Transfer to intangible assets - concession agreement (3)	Balances at 12/31/2019
Energisa Minas Gerais (EMG)	23,791	6,377	(11)	1,075	-	31,232
Energisa Paraíba (EPB)	548,227	69,134	(681)	24,296	-	640,976
Energisa Sergipe (ESE)	412,032	39,968	(647)	15,342	-	466,695
Energisa Nova Friburgo (ENF)	3,409	369	-	149	-	3,927
Energisa Borborema (EBO)	63,360	7,938	(66)	2,782	-	74,014
Energisa Mato Grosso (EMT)	2,118,843	483,455	(10,874)	98,012	-	2,689,436
Energisa Tocantins (ETO)	1,152,116	246,664	(21,990)	40,739	(1,389,232)	28,297
Energisa Mato Grosso do Sul (EMS)	915,844	141,274	(3,059)	41,388	-	1,095,447
Energisa Sul Sudeste (ESS)	45,348	14,700	(37)	2,069	-	62,080
Energisa Rondônia - Distribuidora de Energia S/A (ERO)	15,419	12,179	(23)	1,452	-	29,027
Energisa Acre - Distribuidora de Energia S/A (EAC)	3,020	1,424	-	5,385	-	9,829
<b>Noncurrent Balance</b>	<b>5,301,409</b>	<b>1,023,482</b>	<b>(37,388)</b>	<b>232,689</b>	<b>(1,389,232)</b>	<b>5,130,960</b>

- (1) Transfer from intangible assets to concession financial asset.
- (2) The financial assets are stated and classified at fair value through profit or loss, restated by the monthly variance of the IPCA price index, the index used by the regulatory agency in rate adjustment processes less Management's best expected percentage and historic disallowances in previous ratifications, reflecting Management's best estimate of the asset's fair value.
- (3) The concession agreement in force of the subsidiary ETO as of December 31, 2019 expired on January 30, 2020. However, this agreement was renewed by way of the Sixth Amendment to the Concession Agreement, signed on December 6, 2019, awarding the Company a 30-year term extension to distribute electricity, until the new expiry date of December 31, 2049.

Under the renewed concession agreements, the subsidiary Energisa Tocantins recalculated its assets based on the new amortization terms, reclassifying R\$ 1,389,232 in December 2019 from concession financial asset to intangible assets in service.

## 15.2 Public service concession (contract asset)

The contract assets include receivables for the implementation of infrastructure and revenue from the compensation of concession assets, measured at the present value of the future cash flows based on the average financing rate of the project when the concession agreement was formally made, pursuant to CPC 47.

The Companies' transmissions concessions are without consideration and therefore there are no fixed financial obligations or payments to be made to the concession authority. At the end of the concession agreement all the assets and facilities return to the Government as its property.

The contractual assets are received by the subsidiaries by way of the Annual Permitted Revenue - RAP, consisting of the cash flows set out in the concession agreement.

Pursuant to CPC47/IFRS 15, the subsidiaries also assess a contract asset for impairment in accordance with CPC48/IFRS 9, where for the period ended June 30, 2020 we did not identify the need to make a provision for contract asset impairment.

The rate used to compensate the balance of service concession receivables, including the indemnification balance, depicts the investor's opportunity cost when taking the decision to invest in the transmission assets, composed in accordance with the amount in force when the investment was made.

See below changes in the contract asset in the period/year:

Description	EPA I	EGO I	EPA II	ETT	Consolidated
<b>Transmission Lines</b>	230 kV Xinguara II - Santana do Araguaia C1 TL and C2, CD and SE 230/138 kV Santana do Araguaia.	230 kV Rio Verde Norte - Jataí TL, CD and expansion of SE Rio Verde Norte.	230 kV Xinguara II - Santana do Araguaia C1 TL and C2, CD and SE 230/138 kV Santana do Araguaia.	230 kV Dianópolis II - Barreiras II C1 TL, Gurupi C1, Palmas C1, SE 230/138-13.8Kv and SE 500/230kV Gurupi (new sector 230 kV).	-
<b>Regulatory WACC</b>	0.85%	0.85%	0.71%	0.71%	-
<b>Balance as of December 31, 2018</b>	<b>136,547</b>	<b>154,536</b>	<b>3,775</b>	<b>-</b>	<b>294,858</b>
Additions (i)	157,816	130,209	76,371	17,459	381,855
Compensation of contract asset (ii)	99,342	106,674	13,618	8,399	228,033
Monetary restatement	24,413	25,247	2,256	412	52,328
<b>Balances at December 31, 2019</b>	<b>418,118</b>	<b>416,666</b>	<b>96,020</b>	<b>26,270</b>	<b>957,074</b>
Additions (i)	34,833	26,598	77,767	11,242	150,440
Compensation of contract asset (ii)	23,027	1,136	14,162	4,205	42,530
Monetary restatement	24,315	24,958	5,215	1,374	55,862
Realization of contract asset	-	(9,543)	-	-	(9,543)
<b>Balances at June 30, 2020</b>	<b>500,293</b>	<b>459,815</b>	<b>193,164</b>	<b>43,091</b>	<b>1,196,363</b>
Current	-	36,387	-	-	36,387
Non-current	500,293	423,428	193,164	43,091	1,159,976

(i) The additions, net of Pis and Cofins, are related to the investment in the public electricity transmission service infrastructure, which we recovered via the cash flow to be received directly from users delegated by the concession authority, with the amount invested in the period amounting to R\$ 144,319 (R\$ 366,939 as of December 31, 2019).

(ii) Denotes the construction margin recognized during the works to compensate the balance of service concession receivables.

## 16. Investments

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Interest in subsidiaries	8,195,729	8,061,348	-	-
Other	65,916	73,610	77,428	86,730
<b>Total</b>	<b>8,261,645</b>	<b>8,134,958</b>	<b>77,428</b>	<b>86,730</b>

## Interest in subsidiaries:

6/30/2020									
Information about subsidiaries								Information about the parent company's investment	
Subsidiaries	%	No. shares/quotas held/thousand	Share capital	Assets	Liabilities	Equity	Net income in the period	Share of profit (loss) of equity-accounted investees	Investment
<b>Electricity Distribution</b>								<b>77,692</b>	<b>2,860,776</b>
Energisa Minas Gerais (EMG)	100	819	228,428	1,033,599	774,576	259,023	18,433	18,433	259,023
Energisa Sergipe (ESE)	100	196	417,604	2,021,066	1,651,984	369,082	65,450	65,450	369,082
Energisa Paraíba (EPB)	100	918	576,055	2,883,377	1,964,507	918,870	152,171	152,171	918,870
Energisa Borborema (EBO)	100	293	82,532	391,149	249,585	141,564	14,352	14,352	141,564
Energisa Nova Friburgo (ENF)	100	30	63,343	227,844	139,898	87,946	4,738	4,738	87,946
Energisa Acre (EAC)	95.09	230,096,300	863,943	3,623,821	2,591,657	1,032,164	(6,594)	(6,270)	981,486
Energisa Rondônia (ERO)	95.52	4,004,678	3,440,348	7,643,884	7,536,263	107,621	(179,202)	(171,182)	102,805
<b>Electricity Generation</b>								<b>(1,740)</b>	<b>52,615</b>
Parque Eólico Sobradinho	100	9,871	9,871	4,822	124	4,698	(60)	(60)	4,698
Energisa Geração Usina Maurício	100	5,704	5,704	6,258	268	5,990	141	141	5,990
Energisa Geração Solar Coremas	100	1,024	1,024	322	-	322	(4)	(4)	322
Energisa Geração Eólica Boa Esperança	100	79	70	1	-	1	(3)	(3)	1
Energisa Geração Eólica Mandacaru	100	80	71	1	-	1	(3)	(3)	1
Energisa Geração Eólica Alecrim	100	80	71	1	-	1	(3)	(3)	1
Energisa Geração Eólica Umbuzeiro - Muquim	100	80	71	1	-	1	(3)	(3)	1
Energisa Geração Central Solar Rio do Peixe I S/A	100	1,136	1,136	1,299	15	1,284	(117)	(117)	1,284
Energisa Geração Central Solar Rio do Peixe II S/A	100	190	190	119	16	103	(96)	(96)	103
Alsol Energias Renováveis S/A	89.21	16	50,634	213,784	168,700	45,084	(1,784)	(1,592)	40,214
<b>Transmissora de Energia Elétrica</b>								<b>-</b>	<b>30</b>
Energisa Transmissora de Energia I S/A	100	1	11	10	-	10	-	-	10
Energisa Transmissora de Energia II S/A	100	1	11	10	-	10	-	-	10
Energisa Transmissora de Energia III S/A	100	1	11	10	-	10	-	-	10
<b>Electricity Trading</b>								<b>(8,778)</b>	<b>23,517</b>
Energisa Comercializadora	100	5,119	5,119	477,610	454,093	23,517	(8,778)	(8,778)	23,517
<b>Rendering of Services</b>								<b>1,952</b>	<b>134,938</b>
Energisa Soluções	100	127,819	127,819	220,732	89,642	131,090	1,739	1,739	131,090
Energisa Serviços Aéreos de Aeroinspeção	100	6,663	6,663	1,623	939	684	(461)	(461)	684
Energisa Planejamento	58.26	1,686	4,109	6,238	808	5,430	1,157	674	3,164
<b>Holding companies and other companies</b>								<b>296,334</b>	<b>4,956,186</b>
Dinâmica Credit Receivables	100	1,955	1,877	1,860	2	1,858	(19)	(19)	1,858
Denerge S/A	99.97	776	2,063,475	2,616,242	705,833	1,910,409	130,152	127,878	1,909,946
Energisa Transmissora de Energia S/A	100	32,707	32,707	1,363,257	943,282	419,975	75,292	75,292	419,975
Energisa Participações Minoritárias S/A	85.31	427,958	5,009,167	3,084,092	7,722	3,076,370	109,428	93,356	2,624,579
Volt Capital S.A.	99.90	1	1	1	173	(172)	(173)	(173)	(172)
<b>Goodwill paid in the acquisition of subsidiaries</b>								<b>(7,559)</b>	<b>167,667</b>
<b>Total</b>								<b>357,901</b>	<b>8,195,729</b>



12/31/2019									
Information about subsidiaries								Information about the parent company's investment	
Subsidiaries	%	No. shares/quotas held/thousand	Share capital	Assets	Liabilities	Equity	Profit or loss	Share of profit (loss) of equity-accounted investees	Investment
<b>Electricity Distribution</b>								<b>(59,706)</b>	<b>3,027,209</b>
Energisa Minas Gerais (EMG)	100	819	228,428	919,577	663,210	256,367	37,977	37,977	256,367
Energisa Sergipe (ESE)	100	196	417,604	1,975,317	1,619,945	355,372	147,099	147,099	355,372
Energisa Paraíba (EPB)	100	918	571,865	2,841,801	1,911,238	930,563	314,225	314,225	930,563
Energisa Borborema (EBO)	100	293	82,532	358,964	223,352	135,612	36,675	36,675	135,612
Energisa Nova Friburgo (ENF)	100	30	63,343	220,099	132,384	87,715	12,795	12,795	87,715
Energisa Acre (EAC) (formerly Companhia de Eletricidade do Acre (ACRE)) <sup>(1)</sup>	95.09	230,096,300	863,943	3,371,290	2,332,620	1,038,670	(80,792)	(74,467)	987,672
Energisa Rondônia (ERO) (formerly Centrais Elétricas de Rondônia S/A (CERON)) <sup>(1)</sup>	95.52	4,004,678	3,440,348	7,668,461	7,381,721	286,740	(568,548)	(534,010)	273,908
<b>Electricity Generation</b>								<b>3,566</b>	<b>52,719</b>
Parque Eólico Sobradinho	100	9,291	9,291	4,724	126	4,598	(148)	(148)	4,598
Energisa Geração Usina Maurício	100	1,789	1,789	5,124	355	4,769	(402)	(402)	4,769
Energisa Geração Solar Coremas	100	1,014	1,014	316	-	316	(12)	(12)	316
Energisa Geração Eólica Boa Esperança	100	68	59	1	-	1	(11)	(11)	1
Energisa Geração Eólica Mandacaru	100	69	60	1	-	1	(12)	(12)	1
Energisa Geração Eólica Alecrim	100	69	60	1	-	1	(12)	(11)	1
Energisa Geração Eólica Umbuzeiro - Muquim	100	68	59	1	-	1	(12)	(12)	1
Energisa Geração Central Solar Rio do Peixe I S/A	100	173	173	1,108	17	1,091	(45)	(45)	1,091
Energisa Geração Central Solar Rio do Peixe II S/A	100	173	173	165	16	149	(41)	(41)	149
Alsol Energias Renováveis S/A	89.21	16	50,634	220,222	173,374	46,847	4,775	4,260	41,792
<b>Transmissora de Energia Elétrica</b>								<b>(3)</b>	<b>30</b>
Energisa Tocantins Transmissora de Energia S/A	-	-	-	10	-	10	-	-	-
Energisa Transmissora de Energia I S/A	100	1	1	10	-	10	(1)	(1)	10
Energisa Transmissora de Energia II S/A	100	1	1	10	-	10	(1)	(1)	10
Energisa Transmissora de Energia III S/A	100	1	1	10	-	10	(1)	(1)	10
<b>Electricity Trading</b>								<b>36,100</b>	<b>32,272</b>
Energisa Comercializadora	100	5,119	5,119	524,383	492,111	32,272	36,100	36,100	32,272
<b>Rendering of Services</b>								<b>14,861</b>	<b>133,234</b>
Energisa Soluções	100	127,819	127,819	215,909	86,647	129,262	16,057	16,057	129,262
Energisa Serviços Aéreos de Aeroinspeção	100	6,313	6,313	1,760	1,000	760	(2,292)	(2,292)	760
Energisa Planejamento	58.26	1,686	4,109	7,145	1,632	5,513	1,881	1,096	3,212
<b>Holding companies and other companies</b>								<b>1,082,955</b>	<b>4,660,371</b>
Dinâmica Credit Receivables	100	1,955	1,877	1,982	27	1,955	181	181	1,955
Denerge S/A	99.97	726	1,930,538	2,206,610	423,868	1,782,743	402,313	402,216	1,782,341
Energisa Transmissora de Energia S/A	100	32,657	32,657	1,027,142	682,545	344,597	259,381	308,751	344,592
Energisa Participações Minoritárias S/A	85.31	427,958	5,009,167	3,018,686	51,437	2,967,249	424,468	371,807	2,531,482
Volt Capital S.A	99.90	1	1	-	-	-	-	-	1
<b>Goodwill paid in the acquisition of subsidiaries</b>								<b>(15,118)</b>	<b>155,513</b>
<b>Total</b>								<b>1,062,655</b>	<b>8,061,348</b>

(1) The percentage increase in the companies EAC and ERO was due to the company paying in share surpluses due to employees not exercising call options.

The Extraordinary General Meeting held October 31, 2019 approved the changes to the names of Companhia de Eletricidade do Acre (ACRE) and Centrais Elétricas de Rondônia S/A (CERON) to the following: Energisa Acre - Distribuidora de Energia S/A (EAC) and Energisa Rondônia - Distribuidora de Energia S/A (ERO), respectively.

## Change in the investments made in the period:

Subsidiaries	Balance as of 12/31/2019	Acquisition/Advance for future capital increase	Gain/Loss on share acquisition (1)	Dividends	Other Comprehensive Income	Share of profit (loss) of equity-accounted investees	Balance as of 6/30/2020
<b>Electricity Distribution</b>	<b>3,027,209</b>	<b>-</b>	<b>666</b>	<b>(244,791)</b>	<b>-</b>	<b>77,692</b>	<b>2,860,776</b>
Energisa Minas Gerais (EMG)	256,367	-	108	(15,885)	-	18,433	259,023
Energisa Sergipe (ESE)	355,372	-	90	(51,830)	-	65,450	369,082
Energisa Paraíba (EPB)	930,563	-	229	(164,093)	-	152,171	918,870
Energisa Borborema (EBO)	135,612	-	48	(8,448)	-	14,352	141,564
Energisa Nova Friburgo (ENF)	87,715	-	28	(4,535)	-	4,738	87,946
Energisa Acre (EAC)	987,672	-	84	-	-	(6,270)	981,486
Energisa Rondônia (ERO)	273,908	-	79	-	-	(171,182)	102,805
<b>Electricity Generation</b>	<b>52,719</b>	<b>1,622</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>(1,740)</b>	<b>52,615</b>
Parque Eólico Sobradinho	4,598	160	-	-	-	(60)	4,698
Energisa Geração Usina Mauricio	4,769	1,080	-	-	-	141	5,990
Energisa Geração Solar Coremas	316	10	-	-	-	(4)	322
Energisa Geração Eólica Boa Esperança	1	3	-	-	-	(3)	1
Energisa Geração Eólica Mandacaru	1	3	-	-	-	(3)	1
Energisa Geração Eólica Alecrim	1	3	-	-	-	(3)	1
Energisa Geração Eólica Umbuzeiro - Muquim	1	3	-	-	-	(3)	1
Energisa Geração Central Solar Rio do Peixe I S/A	1,091	310	-	-	-	(117)	1,284
Energisa Geração Central Solar Rio do Peixe II S/A	149	50	-	-	-	(96)	103
Alsol Energias Renováveis	41,792	-	14	-	-	(1,592)	40,214
<b>Transmissora de Energia Elétrica</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>
Energisa Transmissora de Energia I S/A	10	-	-	-	-	-	10
Energisa Transmissora de Energia II S/A	10	-	-	-	-	-	10
Energisa Transmissora de Energia III S/A	10	-	-	-	-	-	10
<b>Electricity Trading</b>	<b>32,272</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>(8,778)</b>	<b>23,517</b>
Energisa Comercializadora	32,272	-	23	-	-	(8,778)	23,517
<b>Rendering of Services</b>	<b>133,234</b>	<b>385</b>	<b>89</b>	<b>(712)</b>	<b>(10)</b>	<b>1,952</b>	<b>134,938</b>
Energisa Soluções	129,262	-	89	-	-	1,739	131,090
Energisa Serviços Aéreos de Aeroinspeção	760	385	-	-	-	(461)	684
Energisa Planejamento	3,212	-	-	(712)	(10)	674	3,164
<b>Holding companies and other companies</b>	<b>4,660,371</b>	<b>77</b>	<b>(1,255)</b>	<b>659</b>	<b>-</b>	<b>296,334</b>	<b>4,956,186</b>
Dinâmica Credit Receivables	1,955	-	-	(78)	-	(19)	1,858
Denerge S/A	1,782,341	27	(837)	537	-	127,878	1,909,946
Energisa Transmissora de Energia S/A	344,592	50	41	-	-	75,292	419,975
Energisa Participações Minoritárias S/A	2,531,482	-	(459)	200	-	93,356	2,624,579
Volt Capital S.A	1	-	-	-	-	(173)	(172)
<b>Goodwill paid in the acquisition of subsidiaries</b>	<b>155,513</b>	<b>19,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,559)</b>	<b>167,667</b>
<b>Total</b>	<b>8,061,348</b>	<b>21,797</b>	<b>(463)</b>	<b>(244,844)</b>	<b>(10)</b>	<b>357,901</b>	<b>8,195,729</b>

(1) This denotes: (i) transactions between partners of Denerge, Energisa Participações and Energisa Transmissora de Energia (loss) of R\$ 2,009; and (ii) a gain of R\$ 1,546 for implementing the variable compensation program by awarding shares, called the Long-term Incentive (ILP) of the Group's companies;

## Change in the investments made in the year:

Subsidiaries	Balance as of 12/31/2018	Acquisition/Advances for future capital increase (1)	Gain/Loss on share acquisition (2)	Capital transactions (3)	Dividends	Other Comprehensive Income (5)	Share of profit (loss) of equity-accounted investees	Balance as of 12/31/2019
<b>Electricity Distribution</b>	<b>3,343,444</b>	<b>100,983</b>	<b>79,171</b>	<b>-</b>	<b>(396,540)</b>	<b>(40,143)</b>	<b>(59,706)</b>	<b>3,027,209</b>
Energisa Minas Gerais (EMG)	275,905	-	158	-	(56,199)	(1,474)	37,977	256,367
Energisa Sergipe (ESE)	346,353	-	114	-	(108,635)	(29,559)	147,099	355,372
Energisa Paraíba (EPB)	812,723	-	3,404	-	(190,330)	(9,459)	314,225	930,563
Energisa Borborema (EBO)	128,731	-	69	-	(29,914)	51	36,675	135,612
Energisa Nova Friburgo (ENF)	86,040	-	44	-	(11,462)	298	12,795	87,715
Energisa Acre (EAC) (formerly Companhia de Eletricidade do ACRE) (*)	949,463	64,693	47,983	-	-	-	(74,467)	987,672
Energisa Rondônia (ERO) (formerly Centrais Elétricas de Rondônia S/A (CERON) (*)	744,229	36,290	27,399	-	-	-	(534,010)	273,908
<b>Electricity Generation</b>	<b>5,816</b>	<b>43,204</b>	<b>205</b>	<b>-</b>	<b>-</b>	<b>(72)</b>	<b>3,566</b>	<b>52,719</b>
Parque Eólico Sobradinho	4,238	580	-	-	-	(72)	(148)	4,598
Energisa Geração Usina Maurício	1,256	3,915	-	-	-	-	(402)	4,769
Energisa Geração Solar Coremas	318	10	-	-	-	-	(12)	316
Energisa Geração Eólica Boa Esperança	1	11	-	-	-	-	(11)	1
Energisa Geração Eólica Mandacaru	1	12	-	-	-	-	(12)	1
Energisa Geração Eólica Alecrim	1	11	-	-	-	-	(11)	1
Energisa Geração Eólica Umbuzeiro - Muquim	1	12	-	-	-	-	(12)	1
Energisa Geração Central Solar Rio do Peixe I S/A	-	1,136	-	-	-	-	(45)	1,091
Energisa Geração Central Solar Rio do Peixe II S/A	-	190	-	-	-	-	(41)	149
Alsol Energias Renováveis (6)	-	37,327	205	-	-	-	4,260	41,792
<b>Transmissora de Energia Elétrica</b>	<b>113,920</b>	<b>(113,887)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>30</b>
Energisa Pará Transmissora de Energia I S/A	60,201	(60,201)	-	-	-	-	-	-
Energisa Goiás Transmissora de Energia I S/A	52,771	(52,771)	-	-	-	-	-	-
Energisa Pará Transmissora de Energia II S/A	948	(948)	-	-	-	-	-	-
Energisa Transmissora de Energia I S/A	-	11	-	-	-	-	(1)	10
Energisa Transmissora de Energia II S/A	-	11	-	-	-	-	(1)	10
Energisa Transmissora de Energia III S/A	-	11	-	-	-	-	(1)	10
<b>Electricity Trading</b>	<b>18,476</b>	<b>-</b>	<b>14</b>	<b>-</b>	<b>(22,437)</b>	<b>119</b>	<b>36,100</b>	<b>32,272</b>
Energisa Comercializadora	18,476	-	14	-	(22,437)	119	36,100	32,272
<b>Rendering of Services</b>	<b>118,589</b>	<b>351</b>	<b>161</b>	<b>-</b>	<b>(1,014)</b>	<b>286</b>	<b>14,861</b>	<b>133,234</b>
Energisa Soluções	112,604	-	161	-	-	440	16,057	129,262
Energisa Serviços Aéreos de Aeroinspeção	2,934	351	-	-	-	(233)	(2,292)	760
Energisa Planejamento	3,051	-	-	-	(1,014)	79	1,096	3,212
<b>Holding companies and other companies</b>	<b>3,324,402</b>	<b>747,803</b>	<b>73,098</b>	<b>(6,362)</b>	<b>(479,302)</b>	<b>(82,223)</b>	<b>1,082,955</b>	<b>4,660,371</b>
Dinâmica Credit Receivables	1,800	-	-	-	(26)	-	181	1,955
Denerge S/A	1,164,971	747,233	3,756	(6,362)	(479,276)	(50,197)	402,216	1,782,341
Energisa Transmissora de Energia S/A	31,154	579	4,150	-	-	(42)	308,751	344,592
Energisa Participações Minoritárias S/A (4)	2,126,477	(10)	65,192	-	-	(31,984)	371,807	2,531,482
Volt Capital S.A	-	1	-	-	-	-	-	1
<b>Goodwill paid in the acquisition of subsidiaries</b>	<b>160,877</b>	<b>9,754</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15,118)</b>	<b>155,513</b>
<b>Total</b>	<b>7,085,524</b>	<b>788,208</b>	<b>152,649</b>	<b>(6,362)</b>	<b>(899,293)</b>	<b>(122,033)</b>	<b>1,062,655</b>	<b>8,061,348</b>

(\*) The Extraordinary General Meeting held October 31, 2019 approved the changes to the names of Companhia de Eletricidade do Acre (ACRE) and Centrais Elétricas de Rondônia S/A (CERON) to the following: Energisa Acre - Distribuidora de Energia S/A (EAC) and Energisa Rondônia - Distribuidora de Energia S/A (ERO), respectively.

(1) Denotes: (i) the acquisition of Alsol (R\$ 37,327); (ii) capital increase at the direct subsidiary ERO and EAC R\$ 100,983; (iii) transfer from AFAC to the loans of the indirect subsidiaries EPA I, EPA II and EGO I of R\$ 113,920; (iv) capital increase at the direct subsidiary Denerge of R\$ 747,233;

(2) Denotes (i) the gain made on the capital contribution of ERO of R\$ 27,244, EAC of R\$ 47,839 and Alsol of R\$ 194, (ii) transactions between the partners of Energisa Transmissora de Energia recorded directly in equity - Impact of adopting CPC 47/IFRS15, net of taxes (resulting effect) of R\$ 4,095, (iii) resulting tax incentive reserve of EPB of R\$ 3,051, (iv) transactions between partners of Denerge and Energisa,

resulting interests of R\$ 3,075 (gain), R\$ 64,745 (gain) and (v) R\$ 2,407 for the implementation of the variable compensation program consisting of stock options, denominated Long Term Incentive (ILP) of the Group's companies.

- (3) Includes a portion resulting from the percentage interest in the subsidiary EEVP, consisting of the derivative financial instrument of R\$ 6,362, determined in the period January 01 to March 8, 2019 (see note 35), charged to equity.
- (4) In November 2019, EPM received a primary contribution of R\$ 260,000 under the subscription of preferred shares by a noncontrolling shareholder. Following the contribution, the interest changed to 85.31% (87.70% in 2018) in EPM's share capital. As a result of the operation the Company directly owned 95.21% (92.7% in 2018) of the total share capital of Rede Energia and 88.9% (88.4% in 2018) of the share capital of EMT. The percentage decrease resulted in the loss of the interest of R\$ 65,747 recorded against transactions between partners, in equity.

From December 2018 the Company maintained a call option over all of the noncontrolling shareholders' preferred shares. If exercised by the Company, the purchase price is the value of the noncontrolling shareholder's contribution plus the variance (101% of the DI rate) less dividends distributed to minority shareholders. The noncontrolling shareholder does not have the put option, where the noncontrolling investment's equity risk is controlled by the Company as it can decide whether or not to exercise its call option.

- (5) Consists of the effect of Other comprehensive income (ORA) recorded in the subsidiaries' equity;

**(6) 2019 Business combination -Alsol Energias Renováveis.**

87.01% of the capital of Alsol Energias Renováveis S.A. was formally transferred to Energisa on June 17, 2019, with the usual suspensive conditions for transactions of this nature having been performed and/or waived.

Company Management is noticing significant growth in the distributed generation market, which is still fragmented and immature in Brazil, and given its highly successful track record in the sector it believes it can gain scale and expand the offer of new products and services in the distributed generation segment.

**Measurement period of the Purchase Price Allocation (PPA):**

Company Management measures the fair value of intangible assets and liabilities to allocate the Alsol acquisition date price in accordance with CPC 15 (R1) - Business Combination and IFRS 3 (R) - "Business Combination" at the acquisition date.

On June 30, 2020 the Company revised its estimates resulting in the determination of goodwill paid under the acquisition of R\$ 29,467, primarily originating from the specific purchase and sale contract clauses that make definitions regarding the variable consideration portion.

The fair values of the identifiable assets and liabilities acquired are the following:

	Alsol
Fair value of assets acquired	2,058
% interest	87%
Value of interest	1,792
Acquisition value	27,675
<b>Goodwill determined</b>	<b>29,467</b>

The acquisition made on June 17, 2019 was measured and recorded at fair value on the transaction date, in accordance with CPC 15 (R1) - Business Combinations and IFRS 3 (R) - Business Combinations.

The goodwill determined under the subsidiary Alsol's acquisition stands at R\$ 29,467 recognized in "investment" for the parent company and "intangible assets" in the consolidated statement, which includes the estimated variable portion of R\$ 17,671 to be paid in the next 4 years, charged to other liabilities. Goodwill determined on the business acquisition is due to the expected growth of the distributed energy segment in Brazil.

**Provision for labor, civil, tax and regulatory risks**

The Company recognized the amount of R\$ 1,668 as a provision for labor, civil, tax and regulatory risks, rated as possible and remote chances of defeat. The contingent liabilities assumed on the initial recording of the business combination were recorded at fair value.

See the information in the financial statements of the acquired company Alsol as of May 31, 2019.

	Alsol
Cash and cash equivalents	11,739
Clients, consumers and concessionaires	28,407
Inventory	4,703
Other accounts receivable	8,932
Property, plant and equipment	5,622
Intangible assets	5,473
Trade accounts payable	12,100
Loans and financing	116
Operating leases	4,831
Taxes and social contributions	2,910
Deferred income and social contribution taxes	1,385
Provision for labor, civil, tax and regulatory risks	2,177
Other liabilities	39,299
NCI	266

The acquired companies contributed net revenue of R\$ 64,307 and net income for the year of R\$ 5,165 between the acquisition date and December 31, 2019 to the Company's consolidated net income.

#### • Other investment information:

##### Appreciation of intangible assets and goodwill

The Company recognized amortization of intangible assets in the period ended June 30, 2020, which are recorded in the income statement under amortization and depreciation and income tax and social contribution originate as follows.

	EMT	ETO	EMS	ERO	EAC	Total	
						6/30/2020	12/31/2019
Amortization in the period/year	(31,933)	(5,303)	(35,704)	(64,199)	(31,429)	(168,568)	(390,165)
IR and CSSL	10,857	1,803	12,139	21,828	10,686	57,313	132,657
Amortization net of taxes	(21,076)	(3,500)	(23,565)	(42,371)	(20,743)	(111,255)	(257,508)

##### Indirect interests:

The Company holds indirect interests in the electricity distribution and services companies, directly controlled by Rede Energia S/A, as follows:

6/30/2020					
Indirect subsidiaries	% indirect	Assets	Liabilities	Equity	Net income in the period
<b>Electricity Distribution</b>					
Energisa Tocantins	72.99	3,105,659	2,285,879	819,780	46,957
Energisa Mato Grosso	74.33	9,219,336	6,551,158	2,668,178	90,850
Energisa Mato Grosso do Sul	95.14	4,161,248	2,961,510	1,199,738	93,529
Energisa Sul-Sudeste - Distribuidora de Energia S/A	94.49	2,180,019	1,629,584	550,435	46,761
Multi Energisa Serviços S/A	95.21	27,331	15,987	11,344	3,070
QMRA Participações S.A.	95.20	2,698	493	2,205	4
Rede Power do Brasil S.A.	95.20	475,250	52,073	423,177	33,600
Companhia Técnica de Comercialização de Energia	95.21	5,371	204,903	(199,532)	(13,776)

12/31/2019					
Indirect subsidiaries	% indirect	Assets	Liabilities	Equity	Profit or loss
<b>Electricity Distribution</b>					
Energisa Tocantins	72.99	2,854,749	2,069,352	785,397	141,215
Energisa Mato Grosso	74.33	8,021,896	5,610,822	2,411,074	391,755
Energisa Mato Grosso do Sul	95.14	3,940,328	2,705,860	1,234,468	196,577
Energisa Sul-Sudeste - Distribuidora de Energia S/A	94.49	2,064,383	1,490,935	573,448	82,195
Multi Energisa Serviços S/A	95.21	29,562	14,619	14,943	5,558
QMRA Participações S.A.	95.20	2,359	264	2,095	(99)
Rede Power do Brasil S.A.	95.20	460,600	48,289	412,311	75,823
Companhia Técnica de Comercialização de Energia	95.21	17,952	202,967	(185,015)	(5,476)

## 17. Property, plant and equipment

Items of property, plant and equipment are recorded at the historic cost of acquisition or construction, minus accumulated depreciation and impairment, when applicable.

The consolidated property, plant and equipment breaks down as follows by nature:

	Parent company					
	Average depreciation rate (%)	Balances at 12/31/2019	Addition	Transfers	Depreciation	Balances at 6/30/2020
<b>Property, plant and equipment in service</b>						
<b>Cost:</b>						
Land	-	606	-	-	-	606
Buildings and improvements	3.39%	28,065	-	-	-	28,065
Machinery and equipment	14.16%	25,072	-	859	-	25,931
Vehicles	14.29%	16,990	-	443	-	17,433
Furniture and fixtures	7.11%	16,161	-	170	-	16,331
<b>Total property, plant and equipment in service</b>		<b>86,894</b>	-	<b>1,472</b>	-	<b>88,366</b>
<b>Accumulated depreciation:</b>						
Buildings and improvements		(3,807)	-	-	(473)	(4,280)
Machinery and equipment		(10,766)	-	-	(1,612)	(12,378)
Vehicles		(11,022)	-	-	(678)	(11,700)
Furniture and fixtures		(13,426)	-	-	(159)	(13,585)
<b>Total accumulated depreciation</b>		<b>(39,021)</b>	-	-	<b>(2,922)</b>	<b>(41,943)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>47,873</b>	-	1,472	(2,922)	46,423
Property, plant and equipment in progress		16,049	383	(1,472)	-	14,960
<b>Total of Property, plant and equipment</b>		<b>63,922</b>	<b>383</b>	-	<b>(2,922)</b>	<b>61,383</b>



	Parent company						
	Average depreciation rate (%)	Balances at 12/31/2018	Addition	Transfers	Write-offs	Depreciation	Balances at 12/31/2019
<b>Property, plant and equipment in service</b>							
Cost:							
Land	-	606	-	-	-	-	606
Buildings and improvements	3.39%	27,348	-	717	-	-	28,065
Machinery and equipment	14.22%	22,317	-	2,759	(4)	-	25,072
Vehicles	14.29%	17,116	-	247	(373)	-	16,990
Furniture and fixtures	7.41%	15,577	-	584	-	-	16,161
<b>Total property, plant and equipment in service</b>		<b>82,964</b>	<b>-</b>	<b>4,307</b>	<b>(377)</b>	<b>-</b>	<b>86,894</b>
Accumulated depreciation:							
Buildings and improvements		(2,885)	-	-	-	(922)	(3,807)
Machinery and equipment		(7,837)	-	-	-	(2,929)	(10,766)
Vehicles		(9,875)	-	-	191	(1,338)	(11,022)
Furniture and fixtures		(13,097)	-	-	-	(329)	(13,426)
<b>Total accumulated depreciation</b>		<b>(33,694)</b>	<b>-</b>	<b>-</b>	<b>191</b>	<b>(5,518)</b>	<b>(39,021)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>49,270</b>	<b>-</b>	<b>4,307</b>	<b>(186)</b>	<b>(5,518)</b>	<b>47,873</b>
Property, plant and equipment in progress		1,798	18,558	(4,307)	-	-	16,049
<b>Total of Property, plant and equipment</b>		<b>51,068</b>	<b>18,558</b>	<b>-</b>	<b>(186)</b>	<b>(5,518)</b>	<b>63,922</b>

	Consolidated						
	Average depreciation rate (%)	Balances at 12/31/2019	Addition	Transfers (1)	Write-offs (2)	Depreciation	Balances at 6/30/2020
<b>Property, plant and equipment in service</b>							
Cost:							
Land	-	3,962	-	-	-	-	3,962
Reservoirs, Dams and Power Tunnels	2.96%	4,552	-	-	-	-	4,552
Buildings and improvements	3.23%	66,260	-	897	-	-	67,157
Machinery and equipment	13.34%	264,985	-	30,091	(2,310)	-	292,766
Vehicles	14.27%	77,557	-	1,595	(297)	-	78,855
Furniture and fixtures	6.33%	90,921	-	(3,582)	-	-	87,339
<b>Total property, plant and equipment in service</b>		<b>508,237</b>	<b>-</b>	<b>29,001</b>	<b>(2,607)</b>	<b>-</b>	<b>534,631</b>
Accumulated depreciation:		-					
Reservoirs, Dams and Power Tunnels		(881)	-	-	-	(37)	(918)
Buildings and improvements		(24,961)	-	61	-	(873)	(25,773)
Machinery and equipment		(166,870)	-	(5,534)	1,023	(11,219)	(182,600)
Vehicles		(49,032)	-	467	291	(3,962)	(52,236)
Furniture and fixtures		(63,222)	-	3,978	-	(1,581)	(60,825)
<b>Total accumulated depreciation</b>		<b>(304,966)</b>	<b>-</b>	<b>(1,028)</b>	<b>1,314</b>	<b>(17,672)</b>	<b>(322,352)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>203,271</b>	<b>-</b>	<b>27,973</b>	<b>(1,293)</b>	<b>(17,672)</b>	<b>212,279</b>
Property, plant and equipment in progress		81,296	88,084	(28,999)	-	-	140,381
<b>Total of Property, plant and equipment</b>		<b>284,567</b>	<b>88,084</b>	<b>(1,026)</b>	<b>(1,293)</b>	<b>(17,672)</b>	<b>352,660</b>

- (1) The amount of R\$ 1,026 denotes reclassifications between depreciation of property, plant and equipment and amortization of intangible assets of the subsidiary EAC.
- (2) The amount of R\$ 1,293 denotes write-offs in the period, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the period in other operating income (expenses).

	Consolidated						
	Average depreciation rate (%)	Balances at 12/31/2018	Acquisition balance	Addition	Transfers (*)	Write-offs (**)	Balances at 12/31/2019
<b>Property, plant and equipment in service</b>							
Cost:							
Land	-	2,550	-	-	1,412	-	3,962
Reservoirs, Dams and Power Tunnels	2.68%	2,774	-	-	1,778	-	4,552
Buildings and improvements	2.92%	58,821	19	-	7,420	-	66,260
Machinery and equipment	13.19%	279,268	5,656	1,245	(20,579)	(605)	264,985
Vehicles	14.26%	74,275	242	-	4,011	(971)	77,557
Furniture and fixtures	6.31%	83,721	188	-	7,034	(22)	90,921
<b>Total property, plant and equipment in service</b>		<b>501,409</b>	<b>6,105</b>	<b>1,245</b>	<b>1,076</b>	<b>(1,598)</b>	<b>508,237</b>
Accumulated depreciation:							
Reservoirs, Dams and Power Tunnels		(824)	-	-	7	2	(881)
Buildings and improvements		(21,972)	(5)	-	(4,470)	10	(24,961)
Machinery and equipment		(175,061)	(414)	-	41,725	229	(166,870)
Vehicles		(43,704)	(835)	-	1,880	754	(49,032)
Furniture and fixtures		(58,279)	(55)	-	(1,834)	2	(63,222)
<b>Total accumulated depreciation</b>		<b>(299,840)</b>	<b>(1,309)</b>	<b>-</b>	<b>37,308</b>	<b>997</b>	<b>(304,966)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>201,569</b>	<b>4,796</b>	<b>1,245</b>	<b>38,384</b>	<b>(601)</b>	<b>203,271</b>
Property, plant and equipment in progress		8,043	826	107,715	(35,288)	-	81,296
<b>Total of Property, plant and equipment</b>		<b>209,612</b>	<b>5,622</b>	<b>108,960</b>	<b>3,096</b>	<b>(601)</b>	<b>284,567</b>

(\*) The amount of R\$ 3,096 denotes reclassifications between property, plant and equipment and intangible assets of the subsidiaries EAC and ERO, after analyzing the items comprising the subsidiaries' electric assets.

(\*\*) The amount of R\$ 601 denotes write-offs in the year, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the year in other operating income (expenses).

## 18. Intangible assets

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Intangible assets - concession agreement	-	-	14,220,220	14,301,242
Concession right	-	-	333,885	334,046
Right-of-use	624	694	45,791	50,812
Intangible assets - Software and Other	28,112	25,316	150,383	154,824
<b>Total</b>	<b>28,736</b>	<b>26,010</b>	<b>14,750,279</b>	<b>14,840,924</b>

## 18.1 Intangible assets - concession agreement - Consolidated

	Average amortization rate (%)	Balances at 12/31/2019	Transfers (1)	Write-offs (2)	Amortization (3)	Balances at 6/30/2020
<b>Intangible assets</b>						
In service:	10.27%	28,441,118	552,399	(92,545)	-	28,900,972
Accumulated Amortization		(11,000,550)	1,395	59,823	(674,444)	(11,613,776)
<b>Total Intangible Assets</b>		<b>17,440,568</b>	<b>553,794</b>	<b>(32,722)</b>	<b>(674,444)</b>	<b>17,287,196</b>
<b>(-) Obligations Subject to the Concession In Service</b>						
Cost	3.82%	5,773,053	53,373	-	-	5,826,426
Accumulated Amortization		(2,633,727)	-	-	(125,723)	(2,759,450)
<b>Total obligations linked to the Concession</b>		<b>3,139,326</b>	<b>53,373</b>	<b>-</b>	<b>(125,723)</b>	<b>3,066,976</b>
<b>Total Intangible Assets</b>		<b>14,301,242</b>	<b>500,421</b>	<b>(32,722)</b>	<b>(548,721)</b>	<b>14,220,220</b>

- (1) R\$ 499,026 of the R\$ 500,421 are transfers from the contractual asset - infrastructure under construction and R\$ 1,395 is reclassifications between property, plant and equipment and intangible assets of the subsidiaries EAC, ERO and ETO.
- (2) The write-offs of R\$ 32,722 denote write-offs in the period, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the period in other operating income (expenses).
- (3) In the period the Company recorded PIS and COFINS credits on the amortization of assets and equipment in the amount of R\$ 18,445 (R\$ 36,499 as of December 31, 2019), which does not include the amount of R\$ 3,649 as the depreciation expense on the provision for credit incorporation.

	Average amortization rate (%)	Balances at 12/31/2018	Addition	Addition - Concession financial asset (1)	Transfers	Write-offs (2)	Amortization (3)	Balances at 12/31/2019
<b>Intangible assets</b>								
In service:	10.27%	24,757,715	-	2,311,260	1,574,507	(202,364)	-	28,441,118
Accumulated Amortization		(9,770,441)	-	-	(93,747)	156,117	(1,292,479)	(11,000,550)
<b>Total Intangible Assets</b>		<b>14,987,274</b>	<b>-</b>	<b>2,311,260</b>	<b>1,480,760</b>	<b>(46,247)</b>	<b>(1,292,479)</b>	<b>17,440,568</b>
<b>(-) Obligations Subject to the concession In Service</b>								
Cost	3.79%	4,606,612	-	934,118	232,323	-	-	5,773,053
Accumulated Amortization		(2,378,095)	(16,408)	-	(1,135)	-	(238,089)	(2,633,727)
<b>Total obligations linked to the Concession</b>		<b>2,228,517</b>	<b>(16,408)</b>	<b>934,118</b>	<b>231,188</b>	<b>-</b>	<b>(238,089)</b>	<b>3,139,326</b>
<b>Total Intangible Assets</b>		<b>12,758,757</b>	<b>16,408</b>	<b>1,377,142</b>	<b>1,249,572</b>	<b>(46,247)</b>	<b>(1,054,390)</b>	<b>14,301,242</b>

- (1) Addition - Concession financial asset - these are concession financial assets transferred to intangible assets R\$ 211,260 and concession liabilities R\$ 934,118 deriving from the renewal of the concession agreements as detailed in note 16.
- (2) The write-offs of R\$ 46,247 denote write-offs in the financial year, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the financial year in other operating income (expenses).
- (3) In the year the company recorded PIS and COFINS credits on the amortization of assets and equipment in the amount of R\$ 36,499 (R\$ 35,478 as of December 31, 2018).

The assets used by the subsidiaries in their operations are tied to public energy distribution services, and may not be removed, sold, transferred or pledged under mortgage guarantee without the prior, express consent of the Regulatory Authority. ANEEL Normative Resolution 691/2015 issued December 8, 2015 regulates the freeing up of the public electricity service concessions' infrastructure, awarding preliminary authorization for the release for the purpose of disposal. It also determines the proceedings of the disposal be deposited into a specific bank account and the funds reinvested into the concession's assets.

Amortization of intangible assets reflects the way by which the future benefits from using the assets are expected to be consumed by the Company or limited to the concession term based on the economic benefits generated annually. The consumption of these assets is related to the estimated useful life of each item comprising the set of

tangible assets contained in the distribution infrastructure. The average weighted amortization rate used is 10.27% (10.27% as of December 31, 2019) .

The balance of intangible assets and concession financial asset is reduced by obligations linked to the concession, consisting of:

Obligations linked to the concession:	6/30/2020	12/31/2019
Consumer contributions <sup>(1)</sup>	4,496,909	4,415,160
Government Subsidy - CDE funds <sup>(2)</sup>	2,029,107	1,926,170
State Government Subsidy <sup>(2)</sup>	336,031	336,031
Reversal reserve <sup>(3)</sup>	8,060	8,442
Revenue from surplus demand and Surplus Reactive Energy	329,713	329,713
(-) Accumulated amortization	(2,759,450)	(2,633,727)
<b>Total</b>	<b>4,440,370</b>	<b>4,381,789</b>
<b>Allocation:</b>		
Concession financial asset	1,027,156	1,009,751
Infrastructure - Intangible assets in service	3,066,976	3,139,326
Contractual asset - infrastructure under construction and Intangible assets in progress	346,238	232,712
<b>Total</b>	<b>4,440,370</b>	<b>4,381,789</b>

- (1) Consumer contributions refer to third-party participation in construction work to supply electricity to areas not embraced by the electricity concessionaires' expansion projects.
- (2) Government subsidies (funds from the Energy Development Account - CDE) and state government funds are allocated to the Light for All program. The balance includes the effect of returning Tranch 4 of the subsidiary EAC in December/2019.
- (3) The reversal reserve, constituted up until December 31, 1971, represents the amount of proceeds deriving from the reversal fund, which have been invested in the Company's expansion project, charged interest of 5 % per annum paid monthly.

## 18.2 Concession right - consolidated

	Consolidated	
	6/30/2020	12/31/2019
Recognized by subsidiaries <sup>(1)</sup>	538,012	538,012
Recognized by parent company <sup>(2)</sup>	298,589	298,589
Acquisition of interest <sup>(3)</sup>	96,825	77,112
Accumulated amortization	(599,541)	(579,667)
<b>Subtotal</b>	<b>333,885</b>	<b>334,046</b>

The change is as follows:

	Consolidated	
	6/30/2020	12/31/2019
Opening balance	334,046	364,038
Acquisition of equity interest	19,713	9,754
Amortization in the period/year	(19,874)	(39,746)
<b>Closing balance</b>	<b>333,885</b>	<b>334,046</b>

### (1) Intangible assets recognized by the subsidiary:

Refers to the concession right incorporated by the subsidiary ESE which is being amortized from April 1998 and will continue to be amortized until the end of the electricity distribution concession (December 2027).

The amortization will reduce the income and social contribution taxes by 34%. As of June 30, 2020 the balance to be amortized by the subsidiary is R\$ 166,220 (R\$ 178,533 as of December 31, 2019).

### (2) Intangible assets recognized by parent company:

Donates the concession rights for equity interests in the subsidiaries EBO, ESE and EPB, in the amount of R\$ 101,141 (R\$ 106,071 as of December 31, 2019). In accordance with IAS 16, since January 1, 2017 the Company has been

recording amortization of concession goodwill over the remaining period of the respective concession exploration licenses, by the straight line method.

The Company holds the share control of the specific purpose entity Parque Eólico Sobradinho, located in the municipality Sobradinho - BA, which owns windfarm ventures amounting to R\$ 7,022 (R\$ 7,022 as of December 31, 2019). The amounts paid to acquire the wind farm have been recorded under concession arrangements, to be amortized over 35 years as from start-up.

### (3) Business combinations - Acquisition of equity interest

The equity interests assuring the share control of the companies comprising Rede Group were officially transferred to Energisa on April 11, 2014, pursuant to the Investment and Share Purchase and Sale Commitment and Other Covenants.

The goodwill determined under the acquisition of the Companies stands at R\$ 165,552 and was recognized in "investment" for the parent company and "intangible assets" in the consolidated statement. The symbolic acquisition price of R\$ 1.00 (one real) was based on the market value valuation of the equity of the companies acquired. The goodwill determined on the acquisition is primarily due to the fact the PPA calculations did not include the renewal of the electricity distribution concessions introduced by Law 12783/2013, which despite the issuance of Decree 8461/2015, which regulated the extension of the electricity distribution concession agreements, suspended by the Federal Audit Court, which meant it was not possible to sign the new concession agreement, and the variance between the average used to determine the price and the best estimate of the shareholders' equity at fair value at the effective acquisition date.

Capital gains on the greater interest in the capital increases via capital contributions made at the subsidiaries JQMJ, BBPM, Denerge and Rede Energia amounting to R\$ 96,345 was deducted from the goodwill (R\$ 165,552), amounting to R\$ 69,207. Given the sale of the assets of the indirect subsidiary Tangará S/A, R\$ 6,361 was transferred to assets held for sale in May 2015. R\$ 37,323 was amortized in the period ended June 30, 2020 (R\$ 34,692 as of December 31, 2019).

On May 14, 2015 the Company acquired the share control of the subsidiary Dinâmica Direitos Creditórios, recording goodwill of R\$ 4,512.

The transfer was formalized to Energisa of 87.01% of the capital of Alsol Energias Renováveis S.A. on June 17, 2019, with goodwill being determined of R\$ 9,754. On June 30, 2020 goodwill was formally calculated of R\$ 29,467.

The amortization of these concession rights and reduction to the income and social contribution taxes has been projected as follows:

Amortization period	Consolidated	Reduction in income and social contribution taxes
2021 and 2022	54,507	12,559
2023 and 2024	74,289	16,745
2025 and 2026	74,289	16,745
2027 and 2028	55,484	10,466
2029 and 2030	24,145	-
2031 and 2032	13,572	-
2033 onwards	19,387	-
<b>Total</b>	<b>315,673</b>	<b>56,515</b>

### 18.3 Intangible assets - right-of-use

Denotes the right to use properties originated by applying accounting standards CPC 06 (R2), which are amortized over the useful life defined in each contract.

	Parent company			
	Average amortization rate (%)	Balances at 31/12/2019	Amortization	Balances at 6/30/2020
Property usage rights	17.82%			
Cost		795	-	795
Accumulated Amortization		(101)	(70)	(171)
<b>Total</b>		<b>694</b>	<b>(70)</b>	<b>624</b>

	Parent company					
	Average amortization rate (%)	Balances at 12/31/2018	Initial Adoption CPC 06 (R2)	Additions	Amortization	Balances at 12/31/2019
Property usage rights	12.81%					
Cost		-	777	18	-	795
Accumulated Amortization		-	-	-	(101)	(101)
<b>Total</b>		<b>-</b>	<b>777</b>	<b>18</b>	<b>(101)</b>	<b>694</b>

	Consolidated					
	Average amortization rate (%)	Balances at 12/31/2019	Addition	Write-offs	Amortization	Balances at 6/30/2020
Property usage rights	20.74%					
Cost		66,588	6,352	(4,276)	-	68,664
Accumulated Amortization		(15,776)	-	-	(7,097)	(22,873)
<b>Total</b>		<b>50,812</b>	<b>6,352</b>	<b>(4,276)</b>	<b>(7,097)</b>	<b>45,791</b>

	Consolidated							
	Average amortization rate (%)	Balances at 12/31/2018	Acquisition balance	Initial Adoption CPC 06 (R2)	Addition	Write-offs	Amortization	Balances at 12/31/2019
Property usage rights	28.19%							
Cost		-	4,829	39,693	24,196	(2,130)	-	66,588
Accumulated Amortization		-	(74)	-	-	-	(15,702)	(15,776)
<b>Total</b>		<b>-</b>	<b>4,755</b>	<b>39,693</b>	<b>24,196</b>	<b>(2,130)</b>	<b>(15,702)</b>	<b>50,812</b>

### 18.4 Intangible assets - software and other

	Parent company					
	Average amortization rate (%)	Balances at 12/31/2019	Additions	Transfers	Amortization	Balances at 6/30/2020
Cost of software						
In service	20.00%	36,983	-	4,351	-	41,334
Accumulated Amortization		(18,146)	-	-	(3,073)	(21,219)
In Progress		6,479	5,869	(4,351)	-	7,997
<b>Total</b>		<b>25,316</b>	<b>5,869</b>	<b>-</b>	<b>(3,073)</b>	<b>28,112</b>



	Parent company					
	Average amortization rate (%)	Balances at 12/31/2018	Additions	Transfers	Amortization	Balances at 12/31/2019
Cost of software						
In service	20.00%	27,376	-	9,607	-	36,983
Accumulated Amortization		(14,030)	-	-	(4,116)	(18,146)
In Progress		341	15,745	(9,607)	-	6,479
Total		13,687	15,745	-	(4,116)	25,316

	Consolidated						
	Average amortization rate (%)	Balances at 12/31/2019	Addition	Transfers	Write-offs	Amortization	Balances at 6/30/2020
Intangible assets							
In service:	13.36%	440,222	175	17,705	(707)	-	457,395
Accumulated Amortization		(295,858)	-	(367)	141	(22,653)	(318,737)
In progress		10,460	6,283	(5,018)	-	-	11,725
Total		154,824	6,458	12,320	(566)	(22,653)	150,383

	Consolidated								
	Average amortization rate (%)	Balances at 12/31/2018	Acquisition balance	Addition	Addition - Concession financial asset (1)	Transfers	Write-offs	Amortization	Balances at 12/31/2019
Intangible assets									
In service:	13.18%	366,987	992	-	12,090	75,021	(14,868)	-	440,222
Accumulated Amortization		(261,827)	(274)	-	-	(6,132)	14,868	(42,493)	(295,858)
In progress		4,353	-	17,814	-	(11,707)	-	-	10,460
Total		109,513	718	17,814	12,090	57,182	-	(42,493)	154,824

(1) Addition - Concession financial asset - these are concession financial assets transferred to intangible assets (R\$ 12,090) deriving from the renewal of the concession agreements as detailed in note 16.

## 19. Contractual asset - Infrastructure under construction - Consolidated

The contractual asset records expenses directly attributable to the acquisition and construction of the assets, such as: (i) the cost of materials and direct labor; (ii) any other costs to bring the asset to its location and condition necessary so it can be fully operated, and (iii) the interest incurred on loans, financing at the infrastructure construction cost, appropriated based on the established criteria for capitalization, such as applying the average weighted rate and specific contract interest in accordance with CPC 20.

	Balances at 12/31/2019	Addition	Transfers (1)	Write-offs (2)	Balances 6/30/2020
<b>Contractual asset - infrastructure under construction</b>					
Under construction	1,701,625	1,139,562	(565,088)	(271,363)	2,004,736
<b>Obligations linked to the Concession</b>					
Under construction	232,712	184,304	(53,373)	(17,405)	346,238
<b>Total contractual assets - infrastructure under construction</b>	<b>1,468,913</b>	<b>955,258</b>	<b>(511,715)</b>	<b>(253,958)</b>	<b>1,658,498</b>

(1) R\$ 511,715 of the amount of R\$ 512,742 (R\$ 1,309,850 as of December 31, 2019) was transferred to intangible assets.

(2) The write-offs of R\$ 253,958 denote the segregation from the net contractual of special obligations to the concession financial asset.

	Balances at 12/31/2018	Addition	Transfers	Write-offs (*)	Balances 12/31/2019
<b>Contractual asset - infrastructure under construction</b>					
Under construction	1,651,479	2,676,043	(1,534,832)	(1,091,065)	1,701,625
<b>Obligations linked to the Concession</b>					
Under construction	314,168	211,109	(224,982)	(67,583)	232,712
<b>Total contractual assets - infrastructure under construction</b>	<b>1,337,311</b>	<b>2,464,934</b>	<b>(1,309,850)</b>	<b>(1,023,482)</b>	<b>1,468,913</b>

(\*) The write-offs of R\$ 1,023,482 denote the segregation from the net contractual of special obligations to the concession financial asset.

## 20. Trade accounts payable

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Ampla - CUSD	-	-	4,414	3,805
CCEE <sup>(1 and 2)</sup>	-	-	272,817	456,126
Bilateral Contracts <sup>(2)</sup>	-	-	1,045,501	1,088,994
Use of the high-voltage national grid <sup>(2)</sup>	-	-	69,774	73,548
Connection to the grid <sup>(2)</sup>	-	-	20,710	17,352
Service charges in the system	-	-	12,858	3,257
Use of the distribution system (CUSD) <sup>(2)</sup>	-	-	21,934	22,013
Materials, services and other <sup>(2)</sup>	1,567	17,462	299,114	423,079
<b>Total</b>	<b>1,567</b>	<b>17,462</b>	<b>1,747,122</b>	<b>2,088,174</b>
Current	1,567	17,462	1,643,691	1,988,149
Noncurrent	-	-	103,431	100,025

(1) In the second quarter of 2020 the CCEE account contracted due to more favorable hydrological conditions in the National Interconnected Grid (SIN), coupled with a lower PLD (Difference Settlement Price), influenced by lower energy consumption during the Covid-19 pandemic. In FY 2019, specifically November and December, the generation of hydroelectric plants was below average and the DisCos were obliged to assume a greater cost as a result of the hydrological risk and higher PLD. Law 12.783/2013 states that expenses related to the hydrological risk are covered by the distribution companies which can pass through these costs to consumers via rate adjustments.

(2) Acquisitions of materials, services and other items required to implement, conserve and maintain the electricity generation, sale and distribution services, with an average settlement of 40 days.

## 21.

## 22. Loans, financing and debt charges

Summary changes in loans and financing are as follows:

	Parent company							
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 6/30/2020
<b>Measured at cost</b>								
<b>Domestic currency</b>								
Floating								
CDI	460,574	250,000	-	(3,527)	12,547	-	-	719,594
Funding costs	(424)	-	-	-	879	(3,919)	-	(3,464)
<b>Total cost</b>	<b>460,150</b>	<b>250,000</b>	<b>-</b>	<b>(3,527)</b>	<b>13,426</b>	<b>(3,919)</b>	<b>-</b>	<b>716,130</b>
<b>Fair value measurement</b>								
<b>Foreign currency</b>								
US dollar	324,115	-	(219,088)	(10,790)	125,815	-	-	220,052
Mark-to-market	4,058	-	-	-	-	-	2,381	6,439
<b>Total fair value</b>	<b>328,173</b>	<b>-</b>	<b>(219,088)</b>	<b>(10,790)</b>	<b>125,815</b>	<b>-</b>	<b>2,381</b>	<b>226,491</b>
<b>Total</b>	<b>788,323</b>	<b>250,000</b>	<b>(219,088)</b>	<b>(14,317)</b>	<b>139,241</b>	<b>(3,919)</b>	<b>2,381</b>	<b>942,621</b>
Current	175,190							792,621
Noncurrent	613,133							150,000

	Consolidated							
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 6/30/2020
<b>Measured at cost</b>								
<b>Domestic currency</b>								
Fixed	932,744	-	(8,240)	(968)	23,503	-	-	947,039
TJLP and TLP	3,263	-	(1,000)	(134)	131	-	-	2,260
Selic	890	-	(211)	(19)	34	-	-	694
CDI	2,384,337	1,876,667	(674,184)	(36,422)	75,308	-	-	3,625,706
TR	928,876	-	-	(21,242)	39,523	-	-	947,157
Funding costs	(3,024)	-	-	-	1,938	(6,583)	-	(7,669)
Basket of currencies	405	-	(233)	(17)	132	-	-	287
Other	259,042	28,968	(8,771)	(8,375)	7,543	-	-	278,407
<b>Total cost</b>	<b>4,506,533</b>	<b>1,905,635</b>	<b>(692,639)</b>	<b>(67,177)</b>	<b>148,112</b>	<b>(6,583)</b>	<b>-</b>	<b>5,793,881</b>
<b>Fair value measurement</b>								
<b>Foreign currency</b>								
US dollar	3,119,021	473,725	(1,696,767)	(69,599)	1,075,957	-	-	2,902,337
Euro	598,586	122,972	-	(5,503)	261,387	-	-	977,442
Funding costs	(1,850)	-	-	-	377	-	-	(1,473)
Mark-to-market	27,691	-	-	-	-	-	15,250	42,941
<b>Total fair value</b>	<b>3,743,448</b>	<b>596,697</b>	<b>(1,696,767)</b>	<b>(75,102)</b>	<b>1,337,721</b>	<b>-</b>	<b>15,250</b>	<b>3,921,247</b>
<b>Total</b>	<b>8,249,981</b>	<b>2,502,332</b>	<b>(2,389,406)</b>	<b>(142,279)</b>	<b>1,485,833</b>	<b>(6,583)</b>	<b>15,250</b>	<b>9,715,128</b>
Current	1,413,791							3,455,181
Noncurrent	6,836,190							6,259,947

	Parent company							
	Balances at 12/31/2018	Funding	Principal payment	Interest payment	Charges, monetary and exchange restatement and costs	Costs appropriated	Mark-to-market of debt	Balances at 12/31/2019
<b>Measured at cost</b>								
<b>Domestic currency</b>								
CDI	-	450,000	-	-	10,574	-	-	460,574
Funding costs	-	-	-	-	168	(592)	-	(424)
<b>Total cost</b>	-	450,000	-	-	10,742	(592)	-	460,150
<b>Fair value measurement</b>								
<b>Foreign currency</b>								
US dollar	467,308	-	(162,052)	(19,761)	38,620	-	-	324,115
Mark-to-market	2,054	-	-	-	-	-	2,004	4,058
<b>Total fair value</b>	469,362	-	(162,052)	(19,761)	38,620	-	2,004	328,173
<b>Total</b>	469,362	450,000	(162,052)	(19,761)	49,362	(592)	2,004	788,323
<b>Current</b>	158,008							175,190
<b>Noncurrent</b>	311,354							613,133

	Consolidated								
	Balances at 12/31/2018	Acquisition	Funding	Principal payment	Interest payment	Charges, monetary and exchange restatement and costs	Costs appropriated	Mark-to-market of debt	Balances at 12/31/2019
<b>Measured at cost</b>									
<b>Domestic currency</b>									
Fixed	1,249,918	116	-	(358,091)	(9,152)	49,953	-	-	932,744
Floating									
TJLP and TLP	8,283	-	-	(4,541)	(531)	52	-	-	3,263
Selic	22,793	-	-	(19,112)	(3,220)	429	-	-	890
CDI	2,337,094	-	1,034,900	(972,831)	(174,407)	159,581	-	-	2,384,337
TR	922,846	-	-	-	(72,667)	78,697	-	-	928,876
<b>Funding costs</b>	(984)	-	-	-	-	1,348	(3,388)	-	(3,024)
<b>Basket of Currencies</b>	762	-	-	(375)	(54)	72	-	-	405
Other	232,786	-	132,488	(108,332)	(12,553)	14,653	-	-	259,042
<b>Total cost</b>	4,773,498	116	1,167,388	(1,463,282)	(272,584)	304,785	(3,388)	-	4,506,533
<b>Fair value measurement</b>									
<b>Foreign currency</b>									
US dollar	3,117,921	-	385,000	(508,874)	(137,753)	262,727	-	-	3,119,021
Euro	351,794	-	240,000	(3,028)	(3,771)	13,591	-	-	598,586
<b>Funding costs</b>	(2,606)	-	-	-	-	756	-	-	(1,850)
Mark-to-market	20,017	-	-	-	-	-	-	7,674	27,691
<b>Total fair value</b>	3,487,126	-	625,000	(511,902)	(141,524)	277,074	-	7,674	3,743,448
<b>Total</b>	8,260,624	116	1,792,388	(1,975,184)	(414,108)	581,859	(3,388)	7,674	8,249,981
<b>Current</b>	1,649,423								1,413,791
<b>Noncurrent</b>	6,611,201								6,836,190

The composition of the loans and financing portfolio, and significant terms and conditions, are detailed below:

Company / Operation	Total		Charges	Maturity	Amortization of principal	(Effective interest rate)			Security (*)
	6/30/2020	12/31/2019	Annual Charges			(3)			
Energisa S/A									
Commercial paper 4 <sup>th</sup> issuance (1)	316,355	310,043	CDI + 0.55% p.a	Jun/21	Final		2.04%		-
FRN Santander - 4130335	70,301	70,447	CDI + +0.8948% p.a	Nov/22	Final		2.21%		-
FRN Santander - 4132130 (1)	80,058	80,084	CDI + +0.90% p.a	Nov/24	Semiannual as from Nov/21		2.22%		-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 1 <sup>st</sup> Series	1,518	-	CDI + +2.75% p.a	Jul/20	Final		3.14%		-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 2 <sup>nd</sup> Series	1,468	-	CDI + +2.75% p.a	Oct/20	Final		3.14%		-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 4 <sup>th</sup> Series	96,824	-	CDI + +2.75% p.a	Apr/21	Final		3.14%		-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 3 <sup>rd</sup> Series	1,417	-	CDI + +2.75% p.a	Jan/21	Final		3.14%		-
ESA X PACTUAL - CCB91/20	151,653	-	CDI + +2.50% p.a	Apr/21	Final		3.01%		-
Borrowing cost incurred on acquisition	(3,464)	(424)							
Total Local Currency	716,130	460,150							
Resolution 4131 - Itaú (1)	220,052	324,115	4.0375% p.a.	May/21	Annual		37.86%		A
Mark-to-market of debt (2)	6,439	4,058	-	-	-				-
Total foreign currency	226,491	328,173							
Total Energisa S/A	942,621	788,323							
Energisa Sergipe									
FIDC Energisa Group III	3,150	5,794	CDI + 0.70% p.a.	Dec/20	Monthly		2.12%		R
FINAME - Itaú BBA	6,914	8,243	2.50% to 8.70% p.a (Fixed)	Jan/25	Monthly	1.24%	to	4.26%	A
INERGUS financing	12,343	12,520	IPC + 5.5% p.a.	Dec/39	Monthly		3.06%		F
INERGUS financing - Migration	100,702	110,200	IPCA + +5.78% p.a.	Jun/26	Monthly		2.95%		F
Commercial paper issuance 6 (1)	150,209	147,034	CDI + 0.80%	Mar/22	Final		2.17%		A
Borrowing cost incurred on acquisition	(253)	(333)	-	-	-		-		-
Total Local Currency	273,065	283,458							
Resolution 4131 - Citibank (1.4)	-	286,476	Libor + 0.72% to 0.73% p.a	Apr/21	Final	37.35%	to	37.35%	A
Resolution 4131 - Bank of America ML (1)	188,662	139,230	Libor + 1.20% p.a.	Jan/21	Final		37.59%		A
Resolution 4131 - Citibank (1.4)	-	44,849	Libor + 0.82% p.a.	Sep/21	Final		37.40%		A
Resolution 4131 - JL Morgan (1)	19,797	14,587	Libor + 1.30% p.a.	Sep/21	Final		37.64%		A
Mark-to-market of debt (2)	543	489	-	-	-		-		-
Total foreign currency	209,002	485,631							
Total Energisa Sergipe	482,067	769,089							
Energisa Paraíba									
FIDC Energisa Group III	12,809	23,564	CDI + 0.70% p.a.	Dec/20	Monthly		2.12%		R
FINAME - Itaú	12,476	15,125	2.50% to 8.70% p.a. (Fixed)	Jan/25	Monthly	1.24%	to	4.26%	A
FUNASA financing	3,318	3,492	IPCA + 5.94%	Dec/29	Monthly		3.03%		-
CCB Bradesco 24032020 (1)	134,782	-	CDI + 4.8005%	Mar/21	Final		4.14%		A
CCB Itaú 25032020	20,379	-	CDI + 4.10%	Mar/21	Final		3.80%		A
Borrowing cost incurred on acquisition	(585)	(97)	-	-	-		-		-
Total Local Currency	183,179	42,084							
Resolution 4131 - Itaú BBA (1)	-	102,803	3.7995%p.a. (Fixed)	Jun/20	Final		37.74%		A
Resolution 4131 - Citibank (1.4)	-	75,242	Libor + 0.73% p.a.	Jan/21	Final		37.35%		A
Mark-to-market of debt (2)	-	208	-	-	-		-		-
Total foreign currency	-	178,253							
Total Energisa Paraíba	183,179	220,337							
Energisa Minas Gerais									
FIDC Energisa Group III	3,149	5,791	CDI + 0.70% p.a.	Dec/20	Monthly		2.12%		R
BNDES pass-through I - Itaú BBA	275	510	TJLP + 4.75% p.a.	Jan/21	Monthly		4.83%		A
BNDES pass-through II - Itaú BBA	214	296	UMBND + 3.75% p.a. (*)	Jan/21	Monthly		1.96%		A
BNDES pass-through III - Itaú BBA	115	213	TJLP + 5.95% p.a.	Jan/21	Monthly		5.41%		A
BNDES pass-through IV - Itaú BBA	174	324	5.50% p.a. (Fixed)	Jan/21	Monthly		2.71%		A
FINAME - Itaú BBA	5,334	6,406	2.50% to 10.0% p.a (Fixed)	Dec/24	Monthly	1.24%	to	4.88%	A
Floating Interest Note - Santander (1, 4)	-	73,367	CDI + 1.3248%	Dec/20	Semi-annual		2.43%		A
CCB Bradesco 24032020 (1)	76,581	-	CDI + 4.8005%	Mar/21	Final		4.14%		A
CCB Itaú 25032020	40,768	-	CDI + 4.00%	Mar/21	Final		3.75%		A
SANTANDER FRN 4137169	37,140	-	CDI + 4.10%	Jun/21	Final		3.80%		A
SANTANDER FRN 4137171	37,140	-	CDI + 4.10%	Dec/21	Final		3.80%		A
Borrowing cost incurred on acquisition	(293)	(24)	-	-	-		-		-

Company / Operation	Total		Charges Annual Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	6/30/2020	12/31/2019							
Total Local Currency	200,597	86,883							
Resolution 4131 - Itaú BBA (1)	-	36,283	3.7995% p.a. (Fixed)	Jun/20	Final	37.74%			A
Resolution 4131 II - Citibank (1.4)	-	71,183	Libor + 0.72% p.a.	May/21	Final	37.35%			A
Resolution 4131 - BBM Loan	85,607	63,019	2.77% p.a. (Fixed)	Apr/21	Final	37.24%			A
Mark-to-market of debt (2)	1,577	861	-	-	-	-			-
Total foreign currency	87,184	171,346							
Total Energisa Minas Gerais	287,781	258,229							
<b>Energisa Nova Friburgo</b>									
FIDC Energisa Group III	840	1,545	CDI + 0.70% p.a.	Dec/20	Monthly	2.12%			R
BNDES pass-through I - Itaú	95	191	TJLP + 4.75% p.a. UMBND + 3.75% p.a.	Dec/20	Monthly	4.83%			A
BNDES pass-through II - Itaú	73	109	p.a.	Dec/20	Monthly	1.96%			A
BNDES pass-through III - Itaú	40	79	TJLP + 5.95% p.a.	Dec/20	Monthly	5.41%			A
BNDES pass-through IV - Itaú	63	126	5.50% p.a. (Fixed)	Dec/20	Monthly	2.71%			A
FINAME - Itaú	574	683	2.50% to 6.00% p.a. (Fixed)	Nov/24	Monthly	1.24%	to	2.96%	A
Floating Interest Note - Santander (1, 4)	-	23,344	CDI + 1.3248% p.a.	Dec/20	Semi-annual	2.43%			A
FRN 4131519	15,030	15,044	CDI + 0.80% p.a.	Nov/22	Semiannual as from Nov/21	2.17%			A
FRN 4137167	11,817	-	CDI + 4.10% p.a.	Dec/21	Final	3.80%			A
FRN 4137163	11,817	-	CDI + 4.10% p.a.	Jun/21	Final	3.80%			A
CCB Safra 001660057	20,000	-	CDI + 2.50% p.a.	Jun/21	Final	3.01%			A
Borrowing cost incurred on acquisition	(43)	(7)	-	-	-	-			-
Total Local Currency	60,306	41,114							
Resolution 4131 - Citibank (1.4)	-	51,557	LIBOR + 0.65% to 1.62% p.a.	Sep/22	Final	37.31%	to	37.80%	A
Mark-to-market of debt (2)	-	743	-	-	-	-			-
Total foreign currency	-	52,300							
Total Energisa Nova Friburgo	60,306	93,414							
<b>Energisa Borborema</b>									
FIDC Energisa Group III	1,050	1,931	CDI + 0.70% p.a.	Dec/20	Monthly	2.12%			R
FINAME - Itaú BBA	1,185	1,417	2.50% to 8.70% p.a. (Fixed)	Nov/24	Monthly	1.24%	to	4.26%	A
Floating Interest Note - Santander (1.4)	-	26,679	CDI + 1.3248%	Dec/20	Semi-annual	2.43%			A
Floating Interest Note - Santander (1, 4)	-	20,595	CDI + 0.92%	Jul/20	Final	2.23%			A
Floating Interest Note - Santander (1)	15,030	15,044	CDI + 0.80% p.a.	Nov/22	Semiannual as from Nov/21	2.17%			A
Safra CCB 001660031	20,000	-	CDI + 2.50% p.a.	Jun/21	Final	3.01%			A
Santander FRN 4137155	13,506	-	CDI + 4.10% p.a.	Jun/21	Final	3.80%			A
Santander FRN 4137161	13,506	-	CDI + 4.10% p.a.	Dec/21	Final	3.80%			A
Santander FRN 4137241	20,252	-	CDI + 4.10% p.a.	Jul/21	Final	3.80%			A
Borrowing cost incurred on acquisition	(44)	(8)	-	-	-	-			-
Total Local Currency	84,485	65,658							
Resolution 4131 - Citibank (1.4)	-	24,840	Libor + 0.97% p.a.	Nov/20	Final	37.47%			A
Mark-to-market of debt (2)	-	55							
Total foreign currency	-	24,895							
Total Energisa Borborema	84,485	90,553							
<b>Energisa Mato Grosso</b>									
FIDC Energisa Group IV - Series 1	353,402	353,402	TR + 7.00% p.a.	Oct/34	Monthly from Oct/29 onwards	3.44%			R
FIDC Energisa Group IV - Series 2	481,901	482,682	CDI + 0.70% p.a.	Apr/31	Monthly from Apr/21 onwards	2.12%			R
Floating Interest Note - Santander (1.4)	-	450,626	CDI + 1.25% to 1.3248% p.a.	Dec/20	Semiannual as from Dec/19	2.39%	to	2.43%	A
Commercial Paper 2 <sup>nd</sup> Issuance (1)	300,168	293,823	CDI + 0.80% p.a.	Mar/22	Final	2.17%			A
Santander FRN 4133870	193,155	-	CDI + 0.95% p.a.	Feb/23	Semiannual as from Feb/22	2.24%			A
CCB BRADESCO 24032020 (1)	132,740	-	CDI + 4.8005% p.a.	Mar/21	Final	4.14%			A
CCB ITAÚ 1011200300114	30,569	-	CDI + 4.10% p.a.	Mar/21	Final	3.80%			A
Santander FRN 4135786	321,151	-	CDI + 4.60% p.a.	Mar/21	Final	4.04%			A
Santander FRN 4137163	67,528	-	CDI + 4.10% p.a.	Jun/21	Final	3.80%			A
Santander FRN 4137165	67,526	-	CDI + 4.10% p.a.	Dec/21	Final	3.80%			A
Borrowing cost incurred on acquisition	(983)	(641)							
Total Local Currency	1,947,157	1,579,892							
Resolution 4131 - Bank of America ML (1)	135,576	214,059	Libor + 1.20% to 1.60% p.a.	Jan/21	Final	37.59%	to	37.79%	A
Citibank Loan - 4131 (1)	78,626	57,899	Libor + 1.70% p.a.	Jun/22	Annual from 2021 onwards	37.84%			A



Company / Operation	Total		Charges Annual Charges	Maturity	Amortization of principal	(Effective interest rate) (3)		Security (*)
	6/30/2020	12/31/2019						
Citibank EDC Loan - 4131 (1)	78,622	57,892	Libor + 1.80% p.a.	Jun/22	Annual from 2021 onwards	37.89%		A
Citibank Loan - 4131 (1,4)	-	128,422	Libor + 0.82% p.a.	Sep/21	Final	37.40%		A
J P MORGAN Loan (1)	146,606	108,167	Libor + 1.05% p.a.	Nov/21	Final	37.51%		A
Merrill Lynch Loan (1)	65,723	48,387	0.6870% p.a.	Dec/22	Final	36.17%		A
Scotiabank Loan (1)	269,422	198,327	2.1964% p.a.	Dec/22	Final	36.95%		A
Citibank Loan 56416 (1)	63,608	-	Libor + 0.60% p.a.	Feb/23	Final	37.29%		A
Citibank Loan 12062020	93,221	-	2.83% p.a.	Jan/21	Final	37.27%		A
Borrowing cost incurred on acquisition	(438)	(547)						
Mark-to-market of debt (2)	10,197	3,238						
Total foreign currency	941,163	815,844						
<b>Total Energisa Mato Grosso</b>	<b>2,888,320</b>	<b>2,395,736</b>						
<b>Energisa Mato Grosso do Sul</b>								
FIDC Energisa Group IV - Series 1	291,491	291,492	TR + 7.00% p.a.	Oct/34	Monthly from Oct/29 onwards	3.44%		R
FIDC Energisa Group IV - Series 2	219,894	220,250	CDI + 0.70% p.a.	Apr/31	Monthly from Apr/21 onwards	2.12%		R
Floating Interest Note - Santander (4)	-	66,602	CDI + 0.89% p.a.	Aug/20	Final	2.21%		A
Commercial Paper (1)	70,824	-	CDI + 0.95% p.a.	Mar/23	Final	2.24%		A
CCB Safra 001660014	80,000	-	CDI + 2.50% p.a.	Jun/21	Final	3.01%		A
EMS X SANTANDER FRN 4137245	65,818	-	CDI + 4.10% p.a.	Aug/21	Final	3.80%		A
Borrowing cost incurred on acquisition	(343)	-						
Total Local Currency	727,684	578,344						
Loan Citi - 4131 (1)	79,198	58,398	Libor + 1.70% p.a.	May/22	Annual from 2021	37.84%		A
Loan Citi EDC - 4131 (1)	79,179	58,367	Libor + 1.80% p.a.	May/22	Annual from 2021	37.89%		A
Loan Citi - 4131 (1,4)	-	69,151	Libor + 0.825% p.a.	Sep/21	Final	37.40%		A
Resolution 4131 - Bank of America ML (1)	69,744	51,345	0.99% p.a. Fixed	May/22	Final	36.32%		A
Borrowing cost incurred on acquisition	(425)	(535)	-	-	-	-		-
Mark-to-market of debt (2)	2,017	2,339	-	-	-	-		-
Total foreign currency	229,713	239,065						
<b>Total Energisa Mato Grosso do Sul</b>	<b>957,397</b>	<b>817,409</b>						
<b>Energisa Tocantins</b>								
Luz para Todos I - Eletrobrás	6,292	8,486	6.0% p.a.	Apr/22	Monthly	2.96%		R
CCB ITAÚ 101120030007500	20,384	-	CDI + 4.00% p.a.	Mar/21	Final	3.75%		R
Total Local Currency	26,676	8,486						
Resolution 4131 - Itaú (1)	284,706	209,563	4.352% p.a. (Fixed)	Jun/21	Final	38.01%		R
Loan Citi - 4131 (1)	61,491	45,358	Libor + 1.70% p.a.	May/22	Annual from 2021 onwards	37.84%		A
Loan Citi EDC - 4131 (1)	61,470	45,329	Libor + 1.80% p.a.	May/22	Annual from 2021 onwards	37.89%		A
Merrill Lynch Loan (1)	170,579	125,885	Libor + 1.20% p.a.	Jan/21	Final	37.59%		A
Borrowing cost incurred on acquisition	(401)	(507)						
Mark-to-market of debt (2)	10,955	6,729	-	-	-	-		-
Total foreign currency	588,800	432,357						
<b>Total Energisa Tocantins</b>	<b>615,476</b>	<b>440,843</b>						
<b>Energisa Sul Sudeste</b>								
CCB ITAÚ 101120030007400	40,768	-	CDI + 4.00%	Mar/21	Final	3.75%		A
Total Local Currency	40,768	-						
Loan Citi - 4131 (1)	37,566	27,663	Libor + 1.70% p.a.	Jun/22	Annual from 2021 onwards	37.84%		A
Loan Citi EDC - 4131 (1)	37,569	27,663	Libor + 1.80% p.a.	Jun/22	Annual from 2021 onwards	37.89%		A
Merrill Lynch Loan (1,4)	-	120,883	Libor + 1.10% p.a.	Apr/20	Final	37.54%		A
Citi Loan - 4131 (1,4)	-	64,834	Libor + 1.27% p.a.	Jul/23	Annual from 2022 onwards	37.62%		A
Merrill Lynch Loan (1)	108,059	79,656	Libor + 1.20% p.a.	Aug/21	Final	37.59%		A
Merrill Lynch Loan (1)	150,463	110,774	0.87% Fixed p.a.	Jun/22	Final	36.26%		A
Scotiabank Loan (1)	67,355	49,582	2.1964% Fixed p.a.	Dec/22	Final	36.95%		A
Merrill Lynch Loan (1)	164,443	-	0.7257% Fixed p.a.	Jan/23	Final	36.22%		A
Borrowing cost incurred on acquisition	(209)	(261)						
Mark-to-market of debt (2)	4,255	3,622	-	-	-	-		-
Total foreign currency	569,501	484,416						

Company / Operation	Total		Charges Annual Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	6/30/2020	12/31/2019							
<b>Total Energisa Sul Sudeste</b>	<b>610,269</b>	<b>484,416</b>							
<b>Energisa Rondônia</b>									
CCEE - Eletrobrás	665,321	649,693	5.00% p.a.	Oct/48	Monthly from 2024 onwards	2.47%			R
FRN 4131614	49,900	50,048	CDI + 0.90% p.a.	Nov/24	Semiannual as from Dec/21	2.22%			A
Total Local Currency	715,221	699,741							
Scotiabank Loan	67,355	49,582	2.1964% p.a.	Dec/22	Final	36.95%			A
Citibank Loan 56545 (1)	75,008	-	Libor + 0.60% p.a.	Feb/23	Final	37.29%			A
Citibank Loan 56737 (1)	158,842	-	Libor + 0.74% p.a.	Mar/23	Final	37.36%			A
Mark-to-market of debt (2)	2,369	(155)							
Total foreign currency	303,574	49,427							
<b>Total Energisa Rondônia</b>	<b>1,018,795</b>	<b>749,168</b>							
<b>Energisa Acre</b>									
CCEE - Eletrobrás	220,215	215,043	5.00% p.a.	Dec/48	Monthly from 2024 onwards	2.47%			R
CCB BRADESCO 24032020 (1)	64,328	-	CDI + 4.8005% p.a.	Mar/21	Final	4.14%			R
Borrowing cost incurred on acquisition	(235)	-							
Total Local Currency	284,308	215,043							
Merrill Lynch Loan (1)	487,635	359,045	1.40% p.a.	Dec/23	Monthly from 2020 onwards	36.53%			R + A
Merrill Lynch Loan (1)	39,434	29,035	0.7619% p.a.	Dec/21	Final	36.21%			R + A
Mark-to-market of debt (2)	6,686	5,281							
Total foreign currency	533,755	393,361							
<b>Total Energisa Acre</b>	<b>818,063</b>	<b>608,404</b>							
<b>Energisa Soluções</b>									
FINAME - Itaú BBA	1,573	1,779	2.50 to 6.00% p.a. (Fixed)	Sep/24	Monthly	1.24%	to	2.96%	A
Total Local Currency	1,573	1,779							
Banco BBM Loan 4131	29,110	21,420	2.96% p.a.	Mar/21	Final	37.33%			A
Mark-to-market of debt (2)	498	220							
Total foreign currency	29,608	21,640							
<b>Total Energisa Soluções</b>	<b>31,181</b>	<b>23,419</b>							
<b>Energisa Soluções Construções</b>									
FINAME - Itaú BBA	2,175	2,422	6.00% p.a. (Fixed)	Nov/24	Monthly	2.96%			A
FINAME - Itaú BBA	694	890	SELIC + 5.14% to 5.20%	Apr/22	Monthly	4.30%	to	4.33%	A
FINAME - Itaú BBA	1,735	2,270	TJLP + 4.80% to 4.87% p.a.	Apr/22	Monthly	4.85%	to	4.89%	A
Total Local Currency	4,604	5,582							
<b>Total Energisa Soluções Construções</b>	<b>4,604</b>	<b>5,582</b>							
<b>Energisa Transmissão</b>									
ETE X CITIBANK LOAN 56417	171,743	-	Libor + 0.60% p.a.	Feb/23	Final	37.29%			A + R + S
Mark-to-market of debt (2)	(2,035)	-							
Total foreign currency	169,708	-							
<b>Total Energisa Transmissão</b>	<b>169,708</b>	<b>-</b>							
<b>Energisa Pará I</b>									
BASA - CCB 048-19/0002-0	162,044	132,830	IPCA + 1.8854% p.a.	Jul/39	Monthly from 2023 onwards	1.04%			A + R + S
Borrowing cost incurred on acquisition	(1,426)	(1,490)							
Total Local Currency	160,618	131,340							
<b>Total Energisa Pará I</b>	<b>160,618</b>	<b>131,340</b>							
<b>Energisa Comercializadora</b>									
SANTANDER FRN 4127249	40,503	-	CDI + 4.10% p.a.	Jun/21	Final	3.80%			A
Total Local Currency	40,503	-							
SANTANDER 4131 (4)	-	42,208	4.5883% p.a. (Fixed)	Jun/20	Final	38.13%			-
BBM Loan - 4131	33,308	24,529	Libor + 0.56% p.a.	Sep/22	Final	37.27%			F
Mark-to-market of debt (2)	(560)	3							
Total foreign currency	32,748	66,740							
<b>Total Energisa Comercializadora</b>	<b>73,251</b>	<b>66,740</b>							

Company / Operation	Total		Charges Annual Charges	Maturity	Amortization of principal	(Effective interest rate) (3)		Security (*)
	6/30/2020	12/31/2019						
<b>Rede Energia S.A.</b>								
"RJ" Creditors - Bicbanco	6,227	5,788	1.0% p.a. (Fixed)	Nov/35	Final	0.50%		R
"RJ" Creditors - BNB	13,725	12,757	1.0% p.a. (Fixed)	Nov/35	Final	0.50%		R
Total Local Currency	19,952	18,545						
<b>Total Rede Energia S.A.</b>	<b>19,952</b>	<b>18,545</b>						
<b>Denerge</b>								
FI-FGTS (Restructured)	302,264	283,982	TR + 4.00% p.a.	Nov/35	Final	1.98%		-
Total Local Currency	302,264	283,982						
<b>Total Denerge</b>	<b>302,264</b>	<b>283,982</b>						
<b>Cia Téc.de Comercialização de Energia</b>								
"RJ" Creditors - BMG	4,791	4,452	1.0% p.a. (Fixed)	Nov/35	Final	0.50%		-
Total Local Currency	4,791	4,452						
<b>Total Cia Téc.de Comerc.de Energia</b>	<b>4,791</b>	<b>4,452</b>						
In local currency	5,793,881	4,506,533						
In foreign currency	3,921,247	3,743,448						
<b>Energisa Consolidated</b>	<b>9,715,128</b>	<b>8,249,981</b>						

(\*) A=Endorsement of Energisa S/A, F=Guarantee, R=Receivables, S=Surety

Covenants:

- (1) Covenants terms - The contract has covenants which in general require the maintenance of certain financial indexes at certain levels. These guarantees are structured based on benchmarks established by Energisa S/A., with the main ones listed below:

Covenants	Index Required	Enforceability
Net Debt / Adjusted Ebitda	Not exceeding: 4.25 in 2020 4.0 in 2021 onwards	Quarterly and Annual
Adjusted EBITDA / Finance Income	Greater than or equal to: 2.5 in 2020 onwards	Quarterly and Annual
Net Debt / Adjusted Ebitda (*)	Not exceeding: 4.75 in 2020 4.0 in 2021 onwards	Quarterly and Annual

(\*) Without the effect of sector financial assets and liabilities.

Failure to maintain these levels could result in early maturity of the debts (see note 35 - financial instruments and risk management). These requirements were being performed as of June 30, 2020.

- (2) These operations are being measured at fair value through profit and loss, according to the fair value hedge accounting or designated as fair value options (see note 35 - Financial instruments and risk management).
- (3) The effective interest rate represents the changes in the period ended June 30, 2020. The effects of hedge accounting are not being taken into account for foreign-currency debt, demonstrated in Note 35 - Financial instruments and risk management.

- (4) On January 17, March 16 and 31 and April 24 and 27, 2020 the subsidiaries below settled loans in the total amount of R\$ 1,834,835, as shown in the table below:

Company	Loan settled early
Energisa Mato Grosso (EMT)	610,519
Energisa Mato Grosso do Sul (EMS)	150,712
Energisa Sul Sudeste (ESS)	201,140
Energisa Sergipe (ESE)	397,998
Energisa Minas Gerais (EMG)	160,122
Energisa Paraiba (EPB)	90,378
Energisa Nova Friburgo (ENF)	86,272
Energisa Borborema (EBO)	77,883
Energisa Comercializadora (ECOM)	59,811
<b>Total Settled</b>	<b>1,834,835</b>

#### Guarantees:

To guarantee payment of the portions, the subsidiaries maintain short-term investments of R\$ 113,514 (R\$ 110,617 as of December 31, 2019), recorded under "short-term investments in money market and secured funds" in the consolidated non-current assets.

The foreign-currency financing contracts are subject to a currency swap and financial derivative instruments (see note 35 - Financial instruments and risk management).

The main indicators used to restate the loans and financing presented the following percentage variations and effective rates in the period/year:

Currency/indicators	6/30/2020	12/31/2019
USD x R\$	35.86%	4.02%
TJLP	2.48%	6.17%
SELIC	1.76%	5.96%
CDI	1.77%	5.96%
IPCA	0.10%	4.31%
IGP-M	4.39%	7.32%
LIBOR	1.13%	2.33%
UMBNB	0.10%	0.08%
TR	0.00%	0.00%
IPC-FIPE	0.35%	4.38%
Euro	35.83%	2.06%

The financing classified in noncurrent liabilities are scheduled as follows:

Year	Parent company	Consolidated
2021	34,762	710,165
2022	69,524	1,903,864
2023	22,857	1,058,557
2024	22,857	136,481
2024 onwards	-	2,450,880
<b>Total</b>	<b>150,000</b>	<b>6,259,947</b>

## 23. Debentures

Changes in debentures are as follows:

	Parent company						
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Balances at 6/30/2020
<b>Measured at cost - floating</b>							
CDI	1,230,730	63,500	(233,333)	(11,019)	25,664	-	1,075,542
IPCA	2,306,799	-	-	(104,195)	93,672	-	2,296,276
Funding costs	(2,514)	-	-	-	1,069	(429)	(1,874)
<b>Total cost</b>	<b>3,535,015</b>	<b>63,500</b>	<b>(233,333)</b>	<b>(115,214)</b>	<b>120,405</b>	<b>(429)</b>	<b>3,369,944</b>
Current	969,384						1,027,231
Noncurrent	2,565,631						2,342,713

	Consolidated							
	Balances at 12/31/2019	Funding (*)	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 6/30/2020
<b>Measured at cost - floating</b>								
Fixed	55,507	-	-	-	4,210	-	-	59,717
Floating								
CDI	4,917,344	784,800	(233,332)	(109,827)	121,096	-	-	5,480,081
IPCA	3,736,006	-	-	(130,461)	133,754	-	-	3,739,299
Funding costs	(53,566)	-	-	-	8,986	(2,799)	-	(47,379)
Mark-to-market	283,335	-	-	-	-	-	17,858	301,193
<b>Total cost</b>	<b>8,938,626</b>	<b>784,800</b>	<b>(233,332)</b>	<b>(240,288)</b>	<b>268,046</b>	<b>(2,799)</b>	<b>17,858</b>	<b>9,532,911</b>
Current	1,167,067							2,325,029
Noncurrent	7,771,559							7,207,882

(\*) Debentures issued by the subsidiaries in the period, as follows:

Company	Funding	Date	Series	Issuance no.	Effective interest rate
EMT	130,000	2/15/2020	Single	11 <sup>th</sup>	2.24%
EMS	75,000	1/22/2020	Single	13 <sup>th</sup>	2.13%
EBO	20,000	2/15/2020	Single	1 <sup>st</sup>	2.24%
ENF	41,300	2/15/2020	1 and 2	1 <sup>st</sup>	0.70% and 0.75%
EPB	60,000	2/15/2020	Single	7 <sup>th</sup>	2.24%
ESE	275,000	2/15/2020	Single	8 <sup>th</sup>	2.24%
EMG	60,000	2/15/2020	Single	12	2.24%
ESS	60,000	2/15/2020	Single	5 <sup>th</sup>	2.34%
ESA	63,500	5/5/2020	Single	12	3.65%
<b>Total</b>	<b>784,800</b>				

	Parent company					
	Balances at 12/31/2018	Funding	Principal payment	Interest payment	Charges, monetary and exchange restatement and costs	Balances at 12/31/2019
<b>Measured at cost - floating</b>						
CDI	1,466,938	-	(233,333)	(101,846)	98,971	1,230,730
IPCA	1,916,183	500,000	(195,586)	(170,122)	256,324	2,306,799
Funding costs	(4,849)	-	-	-	2,335	(2,514)
<b>Total cost</b>	<b>3,378,272</b>	<b>500,000</b>	<b>(428,919)</b>	<b>(271,968)</b>	<b>357,630</b>	<b>3,535,015</b>
Current	492,103					969,384
Noncurrent	2,886,169					2,565,631

	Consolidated							
	Balances at 12/31/2018	Funding (*)	Principal payment	Interest payment	Charges, monetary and exchange restatement and costs	Costs appropriated	Mark-to-market of debt	Balances at 12/31/2019
<b>Measured at cost - floating</b>								
Fixed	51,089	-	-	(3,340)	7,758	-	-	55,507
Floating								
CDI	4,152,522	1,000,000	(233,333)	(331,404)	329,559	-	-	4,917,344
IPCA	3,277,293	500,000	(195,586)	(221,068)	375,367	-	-	3,736,006
Funding costs	(53,439)	-	-	-	16,762	(16,889)	-	(53,566)
Mark-to-market	99,809	-	-	-	-	-	183,526	283,335
<b>Total cost</b>	<b>7,527,274</b>	<b>1,500,000</b>	<b>(428,919)</b>	<b>(555,812)</b>	<b>729,446</b>	<b>(16,889)</b>	<b>183,526</b>	<b>8,938,626</b>
Current	526,593							1,167,067
Noncurrent	7,000,681							7,771,559

(\*) The Company and its subsidiaries made the following debenture issuances over the course of 2019:

Company	Funding	Date	Series	Issuance no.	Effective interest rate
ESA	500,000	4/15/2019	Single	11 <sup>th</sup>	8.93%
EMT	150,000	6/10/2019	1 and 2	10 <sup>th</sup>	6.69% and 7.01%
EMS	110,000	6/10/2019	Single	12	6.69%
ETO	400,000	6/10/2019	1 and 2	5 <sup>th</sup>	6.91% and 7.11%
EPB	120,000	6/10/2019	1 and 2	6 <sup>th</sup>	6.69% and 6.79%
ESE	50,000	6/10/2019	Single	7 <sup>th</sup>	6.69%
EMG	70,000	6/10/2019	1 and 2	11 <sup>th</sup>	6.69% and 6.79%
ALSOL	100,000	10/7/2019	Single	1 <sup>st</sup>	7.16%
<b>Total</b>	<b>1,500,000</b>				

The breakdown of debenture balances and main contractual conditions are as follows:

Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	6/30/2020	12/31/2019						
<b>ENERGISA S/A</b>								
7 <sup>th</sup> Issuance / 1 <sup>st</sup> Series	209,924	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a.	Aug / 20	Final	4.38%
7 <sup>th</sup> Issuance / 2 <sup>nd</sup> Series	209,924	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a.	Aug / 21	Final	4.38%
7 <sup>th</sup> Issuance / 3 <sup>rd</sup> Series	209,924	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a.	Aug / 22	Final	4.38%
7 <sup>th</sup> Issuance / 4 <sup>th</sup> Series	210,953	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a.	Aug / 20	Final	5.10%
7 <sup>th</sup> Issuance / 5 <sup>th</sup> Series	210,954	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a.	Aug / 21	Final	5.10%
7 <sup>th</sup> Issuance / 6 <sup>th</sup> Series	210,954	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a.	Aug / 22	Final	5.10%
8 <sup>th</sup> Issuance / 1 <sup>st</sup> Series	217,254	222,106	6/15/2017	197,598 / 197,598	IPCA+5.60% p.a.	Jun / 22	Final	2.86%
8 <sup>th</sup> Issuance / 2 <sup>nd</sup> Series	194,994	199,407	6/15/2017	177,348 / 177,348	IPCA+5.6601% p.a.	Jun / 24	Final	2.89%
Debentures 9 <sup>th</sup> Issuance / 1 <sup>st</sup> Series	69,360	67,526	10/15/2017	7,126 / 7,126	IPCA+4.4885% p.a.	Oct / 22	Final	2.32%
Debentures 9 <sup>th</sup> Issuance / 2 <sup>nd</sup> Series	12,947	12,591	10/15/2017	1,328 / 1,328	IPCA+4.7110% p.a.	Oct / 24	Final	2.43%
Debentures 9 <sup>th</sup> Issuance / 3 <sup>rd</sup> Series	24,158	23,451	10/15/2017	2,472 / 2,472	IPCA+5.1074% p.a.	Oct / 27	Final	2.62%
Debentures 9 <sup>th</sup> Issuance / 4 <sup>th</sup> Series	777,977	763,463	10/15/2017	87,074 / 87,074	107.75% CDI	Oct / 22	Annual, after Oct/20	1.91%
10 <sup>th</sup> Issuance	233,513	467,266	6/20/2018	70,000 / 70,000	CDI+1.10% p.a.	Jun / 21	Annual, after Jun/19	2.32%
11 <sup>th</sup> Issuance	514,930	523,130	4/15/2019	500,000 / 500,000	IPCA+4.6249% p.a.	Apr / 26	Final	2.38%

Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	6/30/2020	12/31/2019						
12 <sup>th</sup> Issuance	64,052	-	5/5/2020	63,500 / 63,500	CDI+3.80% p.a.	May / 21	Final	3.65%
Borrowing costs	(1,874)	(2,515)	-	-	-	-	-	-
<b>Total ENERGISA S A</b>	<b>3,369,944</b>	<b>3,535,015</b>						
<b>ENERGISA SERGIPE</b>								
6 <sup>th</sup> Issuance	68,734	68,393	9/15/2018	65,000 / 65,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
7 <sup>th</sup> Issuance	50,081	50,143	6/10/2019	50,000 / 50,000	CDI + 0.73% p.a.	Jun / 24	Final	2.13%
Debentures 8 <sup>th</sup> Issuance	278,237	-	2/15/2020	275,000 / 275,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Borrowing costs	(1,057)	(1,194)						
<b>Total ENERGISA SERGIPE</b>	<b>395,995</b>	<b>117,342</b>						
<b>ENERGISA PARAIBA</b>								
Debentures 4 <sup>th</sup> Issuance	182,805	184,243	2/15/2018	18,000 / 18,000	CDI+1.00% p.a.	Feb / 21	Final	2.27%
Debentures 5 <sup>th</sup> Issuance	142,758	142,048	9/15/2018	135,000 / 135,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 6 <sup>th</sup> Issuance 1 <sup>st</sup> Series	72,117	72,204	6/10/2019	72,000 / 72,000	CDI + 0.73% p.a.	Jun / 24	Final	2.13%
Debentures 6 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	48,079	48,139	6/10/2019	48,000 / 48,000	CDI + 0.83% p.a.	Jun / 26	Final	2.18%
Debentures 7 <sup>th</sup> issuance	60,706	-	2/15/2020	60,000 / 60,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Borrowing costs	(2,341)	(2,822)						
<b>Total ENERGISA PARAIBA</b>	<b>504,124</b>	<b>443,812</b>						
<b>REDE ENERGIA</b>								
4 <sup>th</sup> Issuance	59,717	55,507	12/22/2009	370,000 / 0	1% p.a.	Nov / 35	Final	1.00%
<b>Total REDE ENERGIA</b>	<b>59,717</b>	<b>55,507</b>						
<b>Total ENERGISA MATO GROSSO DO SUL</b>								
Debentures 8 <sup>th</sup> Issuance	302,917	304,713	9/15/2017	30,000 / 30,000	107.50% CDI	Sep / 22	Annual after Sep/20	1.90%
Debentures 10 <sup>th</sup> Issuance	152,310	153,506	2/15/2018	15,000 / 15,000	CDI +0.95%	Feb / 21	Final	2.24%
Debentures 11 <sup>th</sup> Issuance	163,905	163,092	9/15/2018	155,000 / 155,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 12 <sup>th</sup> Issuance	110,179	110,312	6/10/2019	110,000 / 110,000	CDI + 0.73% p.a.	Jun / 24	Final	2.13%
Debentures 13 <sup>th</sup> Issuance	76,310	-	1/22/2020	7,500 / 7,500	CDI + 0.70% p.a.	Jan / 22	Semi annual	2.13%
Borrowing costs	(1,797)	(2,844)	-	-	-	-	-	-
<b>Total ENERGISA MATO GROSSO DO SUL</b>	<b>803,824</b>	<b>728,779</b>						
<b>ENERGISA MATO GROSSO</b>								
Debentures 8 <sup>th</sup> Issuance	477,491	481,259	2/15/2018	47,000 / 47,000	CDI+1.10% p.a.	Feb / 21	Final	2.32%
Debentures 9 <sup>th</sup> Issuance	407,121	405,099	9/15/2018	385,000 / 385,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 10 <sup>th</sup> Issuance 1 <sup>st</sup> Series	117,690	117,833	6/10/2019	117,500 / 117,500	CDI + 0.73% p.a.	Jun / 24	Final	2.13%
Debentures 10 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	32,558	32,598	6/10/2019	32,500 / 32,500	CDI + 1.05% p.a.	Jun / 29	Annual, after Jun/27	2.29%
Debentures 11 <sup>th</sup> Issuance	131,530	-	2/15/2020	130,000 / 130,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Borrowing costs	(7,375)	(8,742)						
<b>ENERGISA MATO GROSSO</b>	<b>1,159,015</b>	<b>1,028,047</b>						
<b>ENERGISA MINAS GERAIS</b>								
Debentures 10 <sup>th</sup> Issuance	52,872	52,609	9/15/2018	50,000 / 50,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 11 <sup>th</sup> Issuance 1 <sup>st</sup> Series	34,056	34,098	6/10/2019	34,000 / 34,000	CDI + 0.73% p.a.	Jun / 24	Final	2.13%
Debentures 11 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	36,060	36,104	6/10/2019	36,000 / 36,000	CDI + 0.83% p.a.	Jun / 26	Final	2.18%
Debentures 12 <sup>th</sup> Issuance	60,706	-	2/15/2020	60,000 / 60,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Borrowing costs	(1,118)	(1,257)						
<b>Total ENERGISA MINAS GERAIS</b>	<b>182,576</b>	<b>121,554</b>						
<b>ENERGISA TOCANTINS</b>								
Debentures 4 <sup>th</sup> Issuance	253,791	252,529	9/15/2018	240,000 / 240,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 5 <sup>th</sup> Issuance 1 <sup>st</sup> Series	238,004	238,300	6/10/2019	237,596 / 237,596	CDI + 0.95% p.a.	Jun / 24	Final	2.24%
Debentures 5 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	162,700	162,902	6/10/2019	162,404 / 162,404	CDI + 1.15% p.a.	Jun / 26	Final	2.34%
Borrowing costs	(5,036)	(5,669)						



Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	6/30/2020	12/31/2019						
<b>Total ENERGISA TOCANTINS</b>	<b>649,459</b>	<b>648,062</b>						
<b>ENERGISA SUL SUDESTE</b>								
Debentures 4 <sup>th</sup> Issuance	74,021	73,655	9/15/2018	70,000 / 70,000	IPCA+5.0797% p.a.	Sep / 25	Annual after Sep/23	2.61%
Debentures 5 <sup>th</sup> Issuance	60,741	-	2/15/2020	60,000 / 60,000	CDI+1.15% p.a.	Feb / 25	Final	2.34%
Borrowing costs	(1,204)	(1,362)						
<b>Total ENERGISA SUL SUDESTE</b>	<b>133,558</b>	<b>72,293</b>						
<b>ENERGISA TRANSMISSÃO</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	84,422	82,022	12/15/2018	75,500 / 75,500	IPCA+4.9238% p.a.	Dec / 25	Final	2.53%
Debentures 1 <sup>st</sup> Issuance / 2 <sup>nd</sup> Series	57,721	56,025	12/15/2018	51,462 / 51,462	IPCA+5.1410% p.a.	Dec / 28	Annual after Dec/26	2.64%
Debentures 1 <sup>st</sup> Issuance / 3 <sup>rd</sup> Series	137,678	133,733	12/15/2018	123,038 / 123,038	IPCA+4.9761% p.a.	Dec / 25	Final	2.56%
Borrowing costs	(2,465)	(2,676)						
<b>Total ENERGISA TRANSMISSÃO</b>	<b>277,356</b>	<b>269,104</b>						
<b>ENERGISA NOVA FRIBURGO</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	15,176	-	2/15/2020	15,000 / 15,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Debentures 1 <sup>st</sup> Issuance / 2 <sup>nd</sup> Series	26,625	-	2/15/2020	26,300 / 26,300	CDI + 1.15% p.a.	Feb / 25	Final	2.34%
Borrowing costs	(179)	-						
<b>Total ENERGISA NOVA FRIBURGO</b>	<b>41,622</b>	<b>-</b>						
<b>ENERGISA BORBOREMA</b>								
Debentures 1 <sup>st</sup> Issuance	20,236	-	2/15/2020	20,000 / 20,000	CDI + 0.95% p.a.	Feb / 23	Final	2.24%
Borrowing costs	(75)	-						
<b>Total ENERGISA BORBOREMA</b>	<b>20,161</b>	<b>-</b>						
<b>ENERGISA RONDÔNIA</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	1,556,289	1,559,152	11/26/2018	155,000 / 155,000	CDI+1.65% p.a.	Nov / 23	Final	2.59%
Borrowing costs	(1,963)	(2,868)						
<b>Total ENERGISA RONDÔNIA</b>	<b>1,554,326</b>	<b>1,556,284</b>						
<b>ALSOL</b>								
Debentures 1 <sup>st</sup> Issuance	100,936	101,109	10/23/2019	100,000 / 100,000	CDI+1.20% p.a.	Oct / 24	Final	2.37%
Borrowing costs	(332)	(370)						
<b>Total ALSOL</b>	<b>100,604</b>	<b>100,739</b>						
<b>TOTAL</b>	<b>9,279,097</b>	<b>8,708,857</b>						
Borrowing costs (*)	(20,563)	(21,247)						
Borrowing costs	(26,816)	(32,319)						
<b>Total funding costs</b>	<b>(47,379)</b>	<b>(53,566)</b>						
Mark-to-market of debt	301,193	283,335						
<b>Total local currency</b>	<b>9,532,911</b>	<b>8,938,626</b>						
<b>CONSOLIDATED</b>	<b>9,532,911</b>	<b>8,938,626</b>						

(\*) Includes R\$ 183,024 (R\$ 179,663 as of December 31, 2019) denoting the mark-to-market value of debentures conjugated with subscription bonuses.

(\*\*) Debentures issued, secured by parent company.

In the last quarter of FY 2015 the Company issued three common debenture series jointly with an underwriting bonus (part of the 7<sup>th</sup> Energisa Debenture Issue 1, 2 and 3), which is equal to converting such debentures into Energisa shares. On the issuance date, the sum of the three series was R\$ 500,001. The debenture value was recorded as debt, while concurrently IFRS9/CPC48 provides that the convertibility option should be priced and stated, which led to recognition of finance expenses in FY 2018 in the amount of R\$ 422,906. Additional losses on securities were recognized in FY 2019 of R\$ 627,823. Gains on securities were recorded in the period ended June 30, 2020 of R\$ 139,250 (loss of R\$ 311,961 as of June 30, 2019) recorded in the statement of income for the period in finance costs - Mark-to-market of derivatives, with the financial instrument's balance amounting to R\$ 911,479 (R\$ 1,050,729 as of December 31, 2019).

The right to exercise the underwriting bonus (convertibility) by debenture holders would take place at the price of one UNIT (ENGI11) at R\$ 17.50, while it was being traded at R\$ 48.73 on June 29, 2020. This is an "in the money" option, which reflects the good likelihood of conversion. Despite this large likelihood of exercising the conversion right, resulting in a debt reduction and an Equity Capital increase, maintaining the indebtedness plus the effect of a derivative financial instrument. The funds raised under the issuance were allocated to investments in electricity distribution infrastructure entailing the expansion, renewal or enhancement of electricity distribution infrastructure.

**Covenant terms:**

The debentures have covenants which in general require the maintenance of certain financial indexes at certain levels, with the main ones listed below:

Covenants	Index Required	Enforceability
Net Debt / Adjusted Ebitda (*)	Not exceeding: 4.25 in 2020 4.0 in 2021 onwards	Quarterly and Annual
Adjusted EBITDA / Finance Income	Greater than or equal to: 2.5 in 2020 onwards	Quarterly and Annual
Net Debt / Adjusted Ebitda (**)	Not exceeding: 4.75 in 2020 4.0 in 2021 onwards	Quarterly and Annual

(\*) The 7<sup>th</sup> debentures issuance has: limit of 4.0 in 2021 and 3.5 in March 2022 onwards for the ratio Net debt / Ebitda.

(\*) Without the effect of sector financial assets and liabilities.

Failure to maintain these levels could result in early maturity of the debts. These requirements were being performed as of June 30, 2020.

**Maturities**

As of June 30, 2020 the maturities of the debentures in noncurrent liabilities are scheduled as follows:

Year	Parent company	Consolidated
2021	659,045	1,030,951
2022	943,033	1,597,525
2023	-	1,458,227
2024	207,063	1,386,243
2024 onwards	533,572	1,734,936
<b>Total</b>	<b>2,342,713</b>	<b>7,207,882</b>

**24. Operating leases**

The Company and its subsidiaries are lessees in contracts for non-residential properties for the installation of customer service branches, establishments to carry out commercial activities and distribution centers. Consolidated land leases involve the subsidiary Alsol, which builds photovoltaic power stations on the land.

The Brazilian Securities Commission ("CVM") issued circular CVM/SNC/SEP/no. 02/2019 on December 18, 2019.

In accordance with CPC 06 (R2) and having analyzed the circular issued, the Company and its subsidiaries concluded that: (i) the accounting policies around the accounting treatment of lease contracts comply with CPC 06 (R2)/IFRS 16 requirements, the incremental loan rate - IBR is determined based on readily observable information adjusted to the reality of the Company and its subsidiaries, the projected flows do not account for inflation, as instructed by the pronouncements in question; and (ii) the Company and its subsidiaries do not have net PIS and COFINS obligations on leases and the PIS and COFINS credits on lease contracts are not material enough to require a specific disclosure.

Pursuant to the circular, the table below sets out the minimum inputs necessary in order to include inflation in the disclosed information.

The effects result from adopting the new CPC 06 (R2) standard are as follows:

Parent company						
	Average contractual term (years)	Effective rate p.a (%)	Balance as of 12/31/2019	Amortization	Interest	Balance as of 6/30/2020
Operational leases - property	6	8.89	719	(70)	4	653
<b>Total</b>			<b>719</b>			<b>653</b>
Current			112			63
Non-current			607			590

Consolidated								
	Average contractual term (years)	Effective rate p.a (%)	Balances at 12/31/2019	Addition	Amortization	Interest	Write-off	Balances at 6/30/2020
Operational leases - property	4.57	8.89	48,208	6,352	(6,886)	966	(4,276)	44,364
Operational leases - land	25	8.89	4,260	-	(107)	333	-	4,486
<b>Total</b>			<b>52,468</b>	<b>6,352</b>	<b>(6,993)</b>	<b>1,299</b>	<b>(4,276)</b>	<b>48,850</b>
Current			22,407					13,706
Non-current			30,061					35,144

In the period ended June 30, 2020 the operational lease payments classified in noncurrent liabilities are scheduled as follows:

Year	Parent company 6/30/2020	Consolidated 6/30/2020
2021	63	9,788
2022	57	4,712
2023	56	3,150
2024	56	1,777
2024 onwards	358	15,717
<b>Total</b>	<b>590</b>	<b>35,144</b>

## 25. Taxes and social contributions

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Value-added tax on sales and services - ICMS (a)	2	-	759,765	694,669
Social Charges	8,837	3,194	94,109	56,046
Corporate Income Tax - IRPJ	-	-	49,123	41,273
Social Contribution on Net Income - CSSL	-	-	29,198	29,635
PIS and COFINS Contributions	7,565	2,623	518,273	203,439
Pis and Cofins - On restatement effects due to reduction of ICMS in the calculation base	-	-	10,279	6,752
Services tax - ISS	1,158	1,186	19,001	24,011
Tax on Financial Transactions - IOF	507	4,711	6,179	7,017
Income Tax Withheld at Source - IRRF	1,361	1,268	15,048	17,416
Social security contribution on gross revenue - CPRB	-	-	1,866	1,109
Other	761	603	27,705	31,579
<b>Total</b>	<b>20,191</b>	<b>13,585</b>	<b>1,530,546</b>	<b>1,112,946</b>
Current	19,445	13,021	982,130	640,023
Noncurrent	746	564	548,416	472,923

(a) ICMS - The indirect subsidiary ESS has been awarded an injunction suspending payment of ICMS tax on billing amounts for subsidized low-income consumers of R\$ 35,055 (R\$ 34,486 as of December 31, 2019), with judicial deposit, while the subsidiaries EMT, ESS, ETO, EMS, EPB, ESE, EBO, EMG and ENF have R\$ 426,367 (R\$ 372,803 as of December 31, 2019) relating to ICMS on the use of the distribution and transmission

system by free consumers and ICMS on energy demand which has been suspended under injunctions filed by consumers (see note 6, item 6). All amounts are recorded in noncurrent liabilities.

#### • Tax Financing Program - State Refis - Energisa Acre

On 6/28/2019 and 12/21/2018 the direct subsidiary EAC entered the ICMS tax debt financing plan published by the Acre State Finance Office, authorized by Law 3479 (May 24, 2018) and arrangement ICMS 79/18 where it opted to pay the tax debits at sight in the amount of R\$ 71,339 and R\$ 102,044 on 06/2019 and 12/2018 respectively, as follows:

Description	12/31/2019
ICMS - Principal	55,817
Fines and interest	105,118
Fine and interest reduction	(89,596)
Payment at sight of tax credits	(71,339)
	-

As of December 31, 2019 the ICMS principal of R\$ 55,817 was recorded by the subsidiary EAC under other accounts receivable in noncurrent assets, as it entailed recoverable ICMS credits on acquisitions of diesel fuel consumed in the electricity generation process in the islanded systems within Acre state to be reimbursed along with the CCC.

The fines and interest of R\$ 105,118 were recorded under consolidated other financial expenses in profit or loss for FY 2019, less the decrease of R\$ 89,596.

The subsidiary had a provision for tax contingencies of R\$ 46,380 in June 2019, which due to the payments made was reversed through operating profit and loss for FY 2019 in the consolidated provisions for labor, civil, tax and regulatory risks in the amount of R\$ 14,973 and R\$ 31,407 in other financial expenses, thereby reducing the impact of the fines and interest. The net effect on consolidated profit or loss for the financial year ended December 31, 2019 was R\$ 27,658, net of Pis and Cofins.

## 26. Financing of taxes - consolidated

The subsidiary ESS has ordinary and tax liability installments of R\$ 44,095 (R\$ 50,517 as of December 31, 2019) owing to the São Paulo state tax authorities.

The subsidiary Denerge has a residual debit financing with the federal tax authorities of R\$ 999 over 60 monthly installments, restated by the Selic base interest rate. Payments of R\$ 235 were made in the period (R\$ 550 up to December 31, 2019). As of June 30, 2020 the balance of the financing is R\$ 215 (R\$ 449 as of December 31, 2019) and the number of installments to be settled is 15 (21 as of December 31, 2019).

In March 2020 the subsidiary ERO financed ICMS debits to Rondônia state for tax proceedings regarding credits on canceled bills in the amount of R\$ 44,914, to be paid in 60 monthly installments restated by the Standard Fiscal Rate-UPF/RO. The balance as of June 30, 2020 is R\$ 42,210. The amounts were recognized in the income statement for the period, under consolidated deductions from operating revenue - ICMS of R\$ 2,784 and in other finance costs of R\$ 42,130 consisting of interest, fines and monetary restatement. Provisions for tax contingencies were also reversed of R\$ 16,899.

The federal tax financing programs are restated by the change in the Selic base interest rate and the state rates by the indexes adopted in each state, as follows:

				Consolidated	
	ERO	ESS	DENERGE	6/30/2020	12/31/2019
ICMS	42,210	44,095	-	86,305	50,517
COFINS/PIS - PRT	-	-	215	215	450
<b>Total</b>	<b>42,210</b>	<b>44,095</b>	<b>215</b>	<b>86,520</b>	<b>50,967</b>
Current	7,776	16,796	7	24,579	17,555
Noncurrent	34,434	27,299	208	61,941	33,412

	Consolidated	
	6/30/2020	12/31/2019
ICMS, COFINS/PIS-PRT and INSS WITHHELD AT SOURCE		
Principal	27,183	22,351
Fine	53,552	24,640
Interest	5,785	3,976
<b>Total</b>	<b>86,520</b>	<b>50,967</b>
Current	24,579	17,555
Noncurrent	61,941	33,412

The consolidated balances of the financed taxes are scheduled as follows:

	Consolidated	
	6/30/2020	12/31/2019
2020	17,787	17,555
2021	34,254	15,598
2022 onwards	34,479	17,814
<b>Total</b>	<b>86,520</b>	<b>50,967</b>
Current	24,579	17,555
Noncurrent	61,941	33,412

## 27. Sector charges - consolidated

	6/30/2020	12/31/2019
Energy Development Account - CDE	73,553	3,456
National Scientific and Technological Development Fund - FNDCT	5,093	5,421
Ministry of Mining and Energy - MME	2,527	2,691
National Electricity Conservation Program - PROCEL	39,115	31,527
Research and Development - R&D <sup>(1)</sup>	192,859	185,461
Energy Efficiency Program - PEE <sup>(1)</sup>	252,670	256,609
Alternative Energy Sources Incentive Program - PROINFA	1,478	1,479
<b>Total</b>	<b>567,295</b>	<b>486,644</b>
Current	314,374	245,903
Non-current	252,921	240,741

<sup>(1)</sup> Sector charges account for 1% of net operating revenue and aim to finance and combat electricity waste and the technological development of the electric sector related to the Energy Efficiency Program (PEE) and Research and Development (R&D) programs.

PEE and R&D project expenditure is recorded as work in progress until completion of the relevant project, at which time the expenditure is recorded as program funding, while the realization of obligations on the acquisition of intangible assets is charged to the special liabilities balance.

## 28. Provisions for labor, civil, tax and regulatory risks

The Company is party to judicial and administrative proceedings before courts and government agencies. These cases result from the normal course of business, and involve civil, labor, tax and regulatory matters.

### Probable losses:

A provision is recognized when the obligation is deemed a probable loss by the Company's legal advisors. The obligation is charged to expenses for the period. This obligation can be measured with reasonable certainty and is restated according to the developments in the judicial proceeding or financial charges incurred and may be reversed if the estimated loss is no longer deemed probable, or written off when the obligation is settled. Because of their nature, judicial proceedings will be resolved when one or future events occur or do not occur.

The occurrence of these events is not within the Company's control and legal uncertainties surround the exercising of significant judgment and estimates made by Management regarding the outcome of future events.

See below the change in provisions for probable losses:

Parent company	Labor claims	
	6/30/2020	12/31/2019
Opening balances - noncurrent - 12/31/2019 and 12/31/2018	3,164	1,286
Making of provisions	3,239	2,668
Reversal of provisions	(3,077)	(382)
Payments made	(3,225)	(451)
Monetary restatement	18	43
Closing balances - noncurrent - 06/30/2020 and 12/31/2019	119	3,164
Restricted and escrow deposits (*)	(290)	(360)

(\*) The Company has restricted and escrow deposits recorded in its noncurrent assets of R\$ 682 (R\$ 382 as of December 31, 2019). No provisions for risks have been made for R\$ 392 (R\$ 22 as of December 31, 2019) of this total, as the chances of loss have been rated as possible or remote.

Consolidated	Labor claims	Civil	Tax	Regulatory	6/30/2020	12/31/2019
Opening balances - noncurrent - 12/31/2019 and 12/31/2018	218,481	615,106	1,229,870	106,268	2,169,725	2,393,125
Business combination balance	-	-	-	-	-	2,177
Making of provisions	39,383	106,032	186,105	41	331,561	606,609
Reversal of provisions	(27,669)	(105,316)	(217,433)	(3,886)	(354,304)	(625,894)
Payments made	(19,329)	(41,564)	-	-	(60,893)	(216,812)
Monetary restatement	1,143	2,665	18,624	2,180	24,612	10,520
Closing balances - noncurrent - 06/30/2020 and 12/31/2019	212,009	576,923	1,217,166	104,603	2,110,701	2,169,725
Restricted and escrow deposits (*)	-	-	-	-	(58,333)	(93,772)

(\*) The direct and indirect subsidiaries have escrow deposits and pledges in their noncurrent assets amounting to R\$ 610,049 (R\$ 576,694 as of December 31, 2019). Of this total, at the indirect subsidiary ESS R\$ 40,739 (R\$ 38,407 as of December 31, 2019) denotes ICMS deposits on the low-income subsidy subject to legal disputes, R\$ 510,977 (R\$ 444,515 as of December 31, 2019) there being no provision for risks, as the cases are rated as a possible or remote defeat.

### • Labor claims

Most of the claims address: (i) Work-related accidents (ii) Overtime and respective obligations; (iii) Severance notice period and respective obligations; (iv) Salary parity; (v) Allowance for driving vehicles; (vi) FGTS (40% on inflationary restatement); (vii) health hazard allowance. Provisions have been made for the aforesaid labor proceedings rated as having a probable chance of defeat by the Company and its subsidiaries' legal advisers. In general proceedings rated as having a probable chance of defeat take between 3 and 5 years to reach the final judgment and effective disbursement of the amounts provisioned for, in the event the Company does not prevail.

### • Civil

The civil proceedings are mainly disputing indemnification for moral and material damages and consumer complaints for issues such as (i) Improper cut-offs from electricity supply, (ii) Improper listing in credit protection agency (SPC/Serasa); (iii) Cancellation/Revision of consumption irregularity invoice; (iv) Cancellation/Revision of normal consumption invoice; (v) Reimbursement for electrical damage; (vi) Connection or changing of ownership of consumer unit; (vii) Luz no Campo Program/Light for All program; (viii) Incorporation/ Compensation for construction of private electricity grid; (ix) Accidents involving third parties; and (x) indemnification.

Lawsuits have also been filed by consumers claiming reimbursement of amounts paid to the subsidiaries resulting from tariff increases introduced under DNAEE Ordinances 38 and 45 applied during the term of the Cruzado Plan in 1986. A provision has been made for the amount of the tariff increase.

- **Tax**

Denotes disputes involving the COFINS, INSS, PIS, ISS, ICMS, IRPJ and CSLL taxes. The requirement to pay the liabilities has been stayed under the proceedings, either because the administrative proceedings are in progress or because the tax executions in progress have been duly guaranteed.

The Company and its direct and indirect subsidiaries are also subject to several legal, civil and labor claims arising out of the normal course of business.

The Company's judgment relies on the opinion of its legal advisers. Provisions are revised and adjusted to reflect changes in circumstances, such as the applicable statute of limitations, the completion of tax inspections or exposure identified as a result of new issues or court decisions.

- **Regulatory**

The subsidiaries EMT, EMS, ETO, ESS, ERO and EAC have proceedings before ANEEL, due to non-compliance with regulations.

#### Possible losses

The Company and its subsidiaries are party to labor, civil, tax and regulatory claims in progress where the chance of loss has been estimated as possible, meaning no provision was required.

See below the change in provisions for possible losses:

Parent company	Labor claims	Civil	Tax	6/30/2020	12/31/2019
Opening balances - 12/-31/2019 and 12/31/2018	1,127	44,192	77,531	122,850	151,708
New cases	59	-	-	59	18,044
Change in rating and claim amount	799	-	-	799	(53,221)
Close	-	-	-	-	(101)
Monetary restatement	6	265	1,360	1,631	6,420
Closing balances 6/30/2020 and 12/31/2019	1,991	44,457	78,891	125,339	122,850

Consolidated	Labor claims	Civil	Tax	Regulatory	6/30/2020	12/31/2019
Opening balances - 12/-31/2019 and 12/31/2018	224,211	2,379,253	2,943,398	32,302	5,579,164	7,763,205
Business combination balance	-	-	-	-	-	586
New cases	28,529	153,785	21,614	-	203,928	743,820
Change in rating and claim amount	7,837	(56,212)	(440,705)	-	(489,080)	(2,065,006)
Close	(18,717)	(54,443)	(109,898)	-	(183,058)	(1,175,317)
Monetary restatement	1,285	14,015	48,167	565	64,032	311,876
Closing balances 6/30/2020 and 12/31/2019	243,145	2,436,398	2,462,576	32,867	5,174,986	5,579,164

See below the comments of our legal advisers regarding cases rated as a possible risk.

- **Labor claims**

Labor proceedings consist of the following claims: claims submitted by employees seeking overtime, danger hazard allowances, "on call" time, indemnity for work-related accidents, in addition to claims from former employees of service providers hired by the subsidiaries, claiming joint liability for severance pay and salaries and charging union



fees, notice, compensation for damages resulting from work-related accidents, public procurements, severance incentivization plan, transposition to federal institutions.

- **Civil**

Civil proceedings consist primarily of the following claims: (i) revision or cancellation of electricity invoices due to the uncertainty of the amount; (ii) indemnification for material and moral damages due to the suspension of the electricity supply due to non-payment, irregularities in meters, surges in voltages or temporary blackouts.

**Main cases:**

**Subsidiaries**

**. Main cases:**

**EPB**

. Case 0002664-83.2015.815.0131 involving R\$ 55,210 (R\$ 54,881 as of December 31, 2019), disputing issues related to contractual severance (annulment action filed by Cooperativa de Eletrificação Rural). The plaintiff is contesting the transfer of the electrification network made by Cervap and Energisa, requiring annulment of the public transaction date between the companies and all resulting effects.

**EMS**

. Collective civil action 00651268720144013800 in the amount of R\$ 176,016 (R\$ 174,968 as of December 31, 2019), by which the Energy Consumer Defense Association is claiming a return of amounts unfairly charged in double. The impact in the case of defeat is possible recalculation of the rates practiced, resulting in a change to the contractual bases of the concession agreement and the entire methodology for creating rates prepared by the Concession authority.

. Public civil action 00081923720034036000 in the amount of R\$ 65,270 (R\$ 64,881 as of December 31, 2019), by which the Federal Prosecutions Department is claiming the annulment of ANEEL Resolution 167, which established the Company's rate replacement index, to establish an index other than the IGP-M price index.

**EMT**

. Case 1004068-45.2018.4.01.3600 for R\$ 314,634 (R\$ 312,760 as of December 31, 2019) involving issues related to a claim demanding compensation for the right-of-way. Plaintiff is claiming recognition of legality and to demand the payment for use of the highway easements awarded to CRO, ordering EMT to pay overdue and outstanding portions for this use and signing the pending contracts and to present the executive plans for the occupied area.

. Compensation claim 17436-75.2014.811.0041 in the amount of R\$ 72,820 (R\$ 72,386 as of December 31, 2019) filed by Conel Construções Elétricas Ltda, in order to obtain reimbursement for material and moral damages due to the allegedly unjustified termination by the defendant of the service provision agreement.

. Compensation claim 54570-73.2013.811.0041 in the amount of R\$ 41,266 (R\$ 41,021 as of December 31, 2019), seeking reimbursement of amounts due to excessive cost of the service provision agreements and nonperformance of obligations established in the agreements.

. Compensation claim 13549-66.2015.811.0003 for R\$ 35,642 (R\$ 35,429 as of December 31, 2019) involving issues related to moral and property damages.

**ETO**

. Case 0007336-94.2008.4.01.3400 for R\$ 34,712 (R\$ 34,505 as of December 31, 2019), disputing contractual issues involving the repossession/expropriation of land to build high-voltage distribution lines and substations.

**ERO**

. Compensation claim 0013664-30.2015.401.4100 in the amount of R\$ 472,138 (R\$ 469,326 as of December 31, 2019), seeking reimbursement of amounts due to excessive cost of the service provision agreements and nonperformance of obligations established in the agreements.

. Compensation claim 7040117-63.2016.8.22.0001 in the amount of R\$ 110,193 (R\$ 109,537 at December 31, 2019), filed by Petrobrás Distribuidora S.A. relating to the collection proceeding for the supply of diesel. The claim amount was reduced after reassessing the risk, which merely entails a dispute around success fees.

. Public Civil Action 0011930-44.2015.401.41000 in the amount of R\$ 51,781 (R\$ 51,472 at December 31, 2019), filed by the Brazilian Bar Association disputing issues related to energy shortages.

. Ordinary Proceeding 0008746-40.2015.822.0001 in the amount of R\$ 50,423 (R\$ 50,122 as of December 31, 2019), filed by the Brazilian Bar Association disputing issues related to energy shortages.

## Rede Energia

. Enforcement proceeding 01415375820128260100 for a fixed sum, involving R\$ 37,868 (R\$ 37,462 as of December 31, 2019), to charge alleged credits established in Bank Credit Notes issued by Centrais Elétricas do Pará - CELPA. If CELPA is convicted, this debit could have to be subject to the Judicial Reorganization Plan.

### • Tax

The tax and labor claims basically consist of disputes about: (i) PIS and COFINS on electricity invoices; (ii) ICMS on energy sales; (iii) offsetting and appropriation of ICMS credits; (iv) rate differential; and (v) income and social contribution taxes; (vi) collection of ISS on concession services; (vii) offsetting and appropriation of ICMS credits on equipment for providing for energy transmission and distribution services allocated to the company's permanent assets, (viii) ICMS credit, (ix) tax bookkeeping, (x) CIAP non-bookkeeping fine, (xi) ICMS due to disallowance of credits on the acquisition of diesel for on-demand manufacturing and (xii) the reflections of nontechnical losses in the PIS, COFINS, IRPJ and CSLL calculation base.

## Main cases:

### Parent company

. Assessment notice 18471.000772.2008-26 in the amount of R\$ 61,718 (R\$ 60,555 as of December 31, 2019), seeking collection of the IOF tax in the period 2003 to 2005, on the advance for future capital increase - AFAC on behalf of the subsidiary Energisa SE.

### Subsidiary:

#### ETO

. Case 5003614-42.2012.827.2729 - tax debit collection resulting from assessment notice for ICMS on purchases of property, plant and equipment by the company, in the amount of R\$ 158,254 (R\$ 155,276 as of December 31, 2019). The claim amount was reduced due to payment of the amount involved in the declared risk. Issues related to substance are being disputed in annulment action 0013057-97.2015.8.27-2729, filed by the Company before charging the State.

#### ESE

. Assessment notice 10.510.724763/2011-12 for an amount of R\$ 195,720 (R\$ 192,033 as of December 31, 2019), by which the federal tax authority is asserting the alleged failure to include in the taxable income and social contribution calculation bases expenses considered nondeductible on the amortization of goodwill referring to the privatization of the Company, and the allegedly improper offsetting of tax losses and the social contribution calculation base.

. Assessment Notice 0801303-84.2019.4.05.8500, for R\$ 79,290 (R\$ 77,797 as of December 31, 2019), disputing the IRPJ/CSLL calculation base involving revenue from the extraordinary rate replacement - RTE, had its claim amount changed in December 2019, based on the risk opinion issued by the hired legal advisers and received in August 2019.

. Assessment Notice 201942403 for R\$ 35,430 (R\$ 34,763 as of December 31, 2019), in which Sergipe state is contending the allegedly failure to pay ICMS on electricity sales to the direct public administration agency and its foundations and authorities, received in August 2019.

#### EMS

. Assessment notice 10140720806201057 involving R\$ 52,604 (R\$ 51,613 as of December 31, 2019), issued by the federal tax authority charging PIS and COFINS liabilities for the accrual periods December 2007 to February 2008, deriving from the disallowance of credits appropriated on the non-cumulative basis on amounts to be returned to consumers by order of ANEEL.

#### EMT

. Proceedings involving ICMS on demand amounted to R\$ 645,815 (R\$ 633,648 as of December 31, 2019), for which the Company has not made a provision based on the opinion of its legal advisers. The proceedings related to the ICMS claim result from the assessment for non-collection and non-payment of the tax due to performing court decisions staying the tax payment requirement.

. There are also important proceedings relating to the appropriation of credits on the ICMS rate differential on the acquisitions of permanent assets in the total amount of R\$ 239,079 (R\$ 234,575 as of December 31, 2019), including: (i) tax enforcement 1000985-84.2016.811.0041 in the amount of R\$ 78,478 (R\$ 76,999 as of December 31, 2019); in contravention of the constitution and Supplementary Law 87/96, Mato Grosso State Law 7.098/98 (art. 25,6) forbids the appropriation of this credit; the matter is subject to ADI 4.623/MT, in progress before the STF, where the Federal Attorney General has issued a favorable opinion and (ii) assessment notice 011178550.20128130699 issued by the Mato Grosso State Finance Department, with ICMS charged for the period January 2010 to January 2012, on the grounds that the Company allegedly improperly appropriated a tax credit on the rate differential on the acquisitions of permanent assets, which after the submission of the statement had its assessment transferred to case 5205023/2012, in the amount of R\$ 82,490 (R\$ 80,936 at December 31, 2019).

. Administrative proceeding 14094.720008/2018-36, of R\$ 75,676 (R\$ 74,250 as of December 31, 2019) due to nonratification of the changes made to the Declarations of Federal Contributions and Taxes - DCTFs for the period 2014 to 2016.

. Case 0010774-95.2017.4.01.3600, for R\$ 129,910 (R\$ 127,462 as of December 31, 2019), involving a dispute about a tax enforcement filed by the federal government as a result of the company being excluded from the financing program introduced by Law 11941/09 and therefore losing the benefits awarded.

#### ERO

. Assessment Notice 2016-2700100711 (CDA20160600058378) for R\$ 137,611 at December 31, 2019 disputing issues related to the improper appropriation of tax credits on oil acquisitions. In March 2020 this case had its rating changed from possible to probable, in order to reflect the materialization of the provision due to the progress made in negotiations with the state regarding the tax liability.

. Assessment Notice 201922700100392 for R\$ 134,357 (R\$ 132,210 as of December 31, 2019) addressing issues related to ICMS (disallowance of 2014 diesel oil credits), received in December 2019.

. Assessment Notice 2009.31.00100058 (CDA 20180200007119) for R\$ 96,426 at December 31, 2019 disputing issues related to the reversal of diesel credits - 2005. In March 2020 this case had its rating changed from possible to probable, in order to reflect the materialization of the provision due to the progress made in negotiations with the state regarding the tax liability.

Assessment Notice 20162700100692 (CDA 20161700242462) for R\$ 95,544 as of December 31, 2019 disputing issues related to failure to keep tax records in the EFD/SPED - 2011. In March 2020 this case had its rating changed from possible to probable, in order to reflect the materialization of the provision due to the progress made in negotiations with the state regarding the tax liability.

. Assessment Notice 20192700100393 for R\$ 31,231 (R\$ 30,732 as of December 31, 2019) addressing issues related to ICMS disallowance due to an alleged mistake in the accounts, received in December 2019.

**EAC**

. Administrative proceeding 46.743/2018, for Assessment Notice 11.314/2018, for R\$ 53,154 as of December 31, 2019 involving issues related to charging the calculation base difference, rate differential, CIAP Journal and diesel oil credit reversal. On 6/28/2019 a part of the assessment notice was entered in the State REFIS program, where the Company received the partial debit for the diesel oil part only. The case was filed due to the entry into the Refis program in February 2020.

. Assessment Notice 2019/81/33314 (AI 12.097) issued by Acre state, for R\$ 34,996 (R\$ 34,469 as of December 31, 2019) formalizing the recording of an ICMS tax liability due to “underpayment of ICMS for FY 2015 due to misappropriation of tax credits, difference in the calculation base for electricity sales and monthly payments lower than that effectively owed by the taxpayer”. The tax auditors said the taxpayer incurred the following violations: (i) reversal of ICMS credits on Diesel Oil; (ii) exempt portion (art. 35 (I) of LCE 55/1997); (iii) energy losses (art. 35 (IV) of LCE 55/1997); (iv) sale value lower than acquisition cost (art. 35 (V) of LCE 55/1997); (v) amount referring to the provision (debit) and offset (credit) of the rate differential; (vi) failure to ratify all of the cancellations as per occurrences verified and set out in Article One (VIII) of Conv. ICMS 30/2004, due to the existence of expired credits (art. 33 (1) of LCE 5/1997), situations which mean that such tax credits cannot be recorded by the taxpayer; (vii) differences in the calculation base for electricity effectively sold to the end consumer; and (viii) ICMS difference payable for FY 2015. The Company filed a contestation on September 20, 2019.

**Regulatory**

Regulatory contingency proceedings at ANEEL for the alleged nonperformance of regulations.

**29. Regulatory fees - consolidated**

Change	12/31/2019
Opening balance - 12/-31/2019 and 12/31/2018	39,494
Interest	(1,212)
Amortization in the year	(38,282)
Closing Balance - 12/31/2019 - current	-

Consists of the Quota of the Global Reversal Reserve - RGR and the Quota of the Energy Development Account - CDE.

The regulatory fees were fully financed on July 01, 2014 with Eletrobras by the indirect subsidiaries EMT, and ETO. Payments made in FY 2019.

**30. Incorporation of grids - consolidated.**

In order to be able to meet requests for connections by new consumer units, the applicant, individually or jointly, and the public agencies, including the indirect management, can contribute funds, in part or in full, for the works necessary to bring forward the connection or carry out the works to extend the grid by contracting a legally qualified third party. The funds advanced or the value of the works carried out by the party concerned shall be reimbursed by the subsidiaries EMT, EMS, ETO, ESS and ERO by the year in which the supply application is met according to the Universalization Plans, for cases of consumers meeting the qualification criteria without cost or by the deadlines establishing the regulations addressing the performance with financial participation of the party concerned.

The electricity universal access time frame of the subsidiary EMT in rural areas of Mato Grosso was extended to 2020 respectively. The schedule revision was approved by the National Electricity Regulatory Agency (ANEEL).

The balances of private grid acquisitions incur charges calculated by the change in the IGP-M price index plus interest of 0.5% to 1% per month.

See the changes occurring in the period/year:

Description	6/30/2020	12/31/2019
-------------	-----------	------------

<b>Balance at 12/31/2019 and 12/31/2018</b>	<b>198,522</b>	<b>260,145</b>
Addition in the period/year	18,910	13,445
Monetary restatement and interest	16,071	27,473
Payments/Write-offs	(16,091)	(102,541)
<b>Balance at 6/30/2020 and 12/31/2019</b>	<b>217,412</b>	<b>198,522</b>
Current	69,431	48,239
Non-current	147,981	150,283

### 31. Other liabilities

Description	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Employee profit sharing	961	12,832	5,084	78,728
Payroll payable	6,375	5,907	39,177	39,718
Banco Daycoval Rede Energia RJ	50,693	50,693	50,693	50,693
Other employee benefits	3,345	3,198	33,457	34,538
Provision for pension fund (HSBC)	-	2,000	-	4,000
Insurance premiums	1	62	1,231	6,998
Advances from customers	4,723	4,733	150,038	149,136
Withholding of contractual guarantee of contractors	314	314	38,410	40,774
Financing of regulatory fines	-	-	-	1,684
Rate amounts and charges recoverable - TUSD	-	-	12,201	12,201
ANEEL inspection fee - monthly contribution	-	-	1,298	1,248
Emergency charges (ECE and EAE)	-	-	18,167	18,649
Eletrobrás reimbursement - acquisition of the business combination (1)	163,604	163,604	163,604	163,604
EPB Reimbursement - Salto Paraíso (2)	-	-	43,034	40,711
Effects of reducing ICMS on the PIS and Cofins calculation base (3)	-	-	998,606	658,796
Other accounts payable (4)	21,860	2,255	281,829	263,640
<b>Total</b>	<b>251,876</b>	<b>245,598</b>	<b>1,836,829</b>	<b>1,565,118</b>
Current	64,827	76,739	364,023	454,613
Noncurrent	187,049	168,859	1,472,806	1,110,505

(1) Denotes the portion to be reimbursed to Eletrobrás as a result of acquiring the share control of the subsidiaries Energisa Rondônia and Energia Acre. Note 16.

(2) Denotes the integration of the connection of the plants at the SE Salto Paraíso with reimbursement to be paid by the company to EBP (Enel Brasil Participações) by offsetting the credit deriving from the distribution system usage agreement ("CUSD"). The balance is restated monthly by applying the change in the IPCA price index with monthly settlements, commencing in June 2018, made via CUSD offsets.

(3) Effects of reducing ICMS on the PIS and Cofins calculation base - consolidated.

Effects of final and unappealable decisions for cases claiming exclusion of ICMS from the PIS/COFINS calculation base:

In March 2017 the Supreme Federal Court (STF) made a ruling with general repercussions (matter 69) and confirmed that ICMS is not subject to PIS and COFINS. However, the Federal Government filed a motion for clarification seeking to mitigate the effects and to determine the amount of ICMS to be excluded from the tax calculation base.

The respective Federal Regional Courts delivered final and unappealable decisions in June and July 2019 in the cases of the subsidiaries EPB, EBO and ETO, respectively and in May and June 2020 for Companhia Força e Luz do Oeste (taken over by ESS in 2017 and ESE). The other cases disputing exclusion of ICMS from the PIS and COFINS calculation base are in progress.

Based on the opinions of its legal advisers and Management's best estimates, EPB, EBO, ETO, ESS and ESE created a recoverable PIS and COFINS asset in noncurrent assets of R\$ 1,009,271 (R\$ 665,780 as of December 31, 2019) and noncurrent liabilities of R\$ 998,606 (R\$ 658,796 as of December 31, 2019, net of attorneys' fees and taxes. The liability was made because we understand the amounts to be received as tax credits on the contributions passed through in their entirety to consumers in accordance with the electric sector's regulatory standards. The pass-through to consumers depends on the effective use of the tax credit by the subsidiaries in accordance with the rules of the federal tax authorities and the National Electricity Regulatory Agency - ANEEL.

Any change or limitation of the STF's ruling due to hearing the motion for clarification by the STF will result in changes to the asset and liability amounts recorded.

The impacts are summarized as follows:

	Consolidated			
	6/30/2020		12/31/2019	
	Assets	Liabilities	Assets	Liabilities
Recoverable Pis and Cofins taxes - Effects of reducing ICMS	1,009,271	-	665,780	-
Effects of reducing ICMS on the PIS and Cofins calculation base (*)	-	998,606	-	658,796
<b>Total noncurrent assets and liabilities</b>	<b>1,009,271</b>	<b>998,606</b>	<b>665,780</b>	<b>658,796</b>

Income statement for the period	Consolidated			
	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
<b>Revenues</b>				
Effects of reducing ICMS on the PIS and Cofins calculation base - other liabilities	(243,038)	(267,649)	(327,376)	(327,376)
Effects of reducing ICMS on the PIS and Cofins calculation base - recoverable taxes	243,038	267,649	327,376	327,376
<b>Financial income</b>				
<b>Other financial revenue</b>				
Restatement of recoverable Pis and Cofins taxes - Effects of reducing ICMS	70,184	75,840	90,878	90,878
<b>Other financial expenses</b>				
Restatement of Other liabilities Effects of reducing ICMS on the PIS and Cofins calculation base	(70,184)	(75,840)	(90,878)	(90,878)
<b>Result found</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Less R\$ 7,477 (R\$ 6,984 as of December 31, 2019, for costs incurred on legal services and taxes.

(4) At the parent company and consolidated they include: (i) R\$ 17,671 denotes the portion of the ALSOL business combination acquisition to be paid on the next 4 years; and (ii) R\$ 139,804 recorded by the subsidiary ERO as taxes and charges payable on the acquisition of fuel acquired before the enactment of Law 12.111/2009, as Official Circular 2.306/2004 - SFF/ANEEL issued December 24, 2004, introduced the procedures for closing that year, so that the amounts received from CCC, for reimbursement of the ICMS and PIS/COFINS hitherto (recoverable), could be credited to current liabilities - CCC Funds. The Company recognized the funds received in the years, continuing to calculate them. In FY 2008 Official Circular 2.775 /2008-SFF/ANEEL issued December 24, 2008 ratified the amounts. The item also includes R\$ 6,437 for the period 1999 to 2006 recognized as a result of acquiring diesel oil to generate electricity in the islanded systems so that consumption could exceed the limit established at the time by ANEEL.



## 32. Equity

### 32.1 Share capital

The share capital is R\$ 3,363,685 (R\$ 3,363,685 as of December 31, 2019), represented by 1,814,561,910 registered shares (1,814,561,910, as of December 31, 2019), consisting of 755,993,938 (755,993,938 as of December 31, 2019) common shares and 1,058,567,972 (1,058,567,972 as of December 31, 2019) preferred shares, with no par value. The amount of shares converted into Units (share certificate denoting ownership of 4 preferred shares and 1 common share of the Company) is 262,405,649 (262,473,249 as of December 31, 2019).

The company recorded the amount of R\$ 65,723 (R\$ 65,723 as of December 31, 2019) directly in shareholders' equity regarding transaction costs incurred on funds raised via new share issuances, which were recorded separately as a decrease in shareholders' equity.

Preferred shares have no voting rights, have priority in capital reimbursements in premiums and to are included in the public offering of the control sale, being assured a price equal to 80% of the amount paid for voting shares comprising the control block.

Irrespective of amendments to the bylaws, the share capital may be increased up to a maximum of 3,000,000,000 shares, consisting of up to 1,626,300,000 common shares and up to 1,373,700,000 preferred shares, via resolution by the Board of Directors, which will determine the payment conditions, features of the shares to be issued an issuance price.

### 32.2 Capital Reserve

	6/30/2020	12/31/2019
Sale of treasury stock	1,849	1,849
Transactions between partners <sup>(4)</sup>	333,808	335,817
Funding cost - capital increase	(65,723)	(65,723)
Tax incentives for reinvestments <sup>(1)</sup>	8,042	8,042
PUT investment <sup>(3)</sup>	54,811	62,576
Variable compensation program (ILP) <sup>(2)</sup>	6,946	4,962
<b>Balances at 6/30/2020 and 12/31/2019</b>	<b>339,733</b>	<b>347,523</b>

(1) Reinvestment tax incentives (reflects) - benefits intended for companies with operational ventures in the fields embraced by Sudene and SUDAM, with the reinvestment of 30% (thirty percent) of the tax payable through 2018 and 50% from 2019, in equipment modernization or upgrading projects through 2023.

Funds released, less the project management fee of 2%, as per article 19 (2) of Law No. 8167/1991, were provided in other capital reserves and after their approval within 180 (one hundred and eighty) days as from the end of the financial year in which the official release notice was issued by the regional development agency, will be capitalized.

(2) Variable compensation program through the granting of shares known as the Long-term incentive (ILP) (see note 13).

(3) PUT Investment - denotes the difference in the shares buyback option paid in by the employees and retirees of the subsidiaries ERO and EAC of R\$ 7,765, consisting of 191,679,293 ERO shares and 14,374,919,056 EAC shares, with R\$ 55,937 recorded in the equity value of shares recorded in non-current assets - Investments - other equity interests and R\$ 1,126 in the item derivative financial instruments in noncurrent liabilities.

(4) Transactions amongst partners - includes deduction of R\$ 42,280 for income and social contribution taxes payable on the portion of equity appreciation.

Transactions between partners	6/30/2020	12/31/2019
<b>Opening balance - 12/-31/2019 and 12/31/2018</b>	<b>335,817</b>	<b>252,204</b>
Transactions between partners - reflection (1)	-	(6,362)
Gain determined on new acquisitions of interests in direct and indirect subsidiaries (2)	(2,009)	132,255
Income and social contribution taxes	-	(42,280)
<b>Closing balance - 06/30/2020 and 12/31/2019</b>	<b>333,808</b>	<b>335,817</b>

(1) Includes a portion resulting from the percentage interest in the subsidiary EEVP, merged into Denerge, referring to the derivative financial instrument described in note 35.

(2) The amount of R\$ 2,009 (R\$ 132,255 as of December 31, 2019) denotes the gain made on new acquisitions of interests in direct and indirect



subsidiaries, directly recorded in Equity.

### 32.3 Profits reserve - income tax incentives reserve (subsidiaries)

Because the subsidiaries EPB, ESE, EBO, EMT and ETO operate in the infrastructure sector of the North-East region, central and western and northern regions they obtained a reduction to the income tax payable for the purposes of investments in projects expanding their installed capacity, as determined by article 551 (3) of Decree 3000, dated March 26, 1999.

This reduction was approved by the Constitutive Reports, which impose a number of obligations and restrictions:

- The amount obtained as a benefit cannot be distributed to the shareholders
- The amount should be recorded as a profits reserve and capitalized by December 31 of the successive year and/or used to offset losses, with the approval of the AGM/EGM; and
- The amount should be invested in activities directly related to production in the region subject to the tax incentive.

The tax incentives are now recorded in the income statement for the period and subsequently transferred to the profits reserve and income tax reduction reserve.

See the information about the incentives obtained by:

Subsidiaries	Government Agency	No. of constitutive report	Income tax decrease (consolidated)	
			6/30/2020	12/31/2019
EPB	SUDENE	197/2012	32,852	63,482
ESE	SUDENE	205/2012	14,408	26,841
EBO	SUDENE	206/2012	2,973	7,647
EMT	SUDAM	114/2014	12,188	123,925
ETO	SUDAM	113/2014	-	32,426
<b>Total</b>			<b>62,421</b>	<b>254,321</b>

These amounts were recorded directly in the income statement for the period under consolidated "current income and social contribution taxes", and were allocated to the tax incentive reserve in the subsidiaries' shareholders' equity. The subsidiary ETO determined a tax loss, not recording the tax incentive reserve for the income tax and surcharges reduction at the end of the period June 30, 2020.

### 32.4 Dividends

The corporate bylaws determine the distribution of a mandatory dividend of 35% of the net income for the period, adjusted as stipulated by article 202 of Law 6404 issued December 15, 1976, and allows dividends to be paid out in interim results.

At a meeting held February 17, 2020 the Company's Board of Directors approved the distribution of interim dividends of R\$ 116,132 or R\$ 0.064 per Company share (common and preferred) and R\$ 0.32 per share deposit certificate (Unit). Payment commenced on April 02, 2020 based on the share position as of February 27, 2020, including trading at B3 up to that date.

The Company usually allocates dividend receipts from subsidiaries to investments to the cash flow statement.

### 33. Operating revenue

#### 33.1 Gross operating revenue - parent company

	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
<b>Operating revenue</b>				
Specialized services (*)	62,673	126,739	62,848	116,054
Deductions from operating revenue				
PIS	(1,034)	(2,091)	(1,036)	(1,915)
COFINS	(4,763)	(9,633)	(4,777)	(8,820)
ISS	(1,577)	(3,004)	(1,652)	(2,901)
<b>Net operating revenue</b>	<b>55,299</b>	<b>112,011</b>	<b>55,383</b>	<b>102,418</b>

(\*) Refers to administrative services and the sharing of human resources provided to its subsidiaries.

#### 33.2 Operating revenue - consolidated

	6/30/2020				6/30/2019			
	Outside the scope of the independent auditors		4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	Outside the scope of the independent auditors		4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
	No. of consumers	MWh	R\$	R\$	No. of consumers	MWh	R\$	R\$
Residential	6,444,728	6,937,216	2,356,297	5,070,781	6,307,892	6,615,196	2,454,595	4,964,931
Industrial	42,189	1,059,681	351,321	731,439	42,752	1,213,785	407,794	807,728
Commercial	534,393	2,890,919	982,444	2,238,656	535,406	3,216,984	1,224,290	2,441,107
Rural	790,965	1,687,012	486,781	982,884	779,532	1,594,117	440,471	861,100
Public authorities	71,217	744,041	231,336	530,403	70,522	875,906	323,726	607,692
Public lighting	7,648	837,438	179,900	364,568	7,446	858,890	173,219	334,205
Public utility	8,777	578,673	149,349	300,666	8,618	577,028	151,181	294,208
Company consumption	1,730	20,598	-	-	1,666	21,368	-	-
<b>Subtotal</b>	<b>7,901,647</b>	<b>14,755,578</b>	<b>4,737,428</b>	<b>10,219,397</b>	<b>7,753,834</b>	<b>14,973,274</b>	<b>5,175,276</b>	<b>10,310,971</b>
Electricity sales to concession operators	2	1,874,638	120,883	273,795	2	1,042,016	141,692	757,056
Supplies not billed (net)	-	(205,400)	(65,532)	(21,581)	-	(5,236)	46,287	94,677
Provision of the transmission and distribution system	975	-	366,656	732,527	859	-	333,254	642,745
Energy sold to free clients	-	2,758,980	205,218	522,191	-	2,131,907	200,616	409,145
Construction revenue - assets <sup>(1)</sup>	-	-	475,797	1,003,890	-	-	540,196	968,665
Transmission infrastructure maintenance and operation revenue	-	-	1,050	1,347	-	-	-	-
Compensation of contract asset	-	-	49,237	98,392	-	-	143,450	151,944
Specialist services	-	-	40,624	60,927	-	-	18,004	34,378
Regulatory	-	-	-	-	-	-	-	-
Penalties	-	-	(14,273)	(46,580)	-	-	(17,928)	(54,505)
Effects of reducing ICMS on the PIS and Cofins calculation base - other liabilities	-	-	(243,038)	(267,649)	-	-	(327,376)	(327,376)
Effects of Reducing ICMS on the PIS and Cofins calculation base - recoverable taxes	-	-	243,038	267,649	-	-	327,376	327,376
Other operating revenue	-	-	49,937	106,432	-	-	48,270	102,836
Concession financial asset	-	-	(18,258)	9,667	-	-	46,577	117,826
(-) Revenue from surplus demand	-	-	-	-	-	-	5,121	4,512

	6/30/2020				6/30/2019			
	Outside the scope of the independent auditors		4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	Outside the scope of the independent auditors		4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
	No. of consumers	MWh	R\$	R\$	No. of consumers	MWh	R\$	R\$
(-) Surplus Reactive Energy Creation and amortization - CVA assets and liabilities <sup>(2)</sup>	-	-	-	-	-	-	9,410	7,264
Subsidies for service awarded under concession (CDE and low-income)	-	-	112,264	(76,553)	-	-	52,273	19,049
<b>Total - gross operating revenue</b>	<b>7,902,624</b>	<b>19,183,796</b>	<b>6,540,399</b>	<b>13,671,396</b>	<b>7,754,695</b>	<b>18,141,961</b>	<b>7,042,874</b>	<b>14,178,534</b>
Deductions from operating revenue								
ICMS	-	-	1,159,793	2,464,194	-	-	1,218,977	2,417,891
PIS	-	-	102,201	212,809	-	-	104,452	219,220
COFINS	-	-	470,793	980,271	-	-	481,092	1,009,661
CPRB	-	-	1,512	3,436	-	-	1,508	2,934
ISS	-	-	5,226	10,333	-	-	4,822	8,912
Rate Flag Deductions <sup>(3)</sup>	-	-	(11,070)	(9,197)	-	-	(9,677)	2,994
Energy Efficiency Program - PEE - Consumer charges	-	-	14,739	30,349	-	-	14,783	31,644
- Procel	-	-	3,683	7,587	-	-	3,845	7,911
Energy Development Account - CDE	-	-	370,258	740,515	-	-	495,124	959,409
Research and Development Program - R&D	-	-	7,465	15,288	-	-	7,689	15,822
National Scientific and Technological Development Fund - FNDCT	-	-	7,369	15,176	-	-	7,689	15,822
Ministry of Mining and Energy - MME	-	-	3,682	7,586	-	-	3,845	7,911
Inspection fee for electricity services - TFSEE	-	-	6,036	12,023	-	-	5,741	11,334
<b>Total - deductions from operating revenue</b>	<b>-</b>	<b>-</b>	<b>2,141,687</b>	<b>4,490,370</b>	<b>-</b>	<b>-</b>	<b>2,339,890</b>	<b>4,711,465</b>
<b>Total net operating revenue</b>	<b>7,902,624</b>	<b>19,183,796</b>	<b>4,398,712</b>	<b>9,181,026</b>	<b>7,754,695</b>	<b>18,141,961</b>	<b>4,702,984</b>	<b>9,467,069</b>

(1) Of the total Concession infrastructure construction revenue, the amount of R\$ 853,450 denotes the construction revenue of the distribution companies and R\$ 150,440 denotes the construction revenue of the transmission companies. Of the total construction cost presented in the Statement of Income of R\$ 997,496, the amount of R\$ 853,450 denotes the construction cost of the distribution companies and R\$ 144,046 denotes the construction cost of the transmission companies.

(2) Denotes the sector financial assets and liabilities (CVA) recognized in profit and loss for FY 2018 in accordance with OCPC 08.

(3) **Rate Flags** - from January 2015 energy bills will start using the Rate Flag System, which aims to balance the distribution companies' exposure to short-term costs in energy generation. ANEEL triggers the use of rate flags monthly in a technical notification, and the proceeds resulting from applying the rate flag can be fully or partly reverted to CCRBT, as per the monthly notice disclosed by Aneel.

This revenue earned by subsidiaries on rate flags in the period ended June 30, 2020 amounted to R\$ 13,882 (R\$ 26,120 as of June 30, 2019), and R\$ 9,197 (R\$ 2,994 as of June 30, 2019) was received from CCRBT. The net effect of the rate flags on the Companies' earnings in the period ended June 30, 2020 was therefore R\$ 23,079 (R\$ 23,126 as of June 30, 2019).

### 34. Electricity purchased for resale:

	Consolidated					
	MWH <sup>(1)</sup>		Electricity purchased for resale (Reais thousand)			
	6/30/2020	6/30/2019	4/1/2020 to 6/30/2020	1/1/2020 to 6/30/2020	4/1/2019 to 6/30/2019	1/1/2019 to 6/30/2019
Energy from Itaipú - Binational	1,668,734	1,641,292	313,192	573,065	230,857	438,983
Auction energy	9,156,778	8,893,331	811,193	1,833,079	867,194	1,935,718
Bilateral energy and other supplies	3,710,549	3,725,927	901,952	1,981,369	692,876	1,429,113
CCC reimbursement	-	-	(250,399)	(588,806)	-	-
Angra Quotas Normative Resolution 530/12 <sup>(2)</sup>	569,039	561,078	81,760	163,988	81,847	139,565
Short-term electricity - CCEE	206,412	243,863	114,593	253,831	293,435	774,641
Physical Guarantee Quotas- Ratifying Resolution 1,410	4,083,353	3,959,724	248,055	496,800	230,180	447,471
Alternative Energy Sources Incentive Program - PROINFA	335,471	339,963	61,969	124,551	74,844	148,822
Reserve Energy - ERR	-	-	43,513	43,513	54,221	54,221
(-) Recoverable portion of noncumulative PIS/COFINS	-	-	(210,590)	(443,145)	(228,340)	(466,867)
<b>Total</b>	<b>19,730,336</b>	<b>19,365,178</b>	<b>2,115,238</b>	<b>4,438,245</b>	<b>2,297,114</b>	<b>4,901,667</b>

(1) Information outside the scope of the independent auditors.

(2) Includes the value of Normative Resolution 1585/2013.

### 35. Insurance coverage

The insurance policy of the Company and its subsidiaries is based on taking out suitable insurance coverage deemed sufficient to cover losses caused by any impairment to its assets, and indemnification resulting from civil liability or any involuntary material and/or personal damages inflicted on third parties resulting from its operations, considering the nature of its activity. The risk assumptions adopted, given their nature, are not part of an independent audit.

The main items covered are:

Lines	Date of maturity	Amount Insured (R\$ thousand)	Parent company	
			6/30/2020	12/31/2019
Operating Risks	11/7/2020	90,000	106	96
Auto - Fleet	10/23/2020	Up to R\$ 360 / vehicle	34	30
Collective Life Insurance and Personal Accidents (*)	1/31/2021	127,510	363	292
Civil Liability Directors and Officers (D&O)	3/5/2021	75,000	3	3
<b>Total</b>			<b>506</b>	<b>421</b>

Lines	Date of maturity	Amount Insured (R\$ thousand)	Consolidated	
			6/30/2020	12/31/2019
Operating Risks	11/7/2020	90,000	6,917	6,658
General Civil Liability	1/24/2021	90,000	4,291	4,262
Auto - Fleet	4/3/2021	Up to R\$ 1,110 / vehicle	2,187	2,126
General civil liability to 2nd Risk	11/23/2020	10,000	133	133
Aeronautical - civil liability (RETA)	12/12/2020	1,332	2	2
Aeronautical - Hull/LUC	12/12/2020	141,817	210	210
Collective Life Insurance and Personal Accidents (*)	1/31/2021	127,510	2,837	2,311
National transportation	4/4/2021	Up to 2,000/ transportation	164	180
Civil Liability Directors and Officers (D&O)	3/5/2021	75,000	322	310
Explorer or Transportation Liability - R.E.T.A (Drones)	1/12/2021	228/drone	24	23
Engineering risks + Civil Liability - Works	11/16/2020	46,395	375	280
<b>Total</b>			<b>17,462</b>	<b>16,495</b>

(\*) Amount insured for June/2020 and annualized premium.

### 36. Financial instruments and risk management

#### Fair value hierarchy

The different levels were assigned as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Because the distribution subsidiaries have classified the concession financial asset as the best estimate of the fair value through profit and loss, the relevant factors for the fair value appraisal are not publicly observable, meaning the fair value hierarchy is classified at level 3. The change and respective restatements in net income for the period were R\$ 9,667 (R\$ 117,826 as of June 30, 2019) and the main assumptions used, can be seen in note 15.

The carrying amounts, fair values and hierarchical levels of the principal financial instrument assets and liabilities have been compared below:

Parent company					
	Level	6/30/2020		12/31/2019	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents		295,037	295,037	68,423	68,423
Receivables		43,470	43,470	40,640	40,640
Notes and credits receivable		25	25	76	76
Related-party credits		1,018,097	1,018,097	668,380	668,380
		<b>1,356,629</b>	<b>1,356,629</b>	<b>777,519</b>	<b>777,519</b>
<b>Fair value through profit or loss</b>					
Money market and secured funds	2	2,228,585	2,228,585	2,486,362	2,486,362
Derivative financial instruments	2	78,959	78,959	35,237	35,237
		<b>2,307,544</b>	<b>2,307,544</b>	<b>2,521,599</b>	<b>2,521,599</b>
<b>Liabilities</b>					
<b>Amortized cost</b>					
Trade accounts payable		1,567	1,567	17,462	17,462
Loans, financing, debentures and debt charges		4,312,565	4,276,230	4,323,338	4,261,194
Operating leases		653	653	719	719
		<b>4,314,785</b>	<b>4,278,450</b>	<b>4,341,519</b>	<b>4,279,375</b>
<b>Fair value through profit or loss</b>					
Derivative financial instruments	2	912,603	912,603	1,051,784	1,051,784
		<b>912,603</b>	<b>912,603</b>	<b>1,051,784</b>	<b>1,051,784</b>

Consolidated					
	Level	6/30/2020		12/31/2019	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents		2,083,902	2,083,902	663,103	663,103
Clients, consumers and concessionaires		4,577,807	4,577,807	4,834,041	4,834,041
Credit receivables		23,799	23,799	26,573	26,573
Sector financial assets		1,875,146	1,875,146	2,088,970	2,088,970
		<b>8,560,654</b>	<b>8,560,654</b>	<b>7,612,687</b>	<b>7,612,687</b>
<b>Fair value through profit or loss</b>					
Money market and secured funds	2	2,138,021	2,138,021	2,373,194	2,373,194
Concession financial asset	3	5,384,431	5,384,431	5,130,960	5,130,960
Derivative financial instruments	2	1,912,214	1,912,214	1,190,770	1,190,770
		<b>9,434,666</b>	<b>9,434,666</b>	<b>8,694,924</b>	<b>8,694,924</b>
<b>Liabilities</b>					
<b>Amortized cost</b>					
Trade accounts payable		1,747,122	1,747,122	2,088,174	2,088,174
Loans, financing, debentures and debt charges		19,248,039	19,271,968	17,188,607	17,098,612
Operating leases		48,850	48,850	52,468	52,468
Sector financial liabilities		1,017,062	1,017,062	1,019,428	1,019,428
Tax financing		86,520	86,520	50,967	50,967
Regulatory fees (*)		73,553	73,553	3,456	3,456
		<b>22,221,146</b>	<b>22,245,075</b>	<b>20,403,100</b>	<b>20,313,105</b>
<b>Fair value through profit or loss</b>					
Derivative financial instruments (**)	2	1,150,304	1,150,304	1,372,469	1,372,469
		<b>1,150,304</b>	<b>1,150,304</b>	<b>1,372,469</b>	<b>1,372,469</b>

(\*) Includes the balance of the Energy Development Account - CDE of R\$ 73,553 and (R\$ 3,456 as of December 31, 2019), disclosed in note 26).

(\*\*) The Company issued simple debentures conjugated with subscription bonuses. The right to exercise the underwriting bonus (convertibility) by debenture holders would take place at the price of one UNIT (ENG111). This is an "in the money" option, which reflects the good likelihood of conversion, with the debt record maintained, plus the effect of the derivative financial instrument.

### Derivatives

The estimated fair values of the financial assets and liabilities were determined through information available in the market and appropriate valuation methodologies.

The Company and its subsidiaries have the policy of managing market risks, thereby avoiding assuming material positions exposed to fair value fluctuations. They therefore only seek to use instruments which provide greater risk control. The derivative contracts involve swap operations and options with interest and exchange rates, in order to counter the exposure to exchange rate changes and to bring the debt cost in line with market trends.

The hedge transactions against adverse exchange variance require constant monitoring in order to preserve the efficiency of their structures. The transactions in force are subject to restructuring at any time and can be reversed or subject to additional transactions in order to reduce potential material losses.

### Hedge Accounting

On June 30, 2020 the Company and its subsidiaries formally classified part of its swap transactions (hedge instruments) used to swap exchange variance and interest variance for CDI variance as hedge accounting. As of June 30, 2020 these transactions and the debts (subject to hedges) are being valued as fair value hedges. In these hedge designations, the Company and its subsidiaries documented: (i) the hedge ratio; (ii) the risk management goal and strategy; (iii) the financial instrument's identification; (iv) the item or transaction covered; (v) the nature of the risk to be covered; (vi) the description of the coverage relation; (vii) statement of the correlation between the hedge and the hedged item; and (viii) statement of the hedge's effectiveness.

Swap contracts are designated and effective as fair value hedges in relation to the exchange variance and/or interest rate, when applicable. During the period the hedge was highly effective in the exposure of fair value to change in interest rates and as a consequence, the carrying amount of securities classified as hedge was impacted by R\$ 17,858 (R\$ 85,171 as of June 30, 2019) and recognized in financial income at the same time as the fair value of the interest rate swap was recognized in profit or loss.

### Fair Value Option

The Company and its subsidiaries opted to formally classify new debt securities secured in the 1<sup>st</sup> quarter of 2020, for which the Company and its subsidiaries have derivative financial instruments to swap exchange and interest rate variance, as measured at fair value. The fair value option aims to eliminate or reduce inconsistency in the measurement or recognition of certain liabilities, which would otherwise arise. Both the swaps and the respective debts can therefore be measured at fair value and this option is irreversible, and should only be made upon initial recognition of the transaction. As of June 30, 2020 these debt and derivatives, and any other assets and liabilities measured at fair value through profit or loss have any gains or losses resulting from their remeasurement recognized in the Company's profit and loss.

During the period, the carrying amount of debts classified as fair value option was impacted by R\$ 15,250 (R\$ 7,742 as of June 30, 2019) and recognized in financial income at the same time the interest rate swap's fair value was recognized in profit and loss.

The Company and its subsidiaries do not have credit risk assessment or derivative instruments taken out for this exposure. In the Company's opinion the change in the credit risk does not have a significant impact.

### Uncertainty

The amounts were estimated at the quarterly information date based on information available in the market and appropriate appraisal techniques. However, considerable judgment was required in the interpretation of the market data to estimate the most adequate fair value. Consequently, the estimates used and presented below do not necessarily indicate the values that could be realized in the current exchange market.

### Financial risk management

The Board of Directors is generally responsible for establishing and supervising the risk management model of the Company and its subsidiaries. The Company has therefore implemented operating limits with pre-established



amounts and indicators in the “Financial Risk Management policy” (reviewed annually and available on the Company’s site) and in the internal regulations of the Executive Board of the Company and its subsidiaries.

The Risk Management Committee, consisting of the Financial Board and specialist independent consultant, monitors compliance of operations with the “Financial Market Risk Management Policy” by way of the Quarterly Risk Management Report.

Furthermore, the Company and its subsidiaries’ risk management aims to detect, analyze and monitor risks encountered, in order to establish limits and check compliance with them. For this, the Company and its subsidiaries have been using the services of an independent company specialized in cash and debt risk management, which means that the main macroeconomic metrics and their impact on results are monitored on a daily basis, in particular derivative transactions. This allows contracting and repositioning strategies to be devised, pursuing low risk and higher financial income.

### Credit risk management

The debt index at the end of the period/year is the following:

	Consolidated	
	6/30/2020	12/31/2019
Debt (a)	19,248,039	17,188,607
Cash and cash equivalents	(2,083,902)	(663,103)
<b>Net debt</b>	<b>17,164,137</b>	<b>16,525,504</b>
Equity	6,121,333	5,698,258
<b>Net debt index</b>	<b>2.80</b>	<b>2.90</b>

(a) The debt is defined as short and long-term loans, financing and debentures (excluding derivatives and financial surety contracts) and debt charges, as detailed in notes 21 and 22.

### a) Liquidity risk

By way of the projected cash flow, Management schedules its obligations to generate financial liabilities to the flow of receipts or sources of financing in order to ensure the greatest possible liquidity so as to honor its obligations, thereby avoiding delinquency which hinders the operational progress of Energisa and its subsidiaries.

The contractual maturities of the main financial liabilities, including estimated interest payments and excluding the impact of currency trading agreements at the net position are as follows:

Parent company							
	Average effective weighted interest rate (%) months	Up to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total
Trade accounts payable		1,567	-	-	-	-	1,567
Loans and financing, debt charges and debentures.	8.05%	760,979	1,203,031	2,011,617	367,754	704,651	5,048,032
Derivative Financial Instruments		(2,704)	(76,255)	-	-	-	(78,959)
Derivative Financial Instruments - Other (*)		-	303,826	608,777	-	-	912,603
<b>Total</b>		<b>759,842</b>	<b>1,430,602</b>	<b>2,620,394</b>	<b>367,754</b>	<b>704,651</b>	<b>5,883,243</b>

	Average effective weighted interest rate (%) months	Consolidated					Total
		Up to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	
Trade accounts payable		1,651,179	-	-	-	95,943	1,747,122
Loans and financing, debt charges and debentures.	5.70%	1,501,622	4,964,021	8,528,647	5,147,227	7,752,875	27,894,392
Derivative Financial Instruments		(19,462)	(581,537)	(673,142)	(133,045)	(208,512)	(1,615,698)
Derivative Financial Instruments - Other (*)		-	297,405	608,777	-	(52,394)	853,788
<b>Total</b>		<b>3,133,339</b>	<b>4,679,889</b>	<b>8,464,282</b>	<b>5,014,182</b>	<b>7,587,914</b>	<b>28,879,604</b>

(\*) Includes R\$ 1,125 for the commitment to buy back shares paid in by the employees and retirees of the subsidiaries ERO and EAC.

The liquidity risk denotes the risk of the Company struggling to honor its obligations posed by financial liabilities. The Company monitors the liquidity risk by maintaining investments readily convertible to meet obligations and commitments, in addition to foreseeing its future cash requirements.

## b) Credit risk

Management believes the risks posed by its cash and cash equivalents, short-term investments and derivative financial instruments are minimal, as there is no concentration and transactions are conducted with banks which assess risk in accordance with the "Financial Risk Management policy". The Board of Directors' Audit Committee was convened in the first quarter of 2010 to oversee the group's management, according to the rules and principles established in the policy.

The credit risk, especially that of Energisa Group's distribution companies, is posed by trade accounts receivable, consumers and concessionaires, which is, however, mitigated by sales to a broad consumer base and legal prerogatives which allow the provision of services to most defaulting clients to be suspended.

The concession financial asset consisting of estimated portion of capital invested in public service infrastructure not completely amortized by the end of the concession will be an unconditional right to receive money or other financial asset from the concession authority, as compensation for the infrastructure investment.

Sector financial assets denote assets deriving from temporary differences between the ratified costs of Parcel A and other financial components, constituting a right receivable from its electricity distribution subsidiaries. These amounts are effectively settled during the coming rate periods, or in the event the concession is terminated with balances that have not been recovered, they will be included in the compensation base that exists in the case of termination for any reason of the concession.

Part of the receivables referring to sales, energy acquisition and system service charges, incurred at CCEE, are also subject to change depending on the outcome of legal proceedings in progress, filed by a number of companies in the sector. These proceedings have resulted from the interpretation of market rules in force between June 2001 and February 2002, during which the Emergency Electricity Rationing Program was in force.

## Exposure to credit risks

The carrying amount of the financial assets denotes the maximum credit exposure as shown below:

	Note	Parent company		Consolidated	
		6/30/2020	12/31/2019	6/30/2020	12/31/2019
Cash and cash equivalents	5.1	295,037	68,423	2,083,902	663,103
Money market and secured funds	5.2	2,228,585	2,486,362	2,138,021	2,373,194
Clients, consumers and concessionaires	6	43,470	40,640	4,577,807	4,834,041
Credit receivables	7	25	76	23,799	26,573
Financial sector assets, net	11	-	-	858,084	1,069,542
Concession financial asset	15	-	-	5,384,431	5,130,960
Derivative financial instruments	35	78,959	35,237	1,912,214	1,190,770

### c) Interest and exchange rate risk

Part of the local-currency loans and financing presented in note 21 consist of financing from several national development agencies (Eletrobrás, Banco do Nordeste, BNDES, BDMG and FINEP) and other institutions in the capital market. The interest rate is defined by these Agents, taking into account the underlying interest rate, the risk premium compatible with the financed companies, their guarantees and the sector they are engaged in. In the event it is not possible to acquire alternatives or different market hypotheses and/or methods for their estimates, in view of the subsidiaries' business and sector specifics, these are measured by the amortized cost method at the contractual rates.

The Company's results are susceptible to changes in the liabilities indexed in foreign currencies. The US dollar exchange rate closed the period ended June 30, 2020 up by 35.86% over December 31, 2019, quoted at R\$ 5.746 / USD. The volatility of the US dollar as of June 30, 2020 was 28.14%, compared with 10.37% as of December 31, 2019. The Euro exchange rate closed the period ended June 30, 2020 up by 35.83% over December 31, 2019, quoted at R\$ 6.1539/Euros. The Euro experienced volatility of 25.59% as of June 30, 2020.

R\$ 3,922,720 (R\$ 3,745,298 as of December 31, 2019) of the Company's consolidated bank debts and issuances of R\$ 19,304,560 (R\$ 17,247,047 as of December 31, 2019) as of June 30, 2020, excluding the effects of unappropriated costs, is denominated in foreign currencies, as per note 21. The operations subject to hedging and the respective financial instruments used are detailed below.

The foreign-currency loans have a short- and long-term maturity (last maturity in December 2023) and maximum costs of USD plus 4.58% per annum plus exchange variance.

The parent company and consolidated statement of financial position the following balances denoting the mark-to-market of the financial derivatives related to the foreign exchange rate and interest, resulting from a combination of factors usually adopted for the mark-to-market of these instruments, such as volatility, currency coupon, interest rates and the exchange rate.

	Parent company		Consolidated	
	6/30/2020	12/31/2019	6/30/2020	12/31/2019
Current assets	78,959	15,756	649,629	186,303
Noncurrent assets	-	19,481	1,262,585	1,004,467
<b>Total assets</b>	<b>78,959</b>	<b>35,237</b>	<b>1,912,214</b>	<b>1,190,770</b>
Current liabilities	(303,826)	(350,243)	(346,035)	(466,128)
Non-current liabilities	(608,777)	(701,541)	(804,269)	(906,341)
<b>Total liabilities</b>	<b>(912,603)</b>	<b>(1,051,784)</b>	<b>(1,150,304)</b>	<b>(1,372,469)</b>

This is not a material liability, because the reversal value of derivatives at the calculation date is estimated, which does not correspond to the hedge objective. In FY 2019 Energisa recognized directly in its shareholders' equity a decrease of R\$ 6,362.

The Company and its subsidiaries have hedged 100% of the forex-indexed liabilities against adverse exchange variance, thereby hedging the principal and interest through maturity. These hedges are split into the following instruments:

Operation	Notional (USD)	Financial Cost (% p.a.)		Maturity	Description
		Receivable Position	Payable Position		
<b>ENERGISA S/A</b>					
Resolution 4131 - Itaú BBA	40,000	USD + 4.75%	CDI + 1.28%	5/24/2021	Fair Value Option
<b>ESE</b>					
Resolution 4131 - Bank of America ML	34,321	(Libor + 1.20%) x 117.65%	CDI + 1.48%	1/29/2021	Fair Value Option
Resolution 4131 - JL Morgan	3,612	(LIBOR + 1.30%) x 117.647%	CDI + 0.85%	9/13/2021	Fair Value Option
<b>EMG</b>					
Resolution 4131 - Bocom BBM	15,503	USD + 3.70%	CDI + 0.27%	4/9/2021	Fair Value Option
<b>EMT</b>					
Resolution 4131 - Bank of America ML	17,000	USD + 3.33%	CDI + 2.60%	1/15/2021	Fair Value Option
Resolution 4131 - Citibank	14,351	(Libor + 1.70%) x 117.65%	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Citibank	14,351	(Libor + 1.80%)	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Bank of America ML	24,615	(Libor + 1.20%) x 117.65%	CDI + 1.43%	1/15/2021	Fair Value Option
Resolution 4131 - JPM	26,709	(LIBOR + 1.05%) x 117.65%	CDI + 1.33%	11/12/2021	Fair Value Option
Resolution 4131 - Bank of America ML	10,676	EUR + 0.81%	CDI + 0.85%	12/12/2022	Fair Value Option
Resolution 4131 - Scotiabank	49,200	USD + 2.58%	CDI + 1.00%	12/29/2022	Fair Value Option
Resolution 4131 - Citibank	11,598	(Libor + 0.60%) x 117.65%	CDI + 0.65%	2/13/2023	Fair Value Option
<b>EMS</b>					
Resolution 4131 - Citibank	14,429	(Libor + 1.70%) x 117.65%	CDI + 1.55%	5/26/2022	Fair Value Option
Resolution 4131 - Citibank	14,429	(Libor + 1.80%)	CDI + 1.55%	5/26/2022	Fair Value Option
Resolution 4131 - Bank of America ML	11,314	EUR + 1.16%	CDI + 0.95%	5/9/2022	Fair Value Option
<b>ETO</b>					
Resolution 4131 - Citibank	11,196	(Libor + 1.70%) x 117.65%	CDI + 1.56%	5/16/2022	Fair Value Option
Resolution 4131 - Citibank	11,196	(Libor + 1.80%)	CDI + 1.56%	5/16/2022	Fair Value Option
Resolution 4131 - Bank of America ML	31,032	(Libor + 1.20%) x 117.65%	CDI + 1.47%	1/29/2021	Fair Value Option
Resolution 4131 - Itaú BBA	51,778	USD + 5.12%	CDI + 1.28%	6/1/2021	Fair Value Option
<b>ESS</b>					
Resolution 4131 - Citibank	6,857	(Libor + 1.70%) x 117.65%	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Citibank	6,857	(Libor + 1.80%)	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Bank of America ML	19,704	(Libor + 1.20%) x 117.65%	CDI + 0.80%	8/31/2021	Fair Value Option
Resolution 4131 - Bank of America ML	26,675	EURO + 0.853%	CDI + 0.95%	1/17/2023	Fair Value Option
Resolution 4131 - Scotiabank	12,300	USD + 2.584%	CDU + 1.00%	12/29/2022	Fair Value Option
Resolution 4131 - Bank of America ML	24,432	EURO + 1.0235%	CDI + 0.85%	6/6/2022	Fair Value Option
<b>EAC</b>					
Resolution 4131 - Bank of America ML	79,186	EURO + 1.65%	CDI + 1.65%	12/13/2023	Fair Value Option
Resolution 4131 - Bank of America ML	6,405	EURO + 0.90%	CDI + 0.95%	12/15/2021	Fair Value Option
<b>ERO</b>					
Resolution 4131 - Scotiabank	12,300	USD + 2.58%	CDI + 1.00%	12/29/2022	Fair Value Option

Operation	Notional (USD)	Financial Cost (% p.a.)		Maturity	Description
		Receivable Position	Payable Position		
Resolution 4131 - Citibank	13,683	(Libor + 0.60%) x 117.65%	CDI + 0.65%	2/27/2023	Fair Value Option
Resolution 4131 - Citibank	29,000	(Libor + 0.75%) x 117.65%	CDI + 0.65%	3/27/2023	Fair Value Option
<b>ETE</b>					
Resolution 4131 - Citibank	31,314	(Libor + 0.60%) x 117.65%	CDI + 0.65%	2/13/2023	Fair Value Option
<b>ESOL</b>					
Resolution 4131 - Bocom BBM	5,249	USD + 3.95%	CDI + 0.43%	3/1/2021	Fair Value Option
<b>ECOM</b>					
Resolution 4131 - Bocom BBM	6,081	(Libor + 0.56%) x 133.33%	CDI + 0.59%	9/19/2022	Fair Value Option

(\*) These operations were originally subject to a call option with cap linked to the swap. These operations were reverted, thereby minimizing exposure to foreign exchange variance.

The Company also has swaps (fixed rates, CDI, TJLP, among others) for the notional value of its local currency debt (Reais). See below the interest swaps:

Operation	Notional (BRL)	Financial Cost (% p.a.)		Maturity	Description
		Receivable Position	Payable Position		
Itaú BBA X EMT	81,885	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EMT	73,494	IPCA + 5.66%	102.65% CDI	6/14/2024	Fair Value Hedge
JP Morgan X EMT	10,544	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMT	1,965	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMT	3,657	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA X EMT	385,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ETO	39,771	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ETO	35,696	IPCA + 5.66%	102.65% CDI	6/17/2022	Fair Value Hedge
JP Morgan X ETO	9,526	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ETO	1,775	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ETO	3,304	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x ETO	240,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ESS	24,647	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESS	18,397	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESS	22,121	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
Itaú BBA X ESS	16,511	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X ESS	8,580	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ESS	1,599	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ESS	2,977	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x ESS	70,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
JP Morgan X EMS	10,762	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMS	2,006	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMS	3,733	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge

Operation	Notional (BRL)	Financial Cost (% p.a.)		Maturity	Description
		Receivable Position	Payable Position		
Itau BBA x EMS	155,000	IPCA + 5.08%	103.70 CDI	9/15/2025	Fair Value Hedge
Itaú BBA X EMG	8,392	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EMG	7,532	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X EMG	3,636	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMG	678	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMG	1,261	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itau BBA x EMG	50,000	IPCA + 5.08%	103.70 CDI	9/15/2025	Fair Value Hedge
Itaú BBA X EPB	15,173	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EPB	13,618	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X EPB	11,635	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EPB	2,169	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EPB	4,035	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Safra x EPB	135,000	IPCA + 5.08%	103.70 CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ESE	9,333	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESE	8,376	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X ESE	7,126	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ESE	1,328	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ESE	2,472	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Safra x ESE	65,000	IPCA + 5.08%	103.70 CDI	9/15/2025	Fair Value Hedge
Santander x ETE	75,500	IPCA + 4.92%	104.25% CDI	12/15/2025	Fair Value Hedge
Santander x ETE	51,462	IPCA + 5.14%	105.15% CDI	12/15/2028	Fair Value Hedge
Santander x ETE	123,038	IPCA + 4.98%	104.50% CDI	12/15/2025	Fair Value Hedge
Itaú x ERO	195,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x ERO	130,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x EAC	105,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x EAC	70,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge

On June 30, 2020 the company also took out Non Deliverable Forwards (NDFs) for its subsidiary, Alsol Energias Renováveis. The amounts are shown below:

Operation	Acquisition			Maturity
	Assets	Notional (USD)	Fixed transaction value	
<b>ALSOL</b>				
Santander x Alsol	USD @ 5.60	762	4,265	09/Jul/20
Santander x Alsol	USD @ 5.60	506	2,832	14/Jul/20
Santander x Alsol	USD @ 4.95	178	882	06/Oct/20
Santander x Alsol	USD @ 4.94	50	248	24/Aug/20

In accordance with CPC 40, the values of the Company and its subsidiaries' derivative financial instruments, which were not recorded as fair value hedge, as of June 30, 2020 are presented below

The Company classifies certain hedge instruments related to exchange variance risk and interest rate risk posed by loans as fair value hedge, as shown below:

#### Parent company

Fair Value Option	Reference value		Description	Fair value	
	6/30/2020	12/31/2019		6/30/2020	12/31/2019
Debt (Hedge Object)	145,600	291,200	Foreign Currency - USD and LIBOR	(225,079)	(328,131)
Forex Swap (Hedge Instrument)	145,600	291,200	Receivable Position		
			Foreign Currency - USD and LIBOR	225,079	328,131
			Liability Position		
			CDI Interest Rate	(146,120)	(292,894)
			Net swap position	78,959	35,237
			Net debt position + Swap	(146,120)	(292,894)

#### Consolidated

Derivatives	Reference value		Description	Fair value	
	6/30/2020	12/31/2019		6/30/2020	12/31/2019
Debt (Hedge Object)	2,319,714	2,319,714	Fixed rate	(2,783,887)	(2,766,464)
Interest swaps (Hedge Instrument)	2,319,714	2,319,714	Receivable Position		
			Fixed rate	2,791,021	2,770,972
			Liability Position		
			CDI Interest Rate	(2,356,876)	(2,384,197)
			Net swap position	434,145	386,775
			Net debt position + Swap	(2,349,742)	(2,379,689)

Fair Value Option	Reference value		Description	Fair value	
	6/30/2020	12/31/2019		6/30/2020	12/31/2019
Debt designated to Fair Value Option	2,716,190	3,318,610	Foreign Currency - USD and LIBOR Receivable Position	(3,905,093)	(3,742,978)
Forex Swap (Derivative)	2,716,190	3,318,610	Foreign Currency - USD and LIBOR Liability Position	3,913,220	3,742,978
			CDI Interest Rate	(2,731,667)	(3,337,056)
			Net swap position	1,181,553	405,922
			Net debt position + Swap	(2,723,540)	(3,337,056)

The subsidiaries calculated the Fair Value of the derivatives as of June 30, 2020 based on the market price quotes for similar contracts. Their variance is directly associated with the variance of the debt balances listed in the note 21 and 22 and the positive performance of the hedge mechanisms used, as described above. The Company and its subsidiaries do not intend to settle these contracts before maturity. They also have different expectations for the results presented as Fair Value - as shown below. To ensure perfect management, daily monitoring is conducted in order to keep risk to a minimum and obtain better financial results.

The mark-to-market (MtM) of the Company and its subsidiaries' operations was calculated by an accepted method generally used by the market. The method basically consists of calculating the future value of the operations agreed in each contract, discounting the present value at market rates. A variant of the Black & Scholes formula is used to calculate the MtM of options. This formula is normally used to calculate the premium on currency options. The data used in these calculations was obtained from reliable sources. The market rates, such as the fixed rate and forex coupon, were obtained directly from the BM&F site (Market Rates for Swaps). The Ptax exchange rate was obtained from the Central Bank's site. The implicit dollar volatility for options were obtained from BM&F.



## Sensitivity analysis

Pursuant to CPC 40, the Company and its subsidiaries conducted sensitivity analyses on the main risks to which the financial instruments and derivatives are exposed, as shown:

### a) Exchange variance

If the exchange exposure as of June 30, 2020 were maintained, and the effects on the future financial statements simulated by type of financial instrument and for three different scenarios, the following results would be obtained (restated as for the reporting date):

Operation	Exposure	Risk	Scenario I (Probable) (*)	Scenario II (Deterioration of 25% )	Scenario III (Deterioration of 50% )
<b>Foreign-Currency Debt - USD and LIBOR</b>	(2,716,190)	Exchange rate increase	(2,387,714)	(3,281,495)	(4,175,276)
Change in Debt	-		328,476	(565,305)	(1,459,086)
<b>Forex Swap</b>					
<b>Receivable Position</b>					
Derivative Financial Instruments - USD and LIBOR	3,913,220		3,584,744	4,478,525	5,372,306
Variance - USD and LIBOR	-		(328,476)	565,305	1,459,086
<b>Liability Position</b>					
Derivative Financial Instruments - CDI Interest Rate	(2,731,667)		(2,731,667)	(2,731,667)	(2,731,667)
<b>Subtotal</b>	1,181,553		853,077	1,746,858	2,640,639
<b>Net Total</b>	(1,534,637)		(1,534,637)	(1,534,637)	(1,534,637)

(\*) The probable scenario is calculated based on the expected future exchange rate in the last Focus bulletin disclosed for the calculation date. The deterioration scenarios of 25% and 50% are calculated based on the probable scenario curve. In these scenarios the forex curve is impacted, the CDA curve holds steady and the exchange coupon curve is recalculated. This is done to ensure the parity between the spot, CDI, currency coupon and future exchange rate is always valid.

The derivatives in the "Probable Scenario" calculated based on the net analysis of the above operations until the maturity thereof, adjusted to present value by the fixed rate in Brazilian reais as of June 30, 2020, which is reflected in the negative present value of R\$ 1,534,637, that shows how the adverse exchange variance in existing debts was mitigated. The greater the deterioration of the exchange rate (risk variable considered), the greater the positive results of the swaps. However, there would be negative present value of R\$ 1,534,637 in the scenarios where the Brazilian real exchange rate lost 25% and 50%, a scenario in which some of the current caps would be exceeded.

### b) Interest rate variance

If the interest-rate exposure as of June 30, 2020 were maintained, and the effects on the future financial statements simulated by type of financial instrument and for two different scenarios, the following results would be obtained (restated as for the reporting date):

Operation	Exposure	Risk	Scenario I (Probable) (*)	Scenario II (Deterioration of 25% )	Scenario III (Deterioration of 50% )
<b>Local Currency Debt - Interest Rate</b>	(2,319,714)	Increase in CDI	(2,319,714)	(2,319,714)	(2,319,714)
<b>Interest swaps</b>					
<b>Receivable Position</b>					
Derivative Financial Instruments - Fixed	2,791,021		2,791,021	2,791,021	2,791,021
<b>Liability Position</b>					
Derivative Financial Instruments - CDI	(2,356,876)		(2,356,876)	(2,488,252)	(2,619,173)
Variance - CDI Interest Rate	-		-	(131,376)	(262,297)
<b>Subtotal</b>	434,145		434,145	302,769	171,848
<b>Net Total</b>	(1,885,569)		(1,885,569)	(2,016,945)	(2,147,866)

Considering the exposure of financial instruments indexed to interest rates as of June 30, 2020 is maintained and the respective accumulated annual indexes are (CDI = 1.77%, SELIC = 1.76% TJLP = 2.48%, IPCA = 0.10%, TR = 0.00% per annum) and if the indexes vary in accordance with the three scenarios defined, the net financial result would be affected by:

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)(1)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Receivable financial instruments:</b>					
Money market and secured funds	4,016,829	Increase in CDI	80,337	100,421	120,506
<b>Payable financial instruments:</b>					
Swap	(2,731,667)	Increase in CDI	(54,633)	(68,291)	(81,950)
	(9,105,787)	Increase in CDI	(182,116)	(227,645)	(273,174)
	(2,547)	Increase in TJLP	(126)	(158)	(189)
	(4,202,536)	Rise in IPCA	(4,203)	(5,254)	(6,305)
Loans, financing and debentures	(694)	Increase in SELIC	(14)	(18)	(21)
	(644,893)	High TR	-	-	-
Subtotal (2)	(16,688,124)		(241,092)	(301,366)	(361,639)
<b>Total -losses (2)</b>	<b>(12,671,295)</b>		<b>(160,755)</b>	<b>(200,945)</b>	<b>(241,133)</b>

(1) Considers the CDI rate at June 30, 2021 (2.0% per annum), quote of the estimates presented by the recent BACEN survey, dated June 30, 2020, Selic rate of 2.0% per annum, TJLP of 4.94% per annum, TR of 0.0% per annum and IPCA of 0.10% per annum.

(2) Does not include fixed-interest transactions worth R\$ 2,616,436.

### c) Change in energy price curve

The table below demonstrate sensitivity to any changes of 25% and 50%, indicating the deterioration of the subsidiary ECOM's financial situation by increasing the Forward Curve over the portion of future electricity purchase and sale agreements affected, after the mark-to-market impact. With all other variables remaining constant, profit before tax is affected by the future electricity purchase and sale agreement subject to the volatility of the future energy curve, as shown below:

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Financial instruments:</b>					
Future energy contracts - Purchase	(221,442)	Increase in PLD	(10,418)	(13,023)	(15,627)
Future energy contracts - Sale	280,257		17,867	22,334	26,801
<b>Total Net - Increase in PLD</b>	<b>58,815</b>		<b>7,449</b>	<b>9,311</b>	<b>11,174</b>

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Financial instruments:</b>					
Future energy contracts - Purchase	(221,442)	Decrease in PLD	8,336	10,420	12,504
Future energy contracts - Sale	280,257		(17,867)	(22,334)	(26,801)
<b>Total Net - Decrease in PLD</b>	<b>58,815</b>		<b>(9,531)</b>	<b>(11,914)</b>	<b>(14,297)</b>
<b>Total</b>			<b>(2,082)</b>	<b>(2,603)</b>	<b>(3,123)</b>

### Liquidity risk management

The liquidity risk denotes the risk of the Company and its subsidiaries struggling to honor their obligations posed by financial liabilities. The Company and its subsidiaries monitor the liquidity risk by maintaining investments readily convertible to meet obligations and commitments, foreseeing its future cash requirements.

### 37. Post-employment benefits

#### 36.1 Retirement and Pension Plans

The Company and its subsidiaries sponsor defined-contribution and variable-contribution retirement plans and a plan exclusively for risk benefits posed by a defined- and variable- contribution plan, where the latter is only open to new participants. The defined-benefit, variable contribution and risk plans undergo an actuarial assessment at the end of each financial year, in order to ascertain whether the contribution rates are sufficient to establish the reserves required to meet the current and future payment commitments.

In the period ended June 30, 2020 the expense on sponsoring these plans was R\$ 1,045 (R\$ 819 as of June 30, 2019) at the parent company and R\$ 15,976 (R\$ 29,457 as of June 30, 2019) in post-employment benefits in the consolidated statement of income for the period.

The previously made provision of R\$ 4,000 was reversed in June 2020, with R\$ 2,000 at the Company and R\$ 2,000 of the subsidiary Energisa Minas, respectively, recognized under general and administrative expenses - post-employment benefits for Fundo Sudeste because the offsetting had started.

#### 36.2 Retirement Bonus and Premium:

The Company and its subsidiaries EMG, ENF, Energisa Soluções S/A, ETO, ESE, ECOM, Energisa Planejamento and Parque Eólico Sobradinho, are parties to a collective agreement under which employees are entitled to a retirement bonus/premium paid upon application for retirement at the National Social Security Institute (INSS).

At the subsidiary ETO the bonus ranges from 2.0 to 5.5 times the employee's salary, depending on seniority (at least 5 years, but limited to 35 years) upon applying for the retirement benefit. Employees admitted after May 01, 1997 are not entitled to this bonus.

At the Company and other subsidiaries, the bonus ranges from 1.5 to 15 times the employee's salary, depending on seniority (at least 6 months, but limited to 25 years) upon applying for retirement.

The participants of the CD Plan who at the requested retirement date present amounts deposited by the sponsor in their individual counts in excess of 15 base salaries, are not entitled to the premium.

In the period ended June 30, 2020 the expense on maintaining this plan amounted to R\$ 817 (R\$ 718 as of June 30, 2019) at the parent company and R\$ 1,953 (R\$ 1,947 as of June 30, 2019) in post-employment benefits in the consolidated statement of income.

#### 36.3 Health care plan:

The Company and its subsidiaries maintain a post-employment benefit plan for medical and hospital assistance for active and retired employees and pensioners and their legal dependents. The Company's monthly contributions are for the average premiums calculated by the insurance company, multiplied by the number of lives insured. These premiums are adjusted annually for the variance in medical and hospital costs, sales costs and other expenses incurred on the insurance operation; and according to the claims ratio, in order to maintain the technical and actuarial equilibrium of the policy. Contributions collected from retired employees, pensioners and former employees are restated for inflation (INPC Saúde) and the change in Medical and Hospital Costs - VCMH.

The subsidiaries EMG and ESOL have their own refund policies, under which employees are entitled to a reimbursement of 60% of their medical expenses. This benefit ceases immediately upon termination or retirement.

The subsidiaries sponsor their employees' health insurance plans, which are managed by operators regulated by the National Health Agency (ANS) (Unimed Cuiabá, Central Nacional Unimed - CNU, Hapivida, São Francisco and SulAmérica). In the case of severance and/or retirement, employees can remain in the plan pursuant to law, providing they assume the entire costs.

In the period ended June 30, 2020 the expenses on this benefit amounted to R\$ 2,508 (R\$ 2,061 as of June 30, 2019) at the parent company and R\$ 50,046 (R\$ 43,295 as of June 30, 2019) in the consolidated statement. Includes R\$ 101 (R\$ 65 as of June 30, 2019) for the actuarial calculation of the post-employment benefit plan at the parent company and R\$ 4,412 (R\$ 3,038 as of June 30, 2019) in the consolidated statement.

### 38. Consolidated commitments

The subsidiaries have the following commitments under long-term contracts:

#### (1) Sale of electricity

	Energy sale contract - reais thousand					
	Effective date	2020	2021	2022	2023	2023 onwards
Energisa Comercializadora de Energia Ltda	2020 to 2031	317,415	366,068	192,596	132,774	184,826

#### (2) Electricity purchases

	Energy purchase contract - reais thousand (*)					
	Effective date	2020	2021	2022	2023	2023 onwards
Energisa Nova Friburgo Distribuidora Energia S/A	2020 to 2030	41,452	82,954	92,418	95,165	749,018
Energisa Minas Gerais Distribuidora Energia S/A	2020 to 2054	177,285	356,569	354,744	389,504	5,619,638
Energisa Paraíba Distribuidora Energia S/A	2020 to 2054	372,344	731,772	622,959	677,672	12,465,371
Energisa Sergipe Distribuidora Energia S/A	2020 to 2054	263,075	512,912	467,184	524,244	9,077,490
Energisa Borborema Distribuidora Energia S/A	2020 to 2054	53,334	106,170	91,060	86,725	1,549,767
Energisa Mato Grosso Distribuidora Energia S/A	2020 to 2054	865,759	1,858,960	1,613,588	1,746,501	24,814,569
Energisa Tocantins Distribuidora Energia S/A	2020 to 2054	217,270	439,116	421,532	465,828	7,474,459
Energisa Mato Grosso do Sul Distribuidora S/A	2020 to 2054	394,402	788,415	746,171	844,584	14,811,313
Energisa Sul - Sudeste Distribuidora Energia S/A	2020 to 2054	251,635	508,657	532,725	528,411	9,073,846
Energisa Comercializadora de Energia Ltda.	2020 to 2054	368,359	313,130	189,841	154,150	473,689
Energisa Rondônia - Distribuidora de Energia S/A	2020 to 2054	343,465	641,559	513,022	664,603	15,970,443
Energisa Acre - Distribuidora de Energia S/A	2020 to 2054	128,579	283,909	294,086	312,724	5,075,381
		<b>3,476,959</b>	<b>6,624,123</b>	<b>5,939,330</b>	<b>6,490,111</b>	<b>107,154,984</b>

(\*) This does not include the Proinfa and Itaipu quotas.

#### (3) Rental of land to build power plants

	Rental of land to build power plants					
	Effective date	2020	2021	2022	2023	2023 onwards
Alsol Energias Renováveis S/A	2020 to 2029	1,824	2,053	2,053	2,053	12,317

The amounts referring to energy acquisition contracts lasting between 8 and 30 years represent the volume contracted at the average current price in the period ended June 30, 2020, which have been ratified by ANEEL.

### 39. Additional information to the cash flows

As of June 30, 2020 and December 31, 2019 the equity changes that did not affect the Company's consolidated cash flows relating to the business combination are as follows:

	6/30/2020	12/31/2019
<b>Other noncash transactions</b>		
Concession Financial Asset - Segregation of Assets	253,958	1,023,482
Concession financial asset - Fair value compensatable asset	9,667	232,689
Compensation of concession contract asset	42,530	281,229
<b>Operating activities</b>		
Acquisition of intangible assets	117,703	208,078
Acquisition of grids - transfer to special obligations	18,910	13,445
Other accounts receivable - Tocantins state government	-	35,571
Leasing - CPC 06 (R2)	2,140	68,727
Recoverable Pis and Cofins taxes - Effects of reducing ICMS	59,426	665,780
<b>Investment activities</b>		
Credit acquisition of intangible assets	117,703	208,078
Special obligations - transfer for acquisition of grids	-	35,571
Dividends offset Tocantins state government	-	33,333
Other investments sold for the loans program	-	68,727
Intangible assets - CPC 06 (R2)	2,140	68,727
<b>Financing activities</b>		
Payment of loans by selling other investments	-	(33,333)
<b>Business combination</b>		
Cash and cash equivalents	-	11,739
Clients, consumers and concessionaires	-	28,407
Inventory	-	4,703
Recoverable taxes	-	1,322
Tax credits	-	1,956
Other accounts receivable	-	5,654
Property, plant and equipment, intangible assets and contractual assets	-	11,095
Trade accounts payable	-	12,100
Loans, financing and debt charges	-	116
Operating leases	-	4,831
Deferred income and social contribution taxes	-	1,385
Provision for labor, civil, tax and regulatory risks	-	2,177
Other liabilities	-	39,299
Taxes and social contributions	-	2,910
NCI	-	266

## 40. Earnings per share

The basic and diluted earnings per share were calculated through profit and loss of the period and the respective number of common and preferred shares in circulation.

	6/30/2020	6/30/2019
Net income for the period - parent company	468,442	82,569
Weighted average in thousands of shares	1,814,562	1,814,562
<b>Basic net income per share - R\$</b>	<b>0.26</b>	<b>0.05</b>
Net income for the period - consolidated	493,732	119,914
Earnings on continued operation:		
Shareholders of parent company	468,442	82,569
Noncontrolling shareholders	25,290	37,345
Net income for the period - parent company	468,442	82,569
Weighted average in thousands of shares	1,814,562	1,814,562
Dilutive effect of subscription bonus convertible into shares and ILP program	35,487	34,042
<b>Basic and diluted net income per share - R\$ (*)</b>	<b>0.2532</b>	<b>0.0447</b>
Net income for the period - consolidated	493,732	119,914
Earnings on continued operation:		
Shareholders of parent company	468,442	82,569
Noncontrolling shareholders	25,290	37,345

(\*) Potential diluting effect for the subscription bonus and variable compensation program (ILP).

## 41. Cyber attack

The operating computer systems of the Company and its subsidiaries suffered a cyber attack on April 28, 2020 carried out by hackers, which was completely repelled. Our technology structures to neutralize further cyber attacks have been duly reinforced. The Company and its subsidiaries hired consultants specializing in mapping out technology solutions and carrying out forensic analyses but to date have not identified whether any of the Company and its subsidiaries' operational financial information was captured. We also emphasize that the event did not have any impact on the preparation of this quarterly financial information.

## 42. Subsequent events

### 42.1 Rate review - indirect subsidiary ETO

On July 03, 2020 ANEEL Resolution 2.720 and Technical Note 109/2020-SGT/ANEEL ratified the indirect subsidiary ETO's 5<sup>th</sup> rate review to come into force on July 4, 2020.

The average effect to be felt by consumers in relation to the rate currently in place will be an increase of 7.17%.

### 42.2 Rate adjustment - indirect subsidiary ESS

On July 9, 2020 ANEEL Resolution 2.722 and Technical Note 114/2020-SGT/ANEEL ratified the indirect subsidiary ESS rate adjustment to come into force on July 12, 2020. The effective rate impact felt by consumers was an average increase of 4.87%.

### 42.3 Loan from COVID-19 ACCOUNT - electricity distribution subsidiaries

On May 18, 2020 Decree 10.350/2020 created the COVID ACCOUNT, under the management of the Electricity Trading Chamber (CCEE), for the specific purpose of contracting and settling loans to partly or fully cover: (i) the financial effects of overcontracting energy; (ii) balance made in the Compensation Account for Parcel A Variation - CVA; (iii) neutrality of sector charges; (iv) postponing until June 30, 2020 the results of the DisCos' rate processes ratified as of that date; (v) the unamortized balance of CVA recognized in the latest rate process; (vi) the unamortized balance of deferrals recognized or reversed in the latest rate process; and (vii) prepayment of the regulatory asset for the B portion.

The main object of creating the COVID PANDEMIC ACCOUNT was to postpone for up to 5 years increases in energy bills that would have been charged within up to 1 year and to also shore up the liquidity of distribution concession operators that have been especially impacted by lower demand and rising delinquency, also protecting other electric sector agents, as mentioned earlier.

Decree 10.350/2020, which regulates Provisional Law 950, defines the criteria for the total borrowing limit attributed to the COVID ACCOUNT, stating that ANEEL shall take into account the requirements resulting from the state of public calamity. We therefore propose that the limit be calculated based on the estimate reductions in billing and collection and possible deferrals and financing of overdue obligations and outstanding obligations for billed demand contracted for Group A consumer units, in addition to the deferrals, until June 30, of ratified rate processes and deferrals recognized or reversed and not yet amortized.

Under article 7 of ANEEL Normative Resolution 885/2020, the CCEE acts as the guarantor and owner of the entire process of running the COVID ACCOUNT. Under art. 8 of the Normative Resolution, the pass-throughs made by the COVID ACCOUNT to concession operators will generate an Accounts Receivable at the CCEE linked to the CDE fund, which will be the debtor and not the concession operator directly.

The amounts in the COVID ACCOUNT will be included in the rate coverage of DisCos as from the 2021 rate processes and will remain for the time necessary to fully amortize the financial operations.

Because of this, on July 03, 2020 the electricity distribution subsidiaries submitted a request for funds from the COVID ACCOUNT of R\$ 1,359,388, of which R\$ 5,461 consists of deferrals and financing of the A Group's contracted demand, R\$ 121,089 for advancing the financial sector asset for Parcel B and R\$ 1,232,838 for the comprehensive coverage of other constant items.

See the amounts contracted by the subsidiaries:

Subsidiaries	Demand installments (group A)	Advance of parcel B	Financial sector assets	Total	Incoming funds - 7/31/2020 (*)	Incoming funds - 8/12/2020 (**)	Incoming funds Estimation - September/2020 to January/2021
Energisa Mato Grosso	-	-	377,985	377,985	206,454	31,347	140,184
Energisa Mato do Grosso do Sul	-	-	296,268	296,268	231,491	24,574	40,203
Energisa Tocantins	-	-	36,560	36,560	23,162	4,046	9,352
Energisa Sul Sudeste	-	-	97,396	97,396	97,396	-	-
Energisa Paraíba	-	-	86,992	86,992	61,996	11,637	13,359
Energisa Sergipe	-	-	46,995	46,995	46,995	-	-
Energisa Minas Gerais	-	-	49,949	49,949	49,315	634	-
Energisa Borborema	-	-	13,158	13,158	5,795	1,404	5,959
Energisa Nova Friburgo	-	-	6,963	6,963	6,738	225	-
Energisa Rondônia	3,964	71,410	205,425	280,799	201,402	8,011	71,386
Energisa Acre	1,497	49,679	15,147	66,323	66,323	-	-
<b>Total</b>	<b>5,461</b>	<b>121,089</b>	<b>1,232,838</b>	<b>1,359,388</b>	<b>997,067</b>	<b>81,878</b>	<b>280,443</b>

(\*) ANEEL Order 2.177 issued July 24, 2020 and

(\*\*) ANEEL Order 2.353 issued August 11, 2020.

#### 42.4 Advance of dividends for FY 2020 - Parent company



On August 13, 2020 the Energisa S/A Board of Directors approved the payment of interim dividends from the earnings for the period ended June 30, 2020 amounting to R\$ 101,615 (R\$ 0.28 per Unit and R\$ 0.056 per common and preferred share). These dividends shall be paid from August 26, 2020 and Company shareholders with holdings on or before 8/18/2020 were entitled to the dividends, including shares bought on the stock exchange on or before that date.

#### 42.5 Advance of dividends for FY 2020 - Subsidiaries

On August 13, 2020 the Energisa S/A Board of Directors approved the distribution of interim dividends based on the statement of financial position of the subsidiaries as of June 30, 2020 and profit reserves, as follows:

Subsidiaries	Dividend amount	Amount per share R\$	Payment date
<b>Interim:</b>			
Rede Energia Participações S/A	196,260	0.093000 ON	From August 26, 2020
Energisa Participações Minoritárias S/A	104,189	0.1460734451700 ON 0.5657205878900 PN	From August 25, 2020
Rede Power do Brasil S/A	20,000	76.078200 ON	From August 14, 2020
Denerge Desenvolvimento Energético S/A	122,555	157.819700 ON	From August 14, 2020
<b>Profit Reserves</b>			
Denerge Desenvolvimento Energético S/A	14,827	19.093800 ON	From August 14, 2020

## Board of Directors

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**Ivan Müller Botelho**  
Chairman

**Ricardo Perez Botelho**  
Vice-Chairman

**Marcilio Marques Moreira**  
Board Member

**Omar Carneiro da Cunha Sobrinho**  
Board Member

**Antonio Jose de Almeida Carneiro**  
Board Member

**José Luiz Alqueres**  
Board Member

**Luciana de Oliveira Cezar Coelho**  
Board Member

**Maurício Perez Botelho**  
Alternate Board Member

**Marcelo Silveira da Rocha**  
Alternate Board Member

**André da La Saigne de Botton**  
Alternate Board Member

**Pedro Renato Arruda Stevaux**  
Alternate Board Member

## Executive Board

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**Ricardo Perez Botelho**  
CEO

**Mauricio Perez Botelho**  
CFO and Investor Relations Officer

**Alexandre Nogueira Ferreira**  
Regulatory Affairs and Strategy Officer

**José Marcos Chaves de Melo**  
Logistics and Supplies Officer

**Daniele Araújo Salomão Castelo**  
Personnel Management Officer

**Vicente Cortes de Carvalho**  
Accountant  
CRC-MG 042523/O-7

## Fiscal Council

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**Paulo Henrique Laranjeiras da Silva**  
Member

**Flavio Stamm**  
Member

**Carlos Jurgem Temke**  
Member

**Vania Andrade de Souza**  
Member

**Mario Daud Filho**  
Member

**Jorge Nagib Amary Junior**  
Alternate Member

**Gilberto Lerio**  
Alternate Member

**Vicente Moliterno Neto**  
Alternate Member

**Antonio Eduardo Bertolo**  
Alternate Member

**Gabriel Ricci Sanchez**  
Alternate Member

A free translation from Portuguese into English of the Report on the Review of Interim Financial Information.

## Independent Auditor's Review Report on Quarterly information

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To  
Shareholders, Directors and Officers of  
**Energisa S.A.**  
Cataguases - MG

### Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of Energisa S.A. ("Company") for the quarter ended June 30, 2020, comprising the statement of financial position as at June 30, 2020 and the related statements of profit or loss and the comprehensive income for the three and six month periods then ended, and of changes in equity and cash flows for the six month period then ended, including the explanatory notes.

Management is responsible for preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement NBC TG 21 - Interim Financial Reporting, and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above are not prepared, in all material respects, in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information Form (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

### Other matters

#### *Statements of value added*

The abovementioned quarterly information includes the individual and consolidated statement of value added (SVA) for the six-month period ended June 30, 2020, prepared under Company's Management responsibility and presented as supplementary information by IAS 34. These statements have been subject to review procedures performed together with the review of the quarterly information with the objective to conclude whether they are reconciled to the interim financial information and the accounting records, as applicable, and if its format and content are in accordance with the criteria set forth by NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the overall individual and consolidated interim financial information.

Rio de Janeiro, August 13, 2020.

ERNST & YOUNG  
Auditores Independentes S.S.  
CRC - 2SP 015.199/O-6

Roberto Cesar Andrade dos Santos  
Accountant CRC - 1RJ 093.771/O-9