



1Q20 Earnings

May 2020



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COVID-19: Prevention and Social Responsibility

Actions

All sites with Exploration, Operation and Projects activities are engaged in pandemic control actions and in continuing the Company's operation

Prevention and Control

Domestic and international trips suspended
(Maintained only in exceptional cases)

Company specialized in epidemiological conditions hired

Suspension of events, trainings and face-to-face meetings

Clinical monitoring of employees in isolation

Promotion of intensified hygiene

Business Continuity

Review of essential work schedules

Mobility solutions

Access control and clinical monitoring of third parties and employees in our projects

Communications

Daily internal updates on current scenario, prevention measures and protocols

Relationship with local governments

Social Responsibility

Donation of 25 pulmonary ventilation devices to the States of Amazonas(AM), Ceará(CE), Maranhão(MA), Rio de Janeiro(RJ) and Roraima (RR)

Donation of 49 tons of food to 75 communities in the States of AM, CE, MA, RJ and RR

Donation of 3,600 hygiene kits in the States of AM, CE, MA e RJ

Donation of 700 cleaning kits in AM State

Projects under Construction

Status of works

The works at Parnaíba V, Azulão and Jaguatirica II follow the programmed schedules with small deviations so far

Azulão

- Production wells completed and tested
- No delay in critical equipment
- Galileo: temporary interruption at the Argentine plant, has already returned to production
- Cryoboxes - 16 in Silves, 6 to be shipped in May
- Isotanks - last cargo: 72 to be shipped in May (out of a 240 total)
- Auto generation engines - in transit, scheduled to arrive in May
- Workforce reduced by 30% due to actions to contain the cases of Covid-19
- Risk group employees and suspicious cases in leave of absence

Jaguatirica

- A few suppliers have informed force majeure delays, but many have not yet been quantified
- Critical path analysis, considering the quantified delays, indicate an additional **30 days in schedule**
- Assessment of alternatives to reduce possible impacts of delays not yet quantified
- No notification of suspected or confirmed cases of Covid-19
- Risk group employees in leave of absence

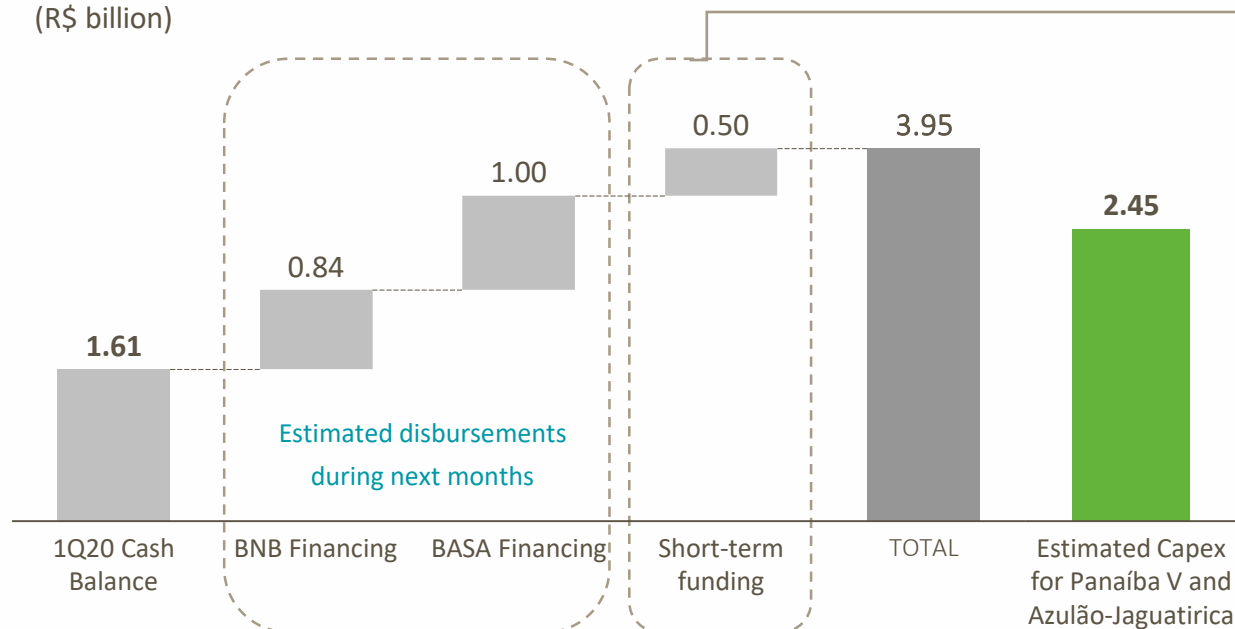
Parnaíba V

- Civil works at an advanced stage, on schedule
- A few suppliers have informed force majeure delays, but many have not yet been quantified
- Critical path analysis indicates **60 days of delay in schedule**, thus altering start of operations date to September, 2021
- First cases of Covid-19 confirmed at the work site
- Suspicious cases and risk group employees in leave of absence

Enhanced liquidity

Eneva raised R\$ 500 million in April, further reinforcing the Company's liquidity

Assessing Liquidity (R\$ billion)

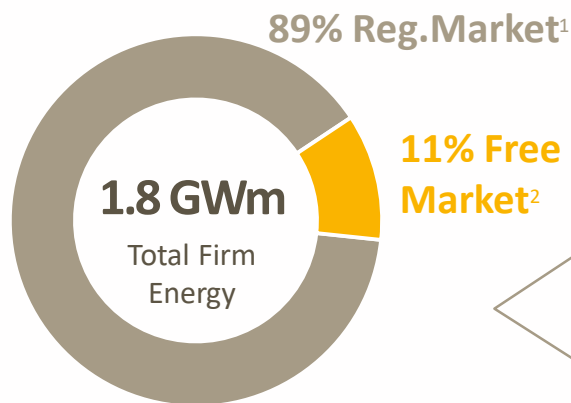


R\$ 500 mm raised

- Cost: CDI + 2.5% p.a.
- Term: 1 year
- **R\$ 410 mm** through issuance of debentures
- **R\$ 90 mm** through a financing agreement with China Construction Bank

Energy Contracts

89% of the firm energy of TPPs in operation is sold in the Regulated Market



Power purchase agreements at the Regulated Market

- Agreements between generator and distributor, resulting from energy auctions at the Regulated Market
- Previously defined prices, volume and terms
- capacity contracts guarantee **fixed revenue regardless of dispatch**
- **mitigating mechanisms to the risk of default by agents**
- **changes in contractual parameters must be approved by ANEEL**
- **most recent report from Eneva's Accounts Receivable department indicates zero default and / or delay in receipt**

1- Regulated Market: considers energy sold from the actives PPAs - Parnaíba I (450 av.MW), Parnaíba II (450 av.MW), Parnaíba III (98 av.MW), Itaqui (277 av.MW) and Pecém II (315 av.MW).

2 – Free Market: considers energy sold in the Free Market - Parnaíba IV (38.5 av.MW – as of firm energy disclosed by CCEE for Feb/20) and the amounts of additional firm energy disclosed for Parnaíba I (130 av.MW) and Parnaíba III (30 av.MW) at the Auction A-2/2019 of Dec/2019.

Dispatch

Retraction in energy demand and recovery of reservoirs are expected to impact Eneva's power plants dispatch in 2H20

Demand retraction after the start of social distance

- Distance measures reduced consumption (SIN) in March and April: weekly drops of up to 16% and annual drops of up to 25%

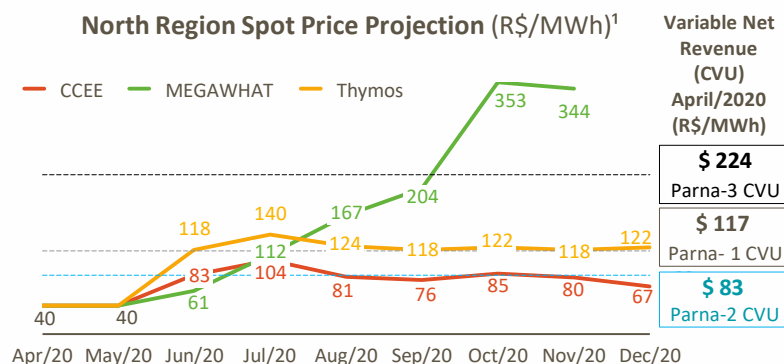
Reduction in spot price projections

- Strong reduction in energy demand, contributing to the recovery of reservoirs compared to 2019 levels

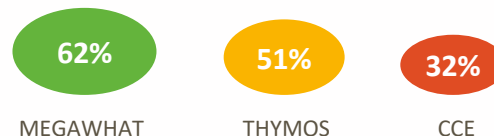
PEN's 2020 quarterly energy demand review structurally reduced demand by about 3.5 av.GW (next 4 years)

- Expected further reduction of up to 1.5GW at the end of May

Projections of specialized consultancies show dispatch between 32% -62% in 2020 for Eneva



Projection of 2020 dispatch for Parnaíba Complex (%)¹



¹ – Sources of the projections: CCEE - InfoPLD May/2020, MEGAWHAT - Presentation prices Week 3 May/2020 and Thymos - Study prepared for ABRAGET April/2020. CVU of Eneva's power plants: CCEE (as of Apr/2020).

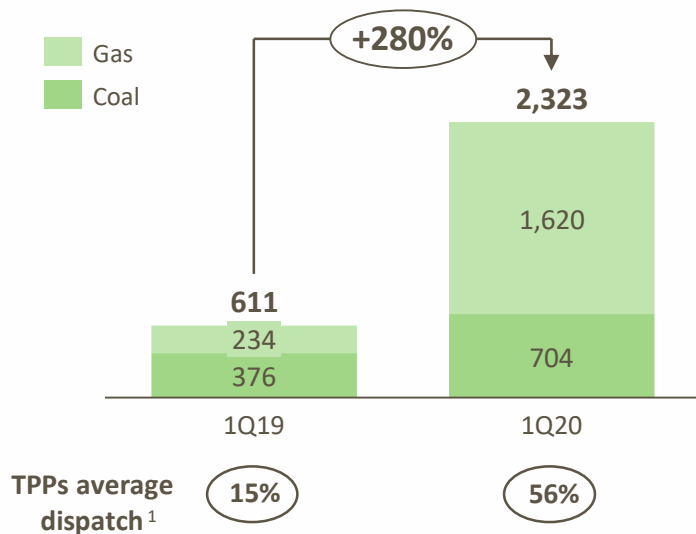
Adjusted EBITDA totals R\$ 434 million, the highest historical first quarter value, increasing 26% when compared to 1Q19

- **High dispatch results in a 280% growth in net generation**, reaching 2,323 GWh
- **Gas production** totals 0.4 bcm, **an increase of 732%**
- **Additional net revenues of R\$ 34 million**, resulting from the firm energy increase of Parnaíba I and Parnaíba III TPPs
- **Coal generation EBITDA grows 13% in 1Q20** with expansion of the fixed margin in Pecém II and variable margins in both power plants
- **Adjusted net income of R\$ 179 million, up 39%**, with an improvement in financial result
- **Cash position of R\$ 1.6 billion** at the end of the quarter
- **Leverage** (net debt / LTM EBITDA) of **2.6x**

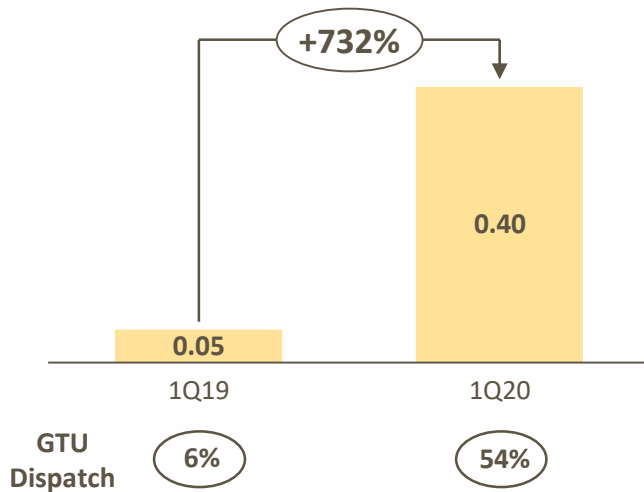
Operational Performance

Dispatch above usual for 1Q, with 280% growth of 280% in thermal generation and 732% in natural gas production

Net power generation (GWh)



Gas production (Bi m³)

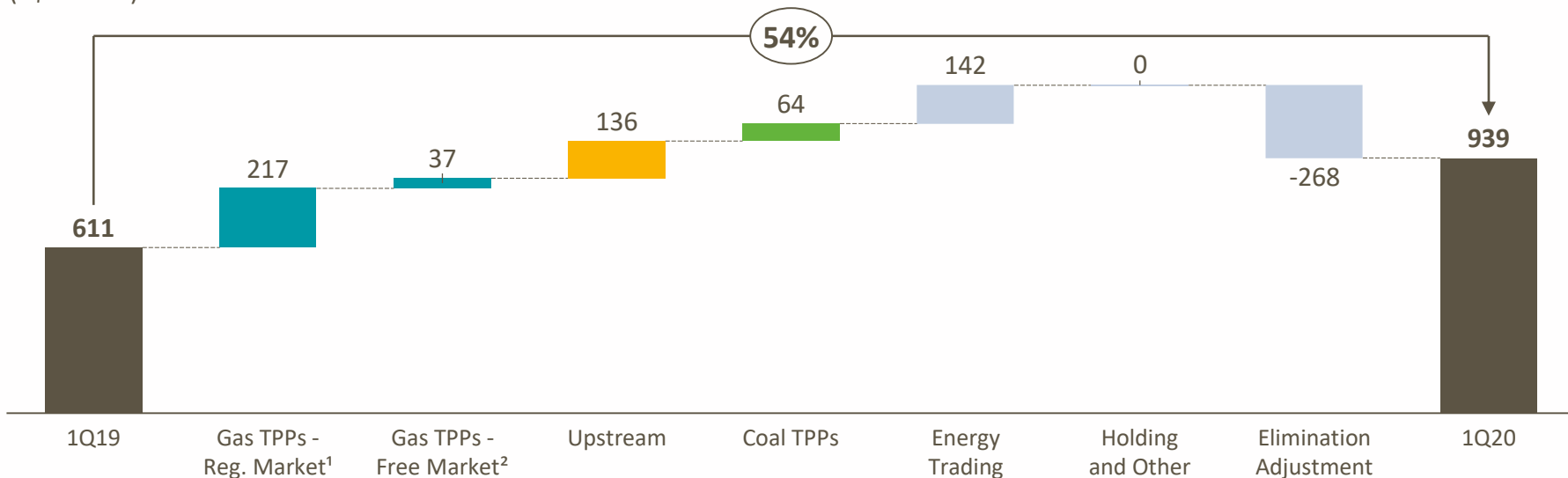


1- Average dispatch weighted by the installed capacity of the power plants.

Financial Performance

Net revenues grow 54%, driven by increased dispatch, revision of Parnaíba I and III's firm energies and higher spot prices, revenues from reestablishment of commercial backing and volume of energy sold

Consolidated Net Revenue
(R\$ million)

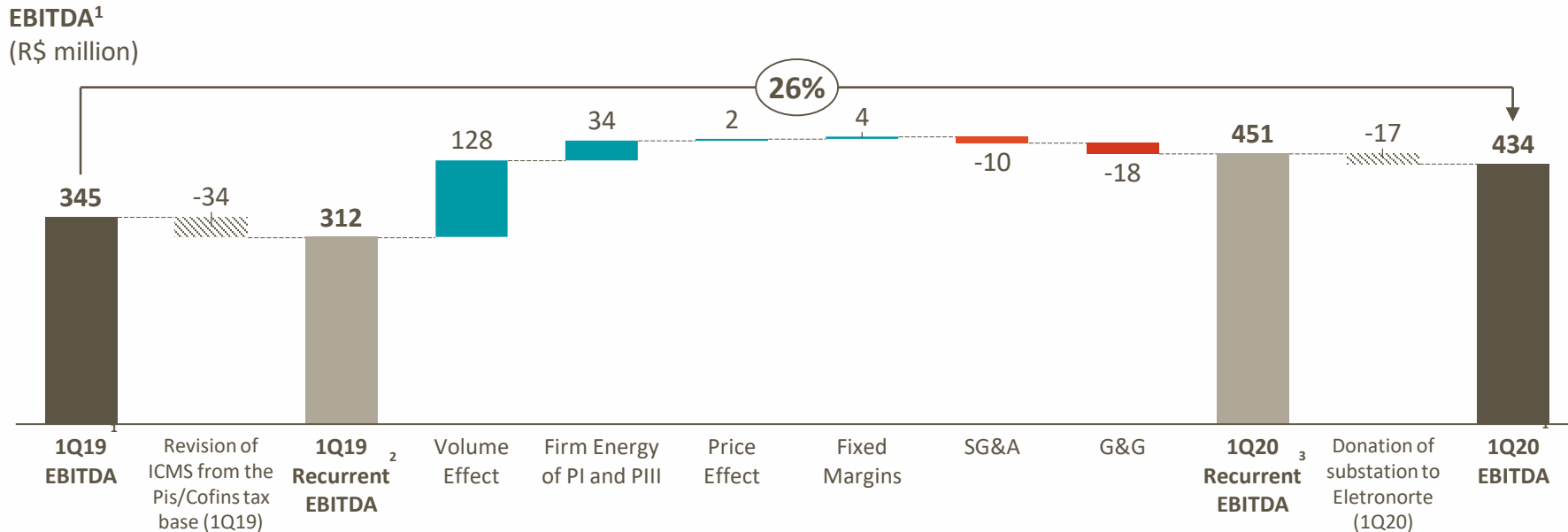


1- Regulated Market: considers energy sold from the actives PPAs - Parnaíba I (450 av.MW), Parnaíba II (450 av.MW), Parnaíba III (98 av.MW), Itaquí (277 av.MW) and Pecém II (315 av.MW).

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Financial Performance

EBITDA grows 26% due to greater volume of energy generated and revision of Parnaíba I e III's firm energy levels



1- EBITDA in accordance with CVM Instruction nº 527/12 (ICVM 527/12), which comprises item "Other Revenues and Expenses" and excludes expenses with dry wells.

2- Recurrent EBITDA excluding the effects of the exclusion the ICMS from the PIS/COFINS tax base, recognizing the right to offset the amount unduly paid, in the past 5 years. Therefore, in 1Q19, the Company recorded assets receivable (PIS/COFINS tax credit to be offset) in the amount of R\$ 42.2 million, against the lines of the Income Statements "Other revenues" (R\$ 33.7 million) and "Financial Revenue - monetary restatement over taxes" (R\$ 8.5 million).

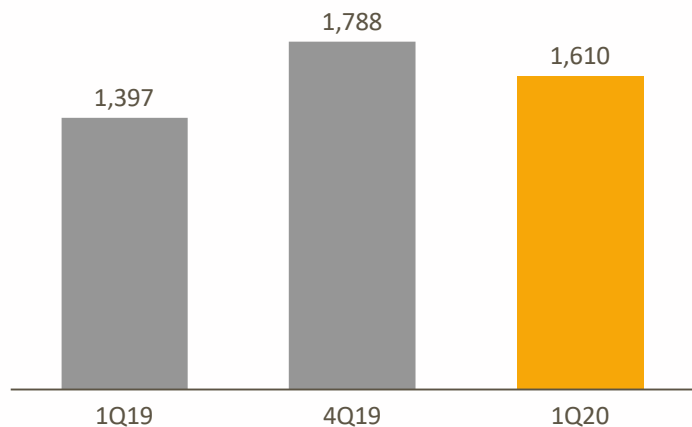
3- Recurrent EBITDA excluding the negative impact of R\$ 16,9 million in 1Q20 due to the donation of the Santo Antônio dos Lopes substation to Eletronorte. The substation was built by Eneva in 2012, next to Parnaíba I TPP, so that this power plant could connect itself to the basic grid, with the subsequent commitment of transferring the asset to the concessionaire of the transmission line.

Cash Flow

Increased operational cash flows in spite of the investments expansion, supported by growth in operational results

Cash Balance

(R\$ million – End of Period)



Cash Flows

(R\$ million)

	1Q19	1Q20
EBITDA ¹	345.5	434.2
(+) Changes in Working Capital	(86.4)	109.3
(+) Income Tax	(8.3)	(19.9)
(+) Other Assets and Liabilities Variation	6.8	(26.2)
(=) Operational Cash Flow	257.6	497.4
Investing Cash Flow	(89.8)	(526.0)
Financing Cash Flow	(130.6)	(149.4)

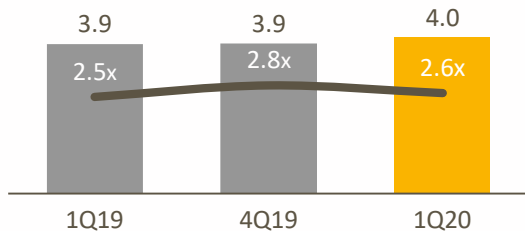
1 – EBITDA calculated in accordance with CVM Instruction 527/12 and its Explanatory Note.

Capital Structure

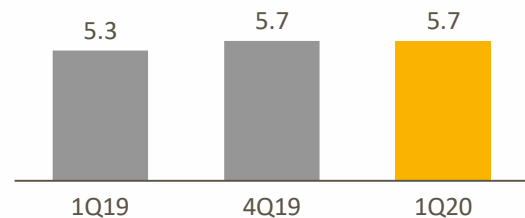
Maturities concentrated in the long term and reduction of the cost of debt bring comfort and flexibility to execute investment plan

Debt – End of Period

Net Debt (R\$ billion)

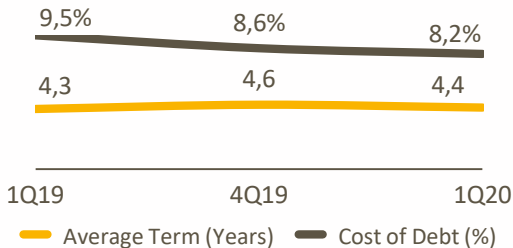


Gross Debt (R\$ billion)

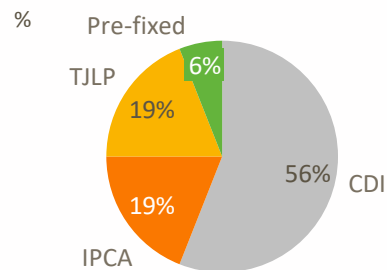


Debt Profile

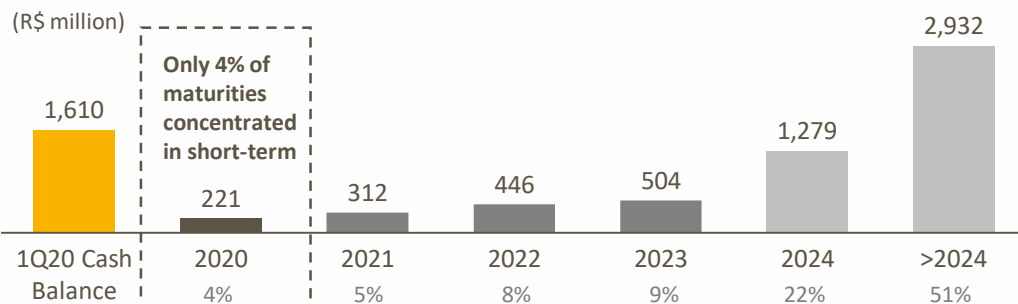
Average Term and Cost of Debt



Indexer



Debt Amortization Schedule

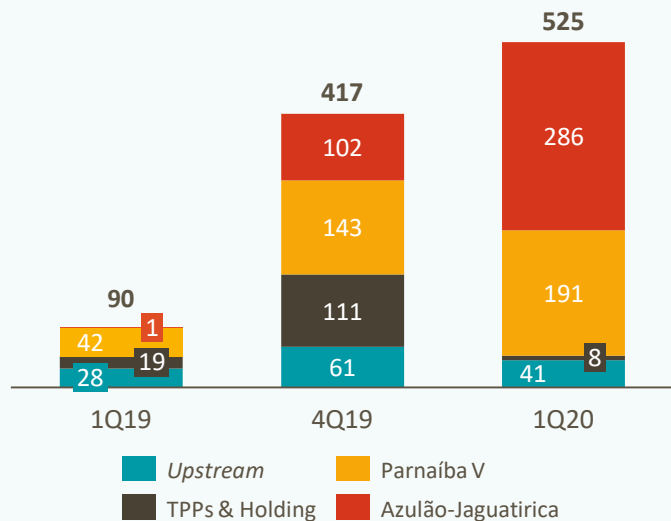


1 – EBITDA calculated in accordance with CVM Instruction 527/12 and accompanying Explanatory Note.

Investments

Investments primarily allocated for Parnaíba V and Azulão-Jaguatirica projects

Investments (R\$ MM)



Azulão

- Foundations of cryoboxes, isotanks and LNG loading and transportation station; receipt of the 16 cryoboxes in the port of Manaus, transport in ferries and unloading

Jaguatirica

- Concreting of main foundations of gas turbines, steam turbines and recovery boilers and support cradles of the isotanks; start of installation of isotanks and assembly of the tanks of raw water and fire; completion of the power island pile integrity tests

Parnaíba V

- Construction of base of turbine, well pump and waterproofing of the cooling tower basins; concreting of tanks and the covers of the underground electric cable galleries, assembly of pillars and precast beams of the centrifuge building; of the structural reinforcement on the Diverter 22 and 21 TBOX, columns at boiler 32 and plates at the bottom of the clarified water tank

TPPs

- Gas:** costs of nationalization/transport of parts for the HGP in the gas turbine of the Parnaíba III
- Coal:** acquisition of strategic spare equipments in Pecém II; preparation for major overhaul of Itaqui, renewal of the electrical room and control room of the Staker Reclaimer

Upstream

- Gavião Preto:** re-entry and completion of 2 wells and drilling of 3 wells
- Gavião Tesoura:** drilling of 1 well and preliminary services to access another well
- Exploration:** payment of the Bonus for Subscription for Blocks of the Open Accreage

photos

Projects under construction

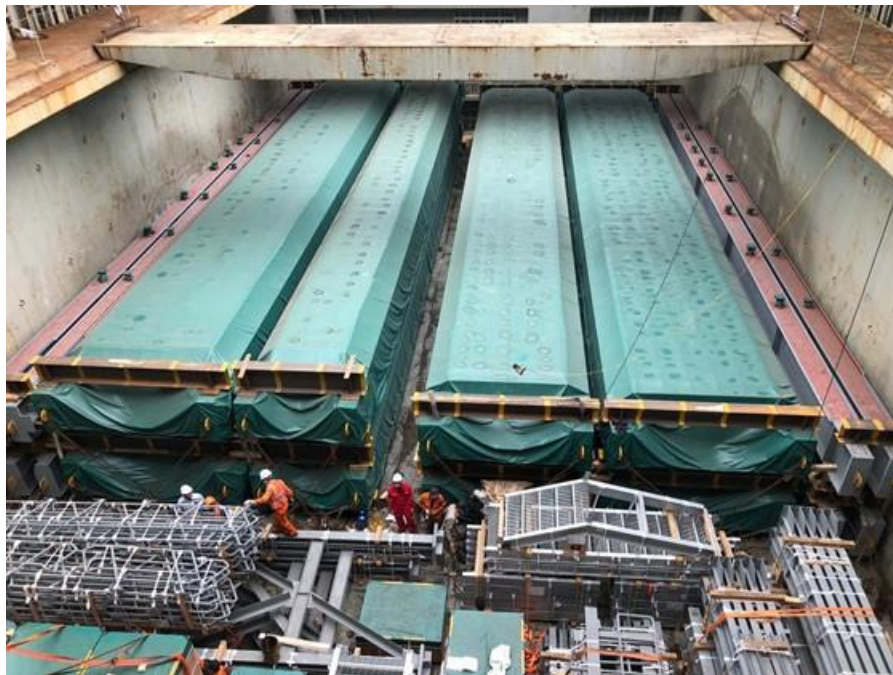


Parnaíba V TPP

Arrival of the boiler modules 31 and 32 and boiler structures 21 and 22 in the Port of Itaqui (Maranhão State):



Unloading of boiler modules



Unloading of boiler structures

Parnaíba V TPP

Vessel received at the Port of Itaqui (Maranhão State):



Unloading of containers of diverter damp 21 and 22



Unloading the first main part of diverter damp 22

Parnaíba V TPP



Aerial view of the Parnaíba V Project - April 2020

Parnaíba V TPP



Aerial view of the cooling tower basin and the assembly of the boiler structures 31 and 32

Parnaíba V TPP



Beginning of the assembly of the fiberglass structures of the Cooling Tower



Beginning of the assembly of the structures of Boilers 21 and 22



Assembly of the first module of the access ladder of the boiler 32

Parnaíba V TPP



Assembly and installation of the diverter damper in the unit 22



Withdrawal of GT 22 T-Box

Parnaíba V TPP



Aerial view of the turbine table pedestals



Front view of the turbine table pedestals

Parnaíba V TPP



Aerial view of the Water Treatment Plant



Execution of the 2nd stage of the forms of the Multiflo Tank

Jagatirica TPP



Regasification area - isotanks



Execution of the isotanks containment basin

Jagatirica TPP



Assembly of demineralized water tanks

Jagatirica TPP



Electric underground

Jagatirica TPP



Overview of power island

Jaguaririca TPP



Execution of the pluvial drainage channel



Execution of the access road to Jaguaririca II TPP

Azulão Field



Plant overview

Azulão Field



Cryoboxes foundations

Azulão Field



Foundations of isotanks

Azulão Field



Shipment of cryoboxes at K&N



Arrival of 16 cryoboxes on the site

Azulão Field



Completion of 22 cryogenic trailers



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