



# Celesc

## Centrais Elétricas de Santa Catarina S.A.

### Capital Market

Preferred Shares Price March 31,  
2020

CLSC4 R\$46.30/share

1Q20 Variation

CLSC4: -7.58%

Ibovespa: -36.86%

### Market Value on March 31, 2020

BRL 1,936.0 MM

USD 399.0 MM

Free Float: 75.5%

### Other Indicators on March 31, 2020

Net Debt/Adj. EBITDA  
12M (Group): 1.3x

1Q20 EPS (R\$/share): 3.73

VPA (R\$/share): 40.22

Price/VPA: 1.2x

For more information, go to the  
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# Earnings Release

## 1T2020

### EBITDA

## 286.7 MM

### NET INCOME

## 144 MM



## CELESC WINS ANEEL'S QUALITY AWARD

For the first time in its history, Celesc is the best rated distributor in the country by residential consumers. The company won **ANEEL's 2019 Quality Award, in the National category**, among the companies that serve more than 400,000 consumer units.

## Financial Highlights

- ✓ **EBITDA** and **Net Income** increased by 37.9% and 98.2%, respectively, totaling R\$286.7 million and R\$144 million;
- ✓ Net Operating Revenue totaled R\$2.1 billion, reflecting the performance of the subsidiaries Celesc D and G and Shareholdings;
- ✓ **PMSO** totaled R\$212.3 million in 1Q20, down by 0.9% over 1Q19, due to the company's actions to cut expenses;
- ✓ **Unmanageable Expenses**, electricity costs, fell by 4.1% in the quarter;
- ✓ **Consolidated Investment** reached R\$129.8 million, with R\$125.8 million in the subsidiary Celesc D and R\$4.0 million in the subsidiary Celesc G;
- ✓ **Consolidated Net Debt** totaled R\$1,272.9 million, equivalent to 1.3x of the Adjusted EBITDA 12M and 0.8x of the Shareholders' Equity;
- ✓ Negative performance of 7.58% in the quarter (8.87% in twelve months) at CLSC4, mainly due to the risk aversion in the financial market in Brazil and the main economies in the world resulting from COVID-19 epidemic.

## Operating Highlights

- ✓ **1Q20 DEC reached 2.1 hours** and **FEC totaled 1.6 interruptions**, within the limits according to the concession agreement, with a historical fact occurring in March 2020 for the company, as consumers in the area of CELESC's concession, remained without power for the shortest time registered in the concessionaire's 65 years;
- ✓ **Total Electricity Consumption** in Celesc's concession area reached **6,806 GWh** in **1Q20**, down by **0.3%** over 1Q 2019;
- ✓ Total Losses on wire load in **1Q20** totaled **8.46%**, down by 2.8% over **1Q19 (8.70%)**.

Principais Resultados	1º Trimestre		
	2019	2020	Δ
<b>Indicadores Operacionais</b>			
Celesc Distribuição - Energia Faturada Total (GWh)	6.824	6.806	-0,3%
Celesc Geração - Energia Faturada (GWh)	122	81	-34,1%
<b>Indicadores Financeiros - Consolidado (R\$ Milhões)</b>			
Receita Operacional Bruta	3.472,2	3.324,9	-4,2%
Receita Operacional Líquida (excluindo Receita de Construção)	2.016,6	2.002,7	-0,7%
Custos e Despesas Operacionais	(1.985,8)	(1.892,1)	-4,7%
<b>EBITDA (IFRS)</b>	<b>207,9</b>	<b>286,7</b>	<b>37,9%</b>
<b>Margem EBITDA (IFRS)</b>	<b>10,3%</b>	<b>14,3%</b>	
EBITDA Ajustado (IFRS - Não-Recorrentes)	207,9	286,7	37,9%
<b>Margem EBITDA Ajustado</b>	<b>10,3%</b>	<b>14,3%</b>	
<b>Lucro Líquido (IFRS)</b>	<b>72,7</b>	<b>144,0</b>	<b>98,2%</b>
<b>Margem Líquida</b>	<b>3,6%</b>	<b>7,2%</b>	
Lucro Líquido Ajustado (IFRS - Não-Recorrentes)	72,7	144,0	98,2%
<b>Margem Líquida Ajustada</b>	<b>3,6%</b>	<b>7,2%</b>	
Investimentos Realizados em Geração e Distribuição de Energia Elétrica	122,3	129,8	6,2%

## DISCLAIMER

This document was prepared by Centrais Elétricas de Santa Catarina - Celesc S.A to indicate the general situation and the progress of the Company's business. The document belongs to CELESC and should not be used for any other purpose without CELESC's prior written authorization.

The information in this document relating to the prospects of the business, operating and financial results estimates and those related to CELESC's growth prospects are merely projections and, as such, are exclusively based on the expectations of the Executive Board. These expectations depend, substantially, on the market conditions, the performance of the Brazilian economy, the sector and the international markets and, therefore, are subject to change.

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## 1. RELEVANT EVENTS OF THE PERIOD

### 1.1. Social Responsibility Certification

In December 2019, the State Legislative Assembly (ALESC) certified Celesc D for its work in Social Responsibility, together with 85 other companies and institutions in Santa Catarina. Celesc was one of six publicly held companies certified.

### 1.2. Journalism Award on Safety with Electricity

On December 9<sup>th</sup>, for the fifth consecutive year, Celesc D was recognized for its work in Journalism focused on Safety with Electricity.

### 1.3. ABRACONEE Award - Financial Statements

In November 2019, Celesc received the 3<sup>rd</sup> place Award in the Holding category for the quality of the presentation of the Company's Financial Statements in 2018 at the 35<sup>th</sup> National Meeting of Accountants in the Electricity Segment - **ENCONSEL**.

### 1.4. Celesc Opens Substation in the Municipality of São José

On March 5<sup>th</sup>, Celesc inaugurated the São José Real Parque substation, in São José, this Thursday (March 5<sup>th</sup>). The structure has an installed capacity of 40MVA and is powered by 138,000 volts, enough to ensure, for the next ten years, the growth of the region including the neighborhoods Real Parque, Serraria, Areias, Jardim Santiago, Pedregal and Forquilhas, in São José, and Bom Viver and Jardim Janaína, in Biguaçu.

The investment in the substation reached almost R\$10 million, a resource that is part of the loan made with the Inter-American Development Bank (IDB). To connect this SE to the electricity system, Celesc also invested R\$6.5 million to acquire a 15-km transmission line, which belonged to Eletrosul. The São José Real Parque substation started operating with about 40% of its total transformation capacity.

## 2. CELESC GROUP

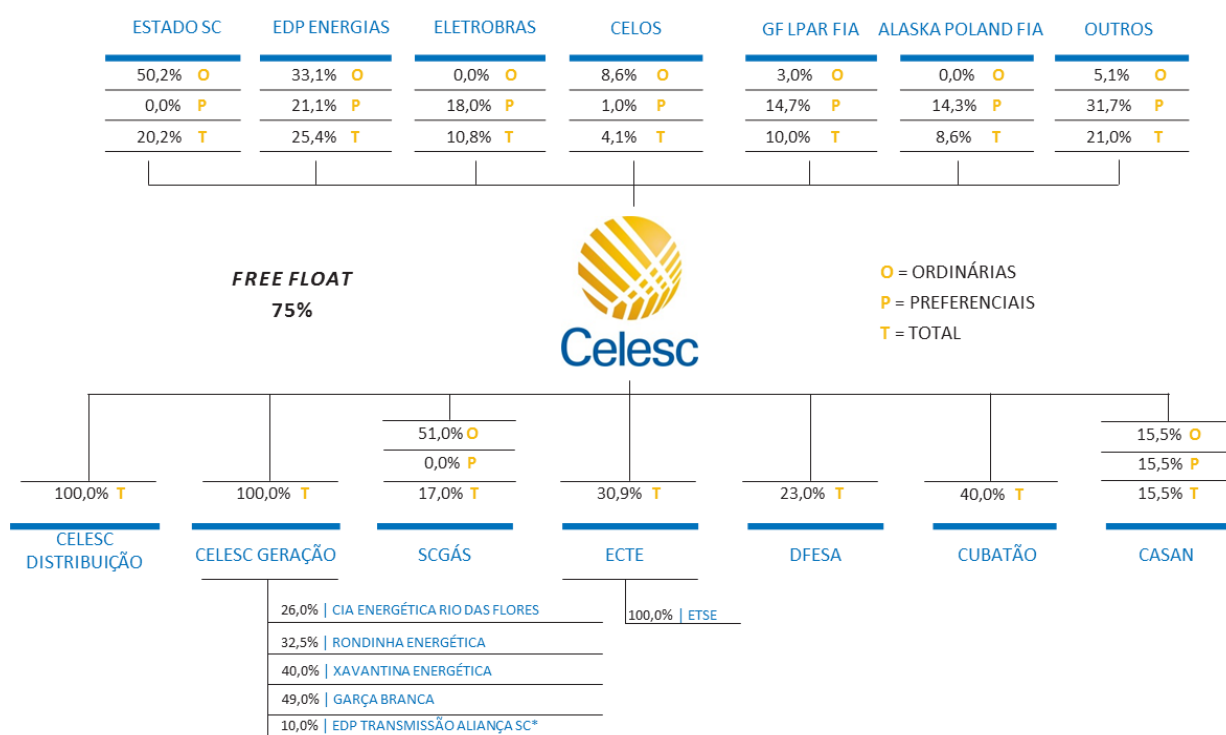
### 2.1. Corporate Profile

Centrais Elétricas de Santa Catarina S.A. – CELESC is one of the largest companies in the Brazilian electric sector, with emphasis in the areas of distribution and generation of energy. **Structured as a Holding Company in 2006**, the Company has **two wholly-owned subsidiaries** – Celesc Distribuição S.A. e a Celesc Geração S.A. In addition, it holds a shareholding control of Companhia de Gás de Santa Catarina – SCGÁS and is a shareholder of the companies Dona Francisca Energética

S.A. – DFESA, Empresa Catarinense de Transmissão de Energia S.A. – ECTE, Companhia Catarinense de Água e Saneamento – Casan and the project of Usina Hidrelétrica Cubatão S.A.

Its controlling shareholder is the State of Santa Catarina, holder of 50.2% of the Company's ordinary shares, corresponding to 20.2% of the Total Capital.

Figure 01 - Shareholding Structure on March 31, 2020



\*Não operacional / Projeto em desenvolvimento

### 3. PERFORMANCE BY SEGMENT

#### 3.1. CELESC DISTRIBUIÇÃO S.A.

##### 3.1.1. Company's Profile

##### Operating Area

Celesc Distribuição S.A. stands out in the Electricity Distribution segment. Headquartered in the city of Florianópolis, Celesc D is a public service concessionaire for electricity distribution, serving 286 municipalities in Santa Catarina (92% of the Santa Catarina territory) and Rio Negro, in Paraná.

Celesc Distribuição is the largest single ICMS collector in Santa Catarina, the 6<sup>th</sup> largest Brazilian electricity distributor in supply revenue, the 7<sup>th</sup> in distributed energy volume and the 10<sup>th</sup> in number of consumer units. On a monthly basis, the

company distributes around 2.1 million GWh and its annual gross revenue reached R\$12.7 billion in 2019. The map shows the scope of CELESC's operating area.



### 3.1.2. Regulatory Environment

#### 3.1.2.1. Contractual Level of Distributors

In the current regulatory model, the process to purchase electricity by distributors is regulated by **Law 10.484/2014** and **Decree 5.163/2004**, which state that they must acquire the volume necessary to serve 100% of their market.

The verification of the service for the entire contracting market considers the period comprised in the calendar year, and the difference between the costs remunerated by the tariff and those affected with the purchase of energy are fully transferred to the captive consumers, provided that the Distributor has a level of contracting between 100% and 105% of its market, plus involuntary surplus.

According to the regulation of the electricity system, Distributors must have a contracting level within the regulatory limit (currently between 100% and 105% of over contracting), plus involuntary surplus, and contracting within this range has a full tariff transfer, with the counterpart being accounted for as financial sector assets. The amount that falls outside the regulatory range, and which is considered voluntary by the regulator, is the distributor's risk.

The Company ended 1Q20 with a contractual position of 100.22%, therefore within the regulatory range.

To adjust its contracting level to the regulatory limits, Celesc participates in federal auctions to purchase electricity and adjustment mechanisms, such as the Surplus and Deficit Compensation Mechanism (MCS D) and the Surplus Sale Mechanism (MVE).



### 3.1.3. Operational Performance

#### 3.1.3.1. Number of Consumers

**Charts 01 and 02** below show the evolution in the number of Celesc's Consumers and the share by type of Consumer class, respectively.

In March 2020, Celesc reached the number of 3,071,758 captive consumers, up by 2.5%, an increase of **75,194 new clients**, compared to March 2019.

Chart 01 - Number of Consumers

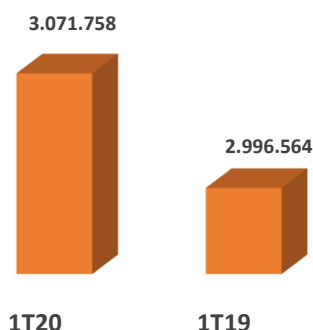
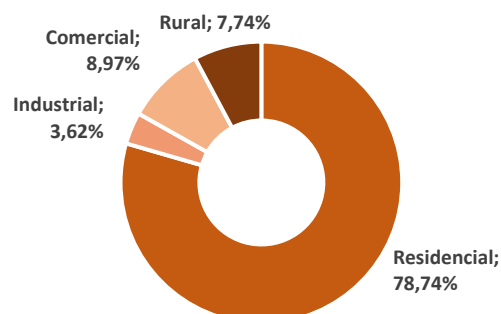


Chart 02 - Share of the Consumption Class 1Q20 (captive consumers)



Source: DPRI

**Table 01** below shows the percentage of the Consumer Class regarding the total of 1Q19 and 1Q20.

**Table 01: Share of the Consumption Class**

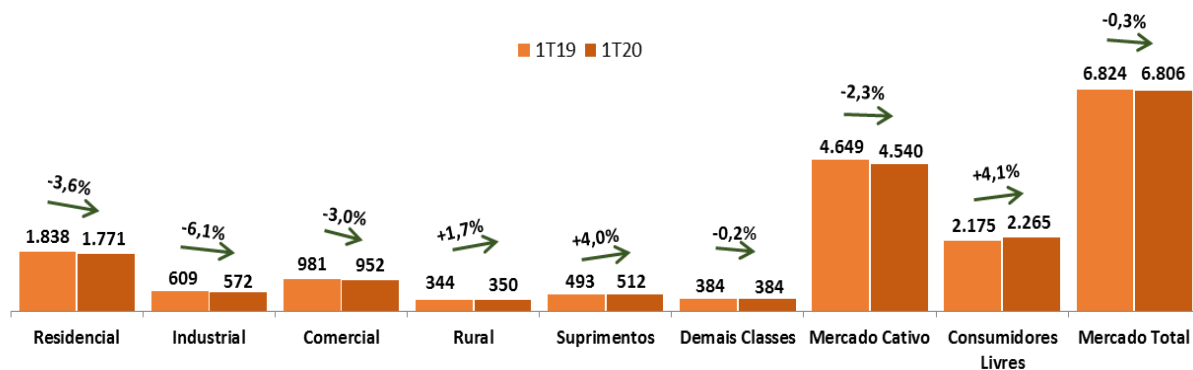
Description	Number of Consumers		Variation			
	1Q19	1Q20	Share in the Total %		2020/2019	
			1T 2019	1T 2020	△	△%
Residencial	2,353,651	2,418,807	78.54%	78.74%	65,156	2.80%
Industrial	107,387	111,060	3.58%	3.62%	3,673	3.40%
Commercial	272,990	275,607	9.11%	8.97%	2,617	1.00%
Rural	234,689	237,888	7.83%	7.74%	3,199	1.40%
Supply	33	25	0.00%	0.00%	- 8	-24.20%
Other Classes	27,814	28,371	0.93%	0.92%	557	2.00%
Public Power	23,168	23,552	0.77%	0.77%	384	1.70%
Lighting	800	863	0.03%	0.03%	63	7.90%
Public Service	3,453	3,557	0.12%	0.12%	104	3.00%
Own Consumption	393	399	0.01%	0.01%	6	1.50%
<b>Total</b>	<b>2,996,564</b>	<b>3,071,758</b>	<b>100.00%</b>	<b>100.00%</b>	<b>75,194</b>	<b>2.50%</b>

#### 3.1.3.2. Market

**Charts 03 and 04** below show the evolution of the Electricity Market by Consumer Class in 1Q20 and the share of the consumer class in the Captive Market, among Free Consumers and in the Total Market (Captive + Free).

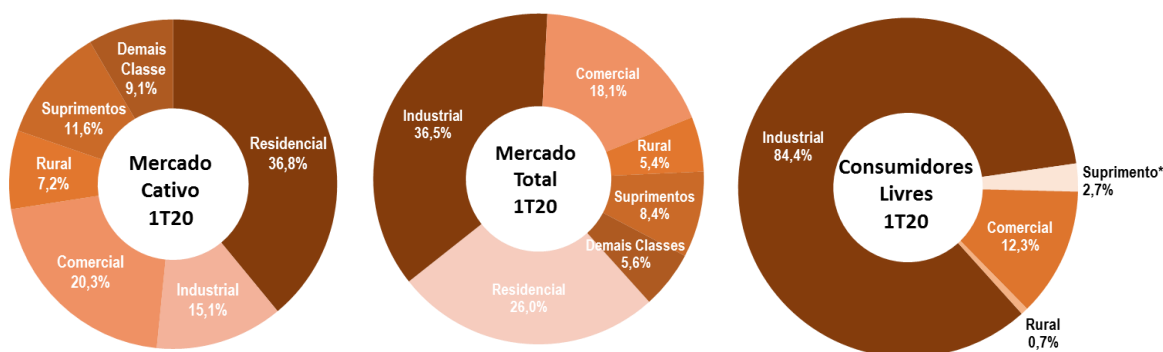
**Chart 03: Billed Market (GWh)**

Energia Faturada por Classe de Consumo (GWh)



Source: DPRI

**Chart 04: Share of the Consumption Class in the Captive Market, among Free Consumers and in the Total Market (Captive + Free)**



Source: DPRI

## Analysis of Results

The total electricity market in 1Q20 reached **6,806 GWh**, down by 0.3% over 1Q19. It is also noted that the captive market in 1Q20 reached **4,540 GWh**, down by 2.3% (149 GWh) over 1Q19. The negative variations refer to the comparison base, since in the 1Q 2019 there was strong growth, 8% of the total market and 9.1% of the captive market, due to the period's high temperatures, mainly due to the effects of the El Niño weather phenomenon.

The Residential Class reached a volume of **1,771 GWh** in 1Q20, down by -3.6% over 1Q19, mainly due to the high comparison base, up by 15.7% in the first quarter of 2019.

The Industrial Class market fell by 6.1% in 1Q20, reaching **572 GWh**, compared to **609 GWh** in 1Q19, mainly due to the migration of consumers to the free market, totaling 107 between March 2019 and March 2020.

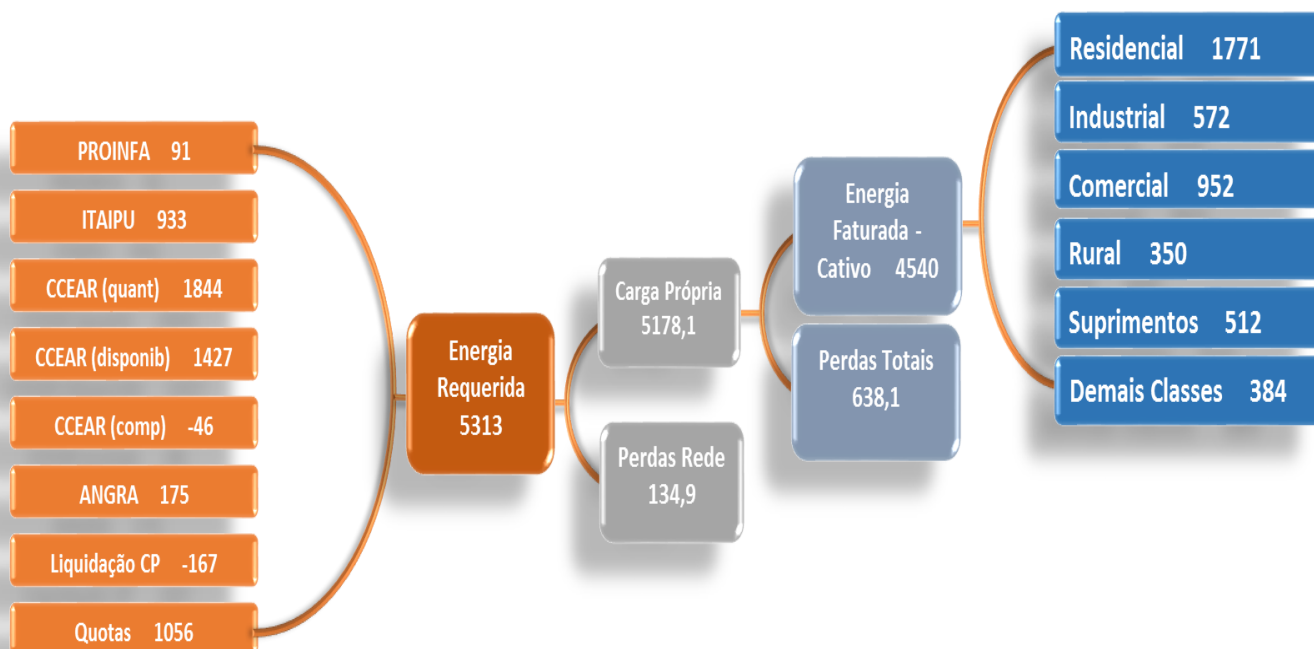


The Commercial Class reached a volume of **952 GWh** at the end of 1Q20, down by 3.0% over 1Q19, mainly due to the high comparison base, up by 8.8% in 1Q 2019, and the migration of consumers to the free market, totaling 108 between March 2019 and March 2020.

The captive market ended 1Q20 representing 67%, while the free market represents 33% of the total market. The migration of captive customers to the free market is a choice by the consumer and is considered economically neutral for Celesc, since the electricity continues to be transported by the concessionaire, paid by the Tariff for Use of the Distribution System (TUSD), which remains unchanged, as the consumer continues to pay the concessionaire for the service.

### 3.1.3.3. Energetic Balance

Figure 2 - Energetic Distribution Balance (GWh) - 1Q20



### Analysis of Results

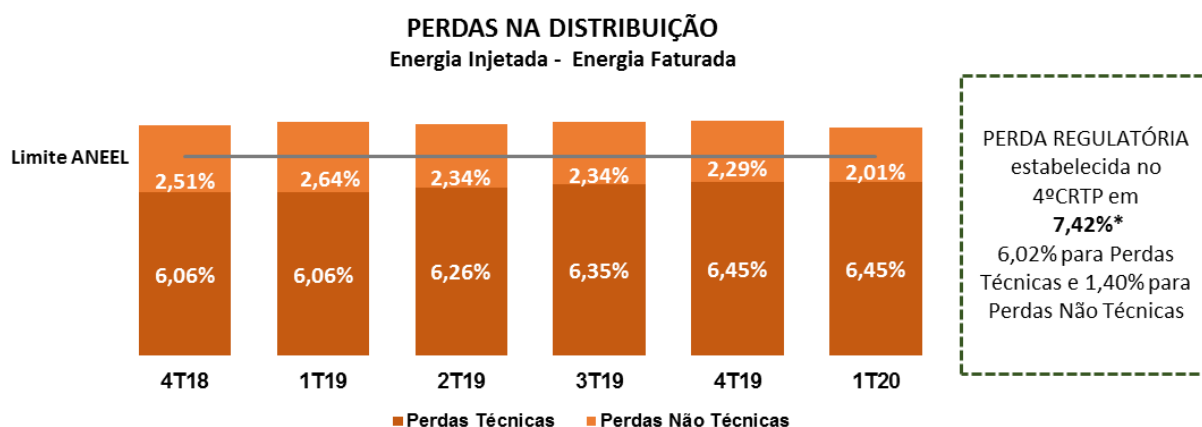
In **1Q20**, the energy required by Celesc D's Concession area **reached 5,313 GWh**, down by -1.5% (82 GWh) over 1Q19. The Electricity Trading Chamber (CCEE) registered, in 1Q20, 60.7% (3,224 GWh) of CCEAR's contracts (**quantity** and **availability** modalities), 17.6% (933 GWh) in Itaipu and 19.9% (1.056 GWh) in Quotas.

### 3.1.3.4. Energy Loss

**Energy losses** correspond to **total losses** encompassing **technical losses**, electricity dissipated in the electricity transportation process between the supply and the delivery point, and **non-technical losses**, corresponding to the difference between global losses and technical losses. However, this portion of **non-technical losses** considers the theft of electricity, defects in measuring equipment, errors in the billing process, consumer units without measuring equipment, etc.

According to the last Celesc D Tariff Review (4CRT), **the regulatory loss of distribution was estimated at 7.42%** of the energy injected into the distribution system of the concessionaire. Of this total, **6.02% refers to the volume of technical losses and 1.40% of non-technical losses**. Chart 05 shows Celesc D's Losses.

**Chart 05 - Losses in the Distribution**



Source: DPRI

### Analysis of Results

In 1Q20, **global losses represented 8.46% of injected energy**, with 6.45% and 2.01% related to the technical and non-technical losses defined by PRODIST - Module 7, revised at the beginning of each year, thus adjusting the 12-month average.

Thus, **total losses reached a percentage above the regulatory limit of 1.04%**, totaling an estimated amount of R\$17.9 million without accumulated tariff coverage from January to March 2020, with R\$9.7 million in technical losses, R\$182,000 in non-technical losses and R\$8 million of losses in the basic network.

The Company has been working hard in the Loss Reduction and Recovery Plan. The main actions were:

- i) Identifying suspected cases of irregularity through an algorithm (online verification);
- ii) Procedures to identify fraud and/or technical deficiency;

- iii) Reviewing the contractors' labor lawsuits (targets and inspection);
- iv) Integrating corporate systems
- v) Implementing antitheft systems and regularizing clandestine connections and,
- vi) Reviewing the work process (inspection targets).

### 3.1.3.5. Operational Quality (DEC and FEC)

The quality of the electricity supply is mainly verified by **DEC** (Equivalent Duration of the Interruption per Consumer) and **FEC** (Equivalent Frequency of Interruption by Consumer) indicators, which measure, respectively, the average duration of interruptions and the average number of interruptions per consumer.

**Charts 06 and 07** below show the quality of the electricity supply, represented by DEC and FEC, as well as the performance in 1Q20.

Chart 06 - DEC

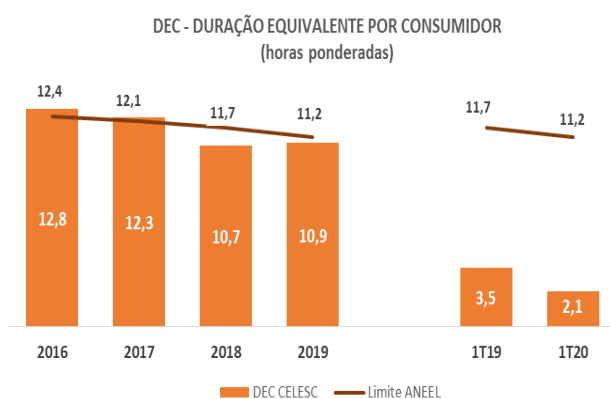
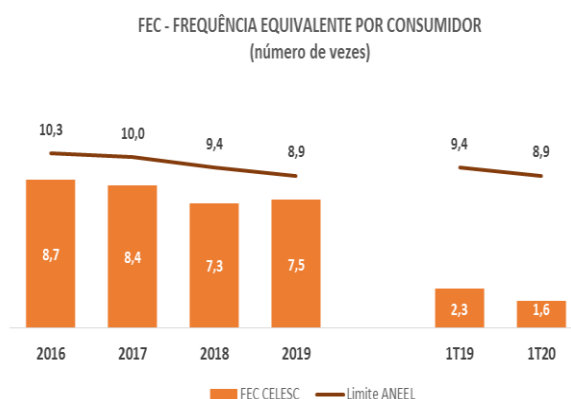


Chart 07 - FEC



Source: DPRI

## Analysis of Results

In **1Q20**, CELESC recorded 2.1 hours in the **DEC indicator**, down by 40% over **1Q19**, when a DEC of 3.5 hours was calculated.

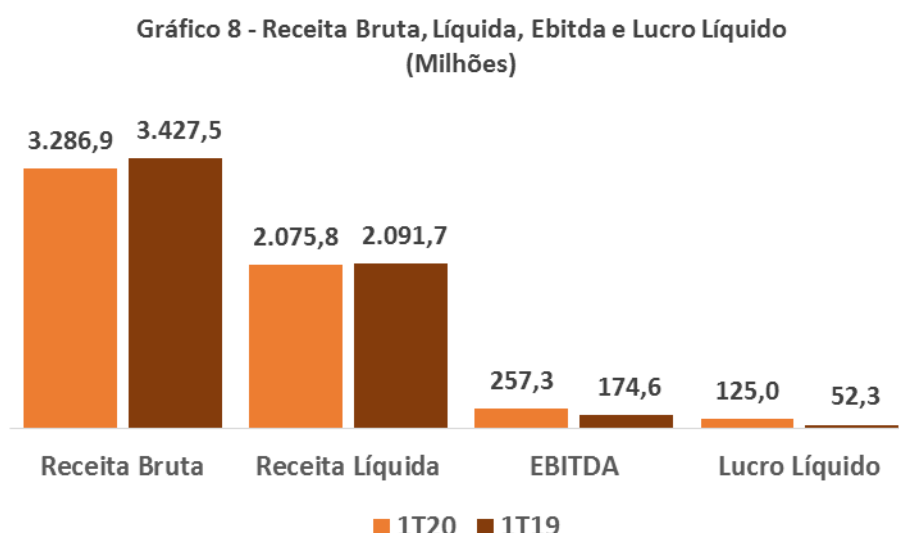
The **FEC indicator**, in the same period, reached 1.6 interruptions, down by 30.4% over 1Q19, when a FEC of 2.3 interruptions was recorded.

In 1Q 2020, the breach of quality indicators in their individual form generated consumer credits in the amount of **R\$7.2 million** for Celesc Distribuição, up by 13.7% over 1Q 2019, which totaled R\$8.3 million.

### 3.1.4. Economic and Financial Performance

#### 3.1.4.1. Gross Operating Revenue, Net Operating Revenue and Net Income

Chart 08 shows the performance of **Gross Operating Revenue, Net Operating Revenue and Net Income**



Source: DPRI

#### Analysis of Results

- ✓ In **1Q20**, gross operating revenue reached **R\$3,286.9 million**, down by 4.1% (140.6 million) over 1Q19;
- ✓ Deductions from gross operating revenue in 1Q20 totaled **R\$1,211.2 million**, down by 9.3% (R\$124.6 million) over 1Q19;
- ✓ **Net operating revenue in 1Q20** reached **R\$2,075.8 million**, down by 0.8% (R\$378 million) over 1Q19;
- ✓ In **1Q20**, **EBITDA** totaled **R\$257.3 million**, up by 47.4% (R\$82.7 million) over 1Q19;
- ✓ Net income increase by **139%** in 1Q20 (**R\$72.7 million**), compared to **1Q19**, which totaled **R\$52.3 million**.

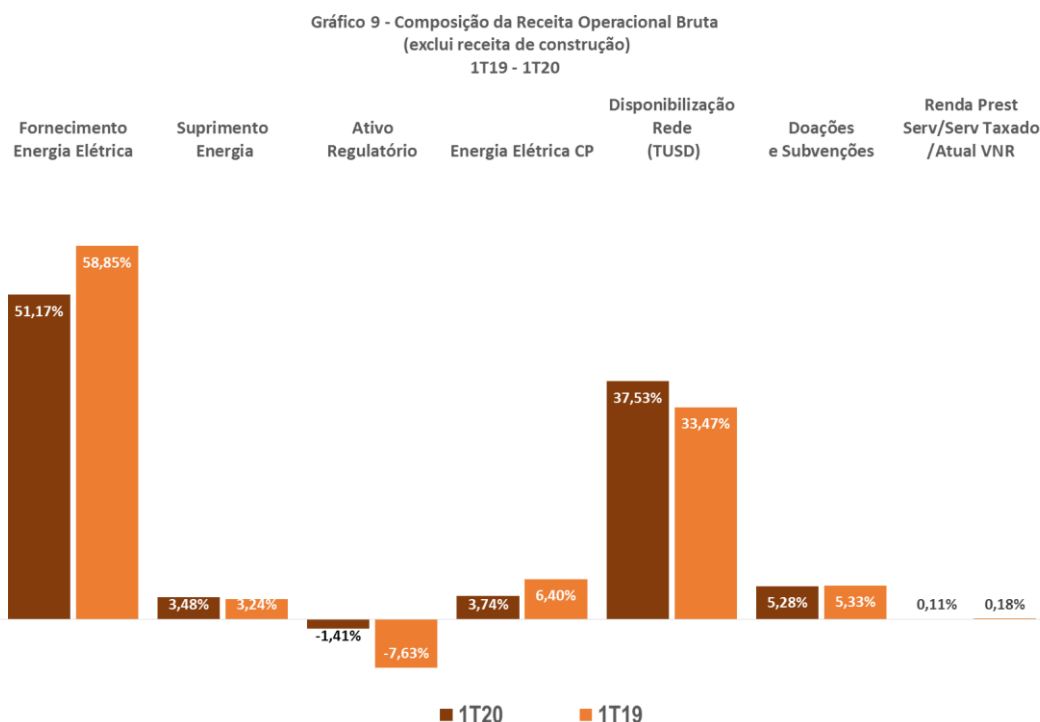
**The performance of gross operating revenue was mainly affected by the following:**

- ✓ Decrease by 16.6% in 1Q20 vs. 1Q19 in the volume of Electricity Supply, reflecting the decreased revenues under the tariff level;
- ✓ Decrease in Revenue from tariff levels, which totaled R\$29.1 million in 1Q20, much lower than in 1Q19, which totaled R\$132.6 million;
- ✓ High comparison base due to the heatwave in the summer of 2019 caused by El Niño;
- ✓ Regulatory liability of R\$44.9 million in the quarter resulting from the net result of CVA (amortization);

- ✓ Decrease of R\$93.2 million in the quarter in the settlement of Short-Term Electricity, due to the drop in PLD together with the lower trading level;
- ✓ Increase of 7.6% (84 million) in 1Q20 YoY in revenue from Electricity Network Availability (TUSD).

#### 3.1.4.2. Breakdown of Gross Operating Revenue (excluding Construction Revenues)

**Chart 9** below shows the percentage impact of each item in the breakdown of Operating Revenue. Analyzing, in descending order, the account with the highest representation is the **Electricity Supply Account**, representing 51.1% in 1Q20, followed by the **Electric Network Availability** (TUSD) with 37.5% in the same period, according to the Chart 9 below.

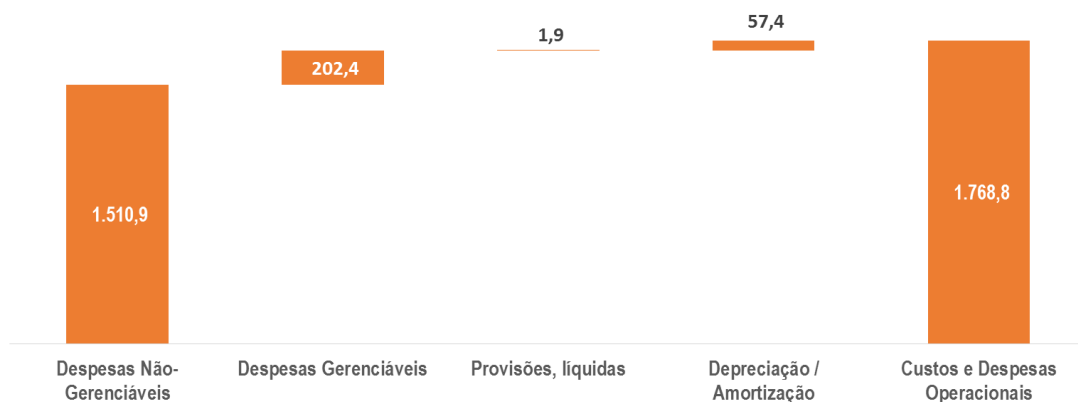


Source: DPRI

#### 3.1.4.3. Operating Costs and Expenses

**Chart 10** below shows the breakdown and evolution of the Company's **Operating Costs and Expenses** (excluding construction costs).

Gráfico 10 - Custos e Despesas Operacionais (Milhões)  
1T20



Custos e Despesas Operacionais (Milhões)  
1T19



Source: DPRI

## Analysis of Results

**1Q20's accumulated operating costs and expenses** reached **R\$1,768.8 million** (excluding Construction Costs), down by 2.3% (R\$42.3 million) over **1Q19**, when Celesc reached **R\$1,811.2 million**.

**Non-manageable costs decreased by 4.3% (R\$42.3 million) in 1Q20 vs. 1Q19**, due to the decrease in the hydro and thermal tariff.

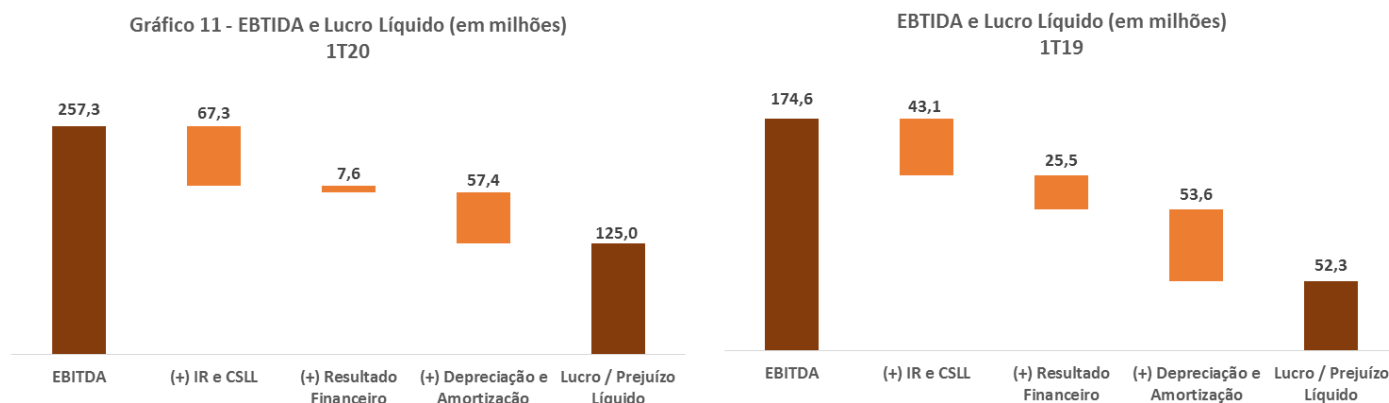
**Among Manageable Costs, PMSO [Personnel (P), Material (M), Third Party Services (S) and Other Expenses (O)], fell by 0.4% in 1Q20 vs. 1Q19, corresponding to R\$0.7 million**, due to the actions taken to cut expenses, highlighting the Incentivized Termination Plans and review of lawsuits. **Third-Party Services** increased by **0.9%**, corresponding to an increase of **R\$0.5 million**.



The increase in Third-Party Services was mainly due to the distribution service with maintenance and conservation of distribution lines.

#### 3.1.4.4. EBITDA (LAJIDA)

Chart 11 shows the breakdown of EBITDA:



Source:DPRI

### Analysis of Results

In **1Q20**, **EBITDA** totaled **R\$257.3 million**, compared to **1Q19 (R\$174.6 million)**, up by 47.4% (R\$82.7 million), due to the good performance of Revenues and Expenses in the period.

In **1Q20**, Financial Revenue reached **R\$41.3 million**, down by 44.3% (32.8 million) compared to **R\$74.1 million** in **1Q19**.

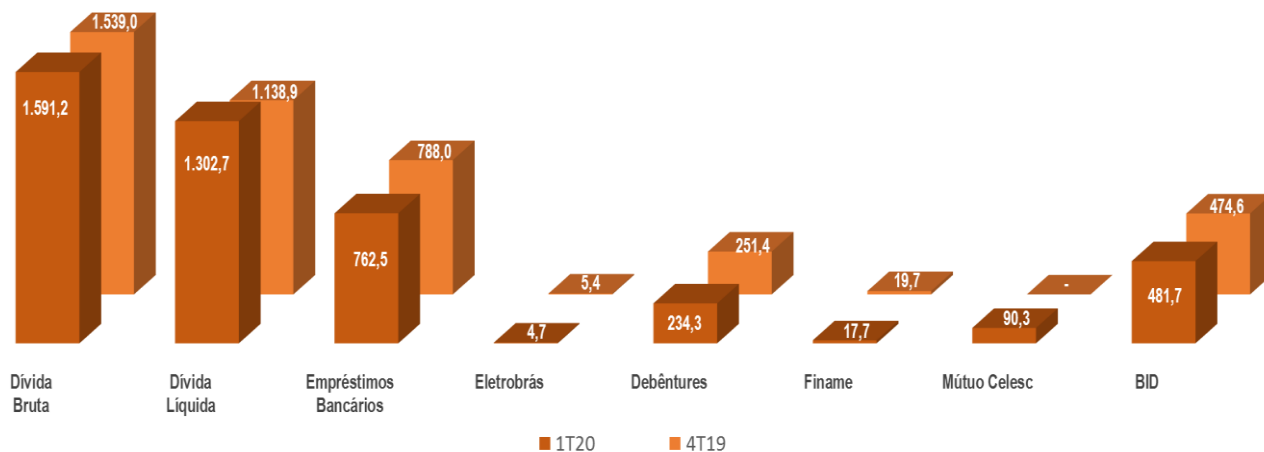
**Financial Expenses** fell by 50.9% (**R\$50.7 million**) in **1Q20**, totaling **R\$48.9 million**, compared to **R\$99.6 million** in **1Q19**, mainly due to the decreased charges with debts and interest and costs with Debentures.

**Net Income**, adjusted for the effects mentioned in EBITDA, reached **R\$125 million** in **1Q20**, up by 139% (**R\$72.7 million**) over **R\$52.3** in **1Q19**.

#### 3.1.4.5. Indebtedness

**Chart 12** below shows the Company's **Gross Debt and Net Debt**, as well as the breakdown of this Debt from December 2019 to March 2020.

Gráfico 12 - Dívida Bruta, Dívida Líquida e Posição dos Empréstimos



Source: DPRI

## Analysis of Results

In March 2020, **Gross Financial Debt** totaled **R\$1,591.2 million**, up by **3.4%** over December 2019.

The Net Financial Debt totaled **R\$1,302.7 million** in March 2020, **down by -14.4%** (R\$163.8 million) compared to December 2019.

Dívida Financeira 1T20			
R\$ Milhões	em 31 de Dezembro de 2019	em 31 de Março de 2020	Δ
Dívida de Curto Prazo	453,3	613,2	35,3%
Dívida Longo Prazo	1.085,8	978,0	-9,9%
<b>Dívida Financeira Total</b>	<b>1.539,0</b>	<b>1.591,2</b>	<b>3,4%</b>
(-) Caixa e Equivalentes de Caixa	400,1	288,5	-27,9%
<b>Dívida Financeira Líquida</b>	<b>1.138,9</b>	<b>1.302,7</b>	<b>-14,4%</b>
EBITDA (últimos 12 meses)	596,1	678,8	13,9%
<b>Dívida Fin. Líquida / EBITDA 12M</b>	<b>1,9x</b>	<b>1,9x</b>	
EBITDA AJUSTADO (últimos 12 meses)	673,3	756,0	12,3%
<b>Dívida Fin. Líquida / EBITDA Ajust. 12M</b>	<b>1,7x</b>	<b>1,7x</b>	
Patrimônio Líquido	513,7	638,7	24,3%
<b>Dívida Fin. Total / Patrimônio Líquido</b>	<b>3,0x</b>	<b>2,5x</b>	
<b>Dívida Fin. Líquida / Patrimônio Líquido</b>	<b>2,2x</b>	<b>2,0x</b>	

In March 2020, **Adjusted Gross Financial Debt (includes Actuarial Liabilities)** totaled **R\$3,543.3 million**, up by **1.2%** over December 2019.

Adjusted Net Financial Debt (includes Actuarial Liabilities) totaled **R\$3,254.8 million** in March 2020, **up by 5%** (R\$154.6 million) compared to December 2019.

Endividamento + Passivo Atuarial			
R\$ Milhões	em 31 de Dezembro de 2019	em 31 de Março de 2020	Δ
Dívida de Curto Prazo	453,3	613,2	
Dívida Longo Prazo	1.085,8	978,0	
<b>Dívida Financeira Total</b>	<b>1.539,0</b>	<b>1.591,2</b>	<b>3,4%</b>
<b>(+) Passivo Atuarial Líquido</b>	<b>1.961,2</b>	<b>1.952,1</b>	<b>-0,5%</b>
Obrigações com Pensão	1.467,6	1.448,5	-1,3%
Outros benefícios a empregados	1.370,9	1.369,6	-0,1%
( - ) IR/CSLL diferidos <sup>1</sup>	877,3	865,9	-1,3%
( - ) Caixa e Equivalentes de Caixa	<b>400,1</b>	<b>288,5</b>	-27,9%
<b>Dívida Líquida Ajustada</b>	<b>3.100,2</b>	<b>3.254,8</b>	<b>5,0%</b>
EBITDA (últimos 12 meses)	596,1	678,8	13,9%
<b>Dívida Líquida Ajust. / EBITDA 12M</b>	<b>5,2x</b>	<b>4,8x</b>	
EBITDA AJUSTADO (últimos 12 meses)	673,3	756,0	12,3%
<b>Dívida Líquida Ajust. / EBITDA Ajust. 12M</b>	<b>4,6x</b>	<b>4,3x</b>	
Patrimônio Líquido	513,7	638,7	24,3%
<b>Dívida Total Ajust. / Patrimônio Líquido</b>	<b>6,8x</b>	<b>5,5x</b>	
<b>Dívida Líquida Ajust. / Patrimônio Líquido</b>	<b>6,0x</b>	<b>5,1x</b>	

The **Company** has been **structuring** the **postponement** of the average debt terms, focused on a new medium- and long-term funding. **The average term of the Financial Debt is 6.1 years.**

R\$ Milhões	Tx. Anual de Juros	em 31 de Dezembro de 2019	em 31 de Março de 2020	Δ
<b>Moeda Nacional</b>				
Empréstimos Bancários	CDI + 0,8% a.a.	336,2	336,1	
Empréstimos Bancários	7,40% a 7,67% a.a.	150,4	150,4	
Empréstimos Bancários	25% a 1,30% a.a + CDI	301,4	276,0	-8,4%
Eletrobrás	5,00%	5,4	4,7	-13,0%
Debêntures	CDI + 1,90%	251,4	234,3	-6,8%
Finame	2,50% a 9,50%	19,7	17,7	-10,2%
Mútuo Celesc D/G	CDI + 2,50%	0,0	90,3	
<b>Moeda Estrangeira</b>				
BID	CDI + 0,89% a.a.	474,6	481,7	1,5%
<b>Total</b>		<b>1.539,1</b>	<b>1.591,2</b>	<b>3,4%</b>
<i>Curto Prazo - Circulante</i>		451,7	613,2	
<i>Longo Prazo - Um a Cinco Anos</i>		642,1	556,5	
<i>Longo Prazo - Acima de Cinco Anos</i>		445,3	421,5	

**Chart 13** below represents the debt breakdown, with **69.7%** representing the **Debt with National entities** and **30.3%** the **International Debt**.

**Gráfico 13 - Composição da Dívida  
março/2020**

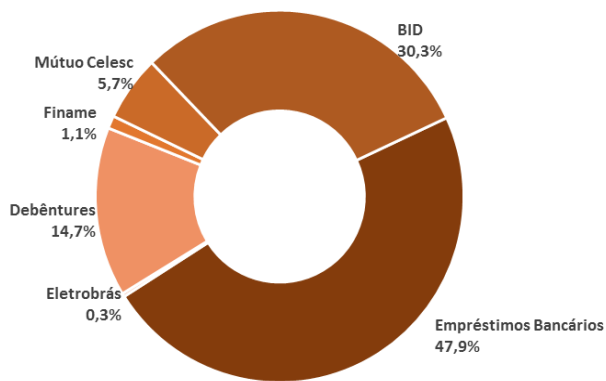


Source: DPRI

**Chart 14** below shows the **profile of the debt impact**, the percentage share of the Company's loans and financing.

The portfolio with the greatest impact are **Bank Loans, representing 47.9% of the total**, followed by Financing with the **Inter-American Development Bank (IDB), at 30.3%.**

**Gráfico 14 - Composição da Dívida (%)  
Março/2020**



Source: DPRI

Celesc Group constantly evaluates ways to mitigate possible exposure to the risk of market fluctuations, spreading the debts in several operations.

#### 3.1.4.6. Investments

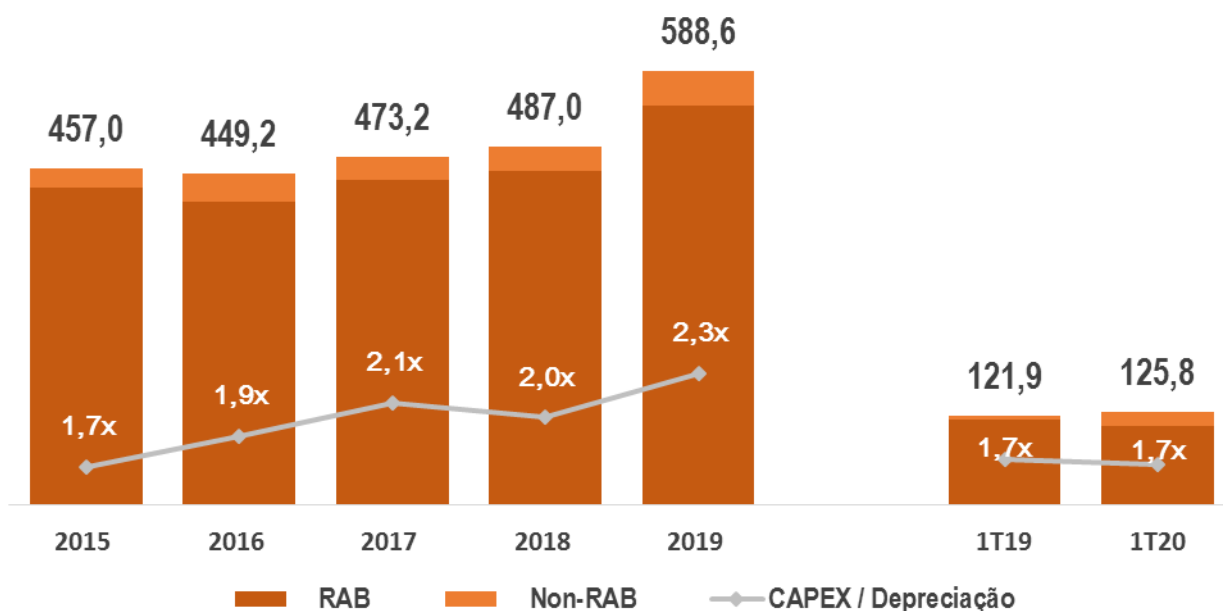
The following **Charts 15 and 16** illustrate the investments made in capital goods (CAPEX) by Celesc Distribuição, **from 2015 to 2019**, as well as the assets realized in **1Q19** and **1Q20**.

In **1Q20**, investments were made in expanding and improving the system, operating efficiency and modernizing the company's management, totaling **R\$125.8 million**, up by **3.1%** (3.9 million) over **1Q19**, which posted R\$121.9 million.

**Another highlight is the investments made in the Distribution segment:**

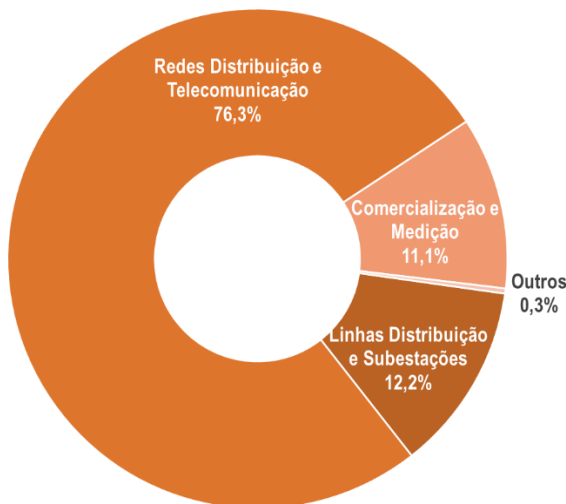
- ✓ Distribution and Telecommunication Networks totaling **R\$82 million** - 76.3%
- ✓ Distribution Lines and Substations totaling **R\$13 million** - 12.2% and
- ✓ Trading and Measurement totaling **R\$12 million** - 11.1%

**Gráfico 15 - CAPEX Celesc Distribuição (R\$ MM)**



Source: DPRI

Gráfico 16 – composição dos Investimentos  
CAPEX RAB



Source: DPRI

## 3.2. CELESC GERAÇÃO

### 3.2.1. Company's Profile

#### Operating Area

Celesc Geração is a subsidiary of Celesc Group that operates in the electricity generation segment by operating, maintaining, trading and expanding its own generation sites and holding shares in electricity projects in partnership with private investors.

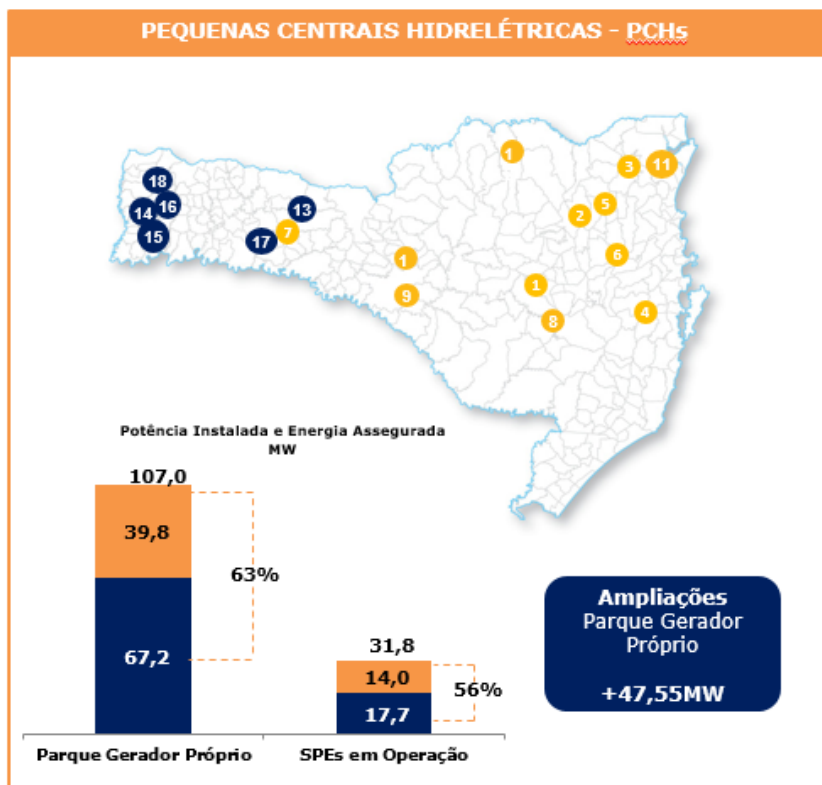
The Company has its own generating site made up of 12 plants, with 01 Small Hydroelectric Plant - SHP, 05 Hydroelectric Generating Plants - HGP's and 06 Hydroelectric Plants - HPP's. Also in the generation segment, the company holds a minority interest in another 6 generation projects, developed in partnership with private investors, in the format of Special Purpose Company - SPC, all already in commercial operation. In the transmission segment, the Company holds a minority stake in one SPC.



PARQUE GERADOR PRÓPRIO				
Usinas	Término da concessão	Potência instalada (MW)	Energia assegurada (MW)	
1 PCH Pery	09/07/2047	30,00	14,08	
2 PCH Palmeiras	07/11/2046	24,60	16,70	
3 PCH Bracinho	07/11/2046	15,00	8,80	
4 PCH Garcia	05/01/2046	8,92	7,10	
5 PCH Cedros	07/11/2046	8,40	6,75	
6 PCH Salto Weissbach	07/11/2046	6,28	3,99	
7 PCH Celso Ramos	17/03/2035	5,62	3,80	
8 PCH Caveiras	*	3,83	2,77	
9 CGH Ivo Silveira	*	2,60	2,03	
10 CGH Rio do Peixe	*	0,52	0,50	
11 CGH Pirai	*	0,78	0,45	
12 CGH São Lourenço	*	0,42	0,22	
<b>Total - MW</b>		<b>106,97</b>	<b>67,19</b>	
* Potência instalada inferior a 5MW dispensa ato de concessão.				

SPES EM OPERAÇÃO				
Usinas	Participação Cellesc G	Término concessão	Potência instalada (MW)	Energia assegurada (MW)
13 PCH Rondinha	32,50%	05/10/2040	9,60	5,48
14 CGH Prata	26,07%	*	3,00	1,68
15 CGH Belmonte	26,07%	*	3,60	1,84
16 CGH Bandeirante	26,07%	*	3,00	1,76
17 PCH Xavantina	40,00%	07/04/2040	6,08	3,54
18 PCH Garça Branca	49,00%	13/03/2043	6,50	3,44
<b>Total - MW</b>			<b>31,78</b>	<b>17,74</b>
<b>Total - MW equivalente</b>			<b>11,24</b>	<b>6,26</b>
* Potência instalada inferior a 5MW dispensa ato de concessão.				

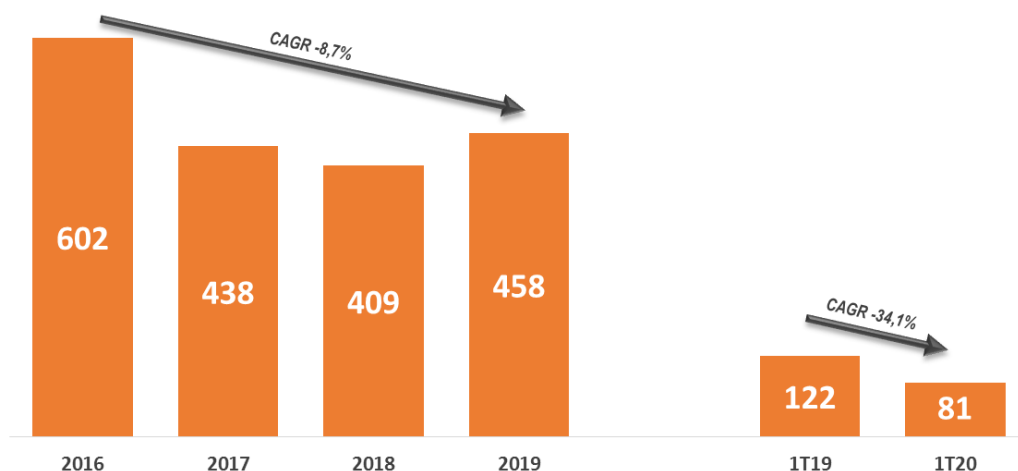


### 3.2.2. Operational Performance

#### 3.2.2.1. Electricity Production

In **1Q20**, the generation capacity of Celesc plants totaled **81 GWh**, down by **34.1%** over 1Q19. **Chart 19** below shows the performance of the Generated Electricity Production of the Own Site from 2016 to 2019.

Gráfico 19 - Produção Parque Gerador Próprio (GWh)



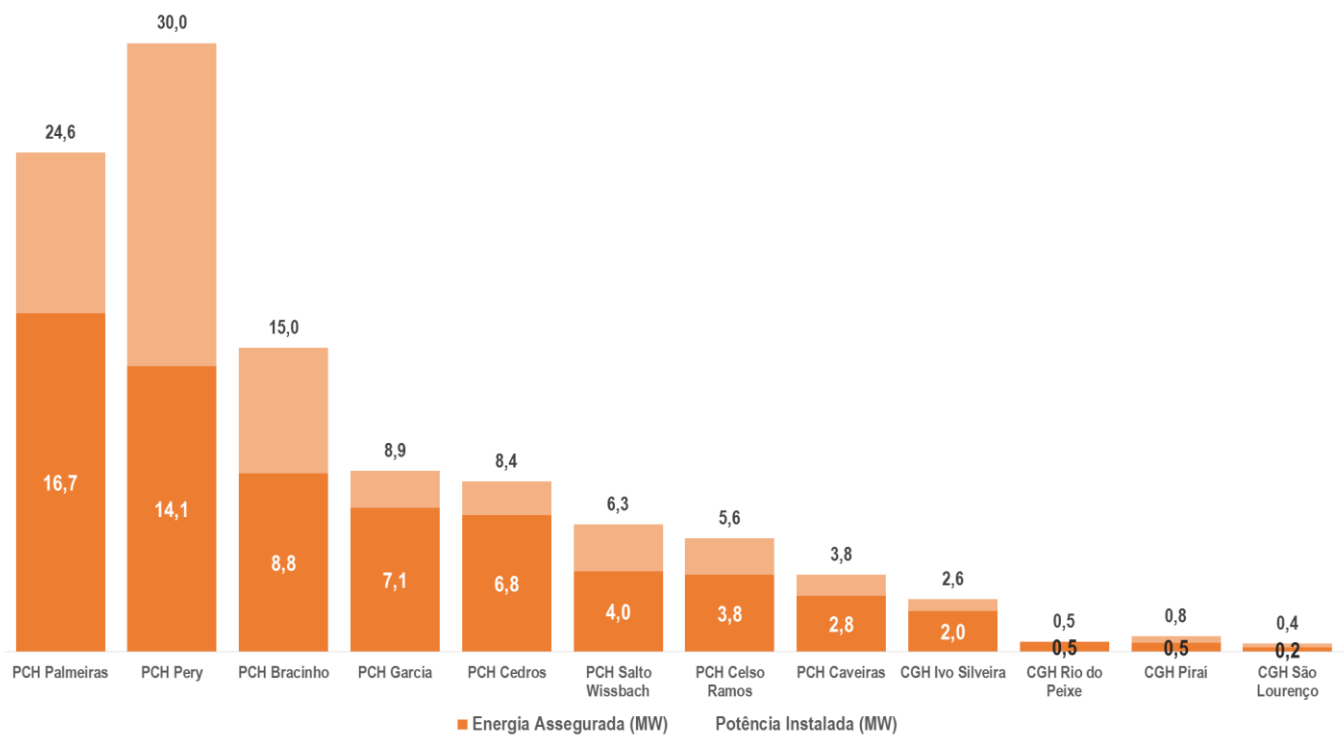
Source: DPRI

The main factors that affected this variation in the quarter were:

- ✓ Low rainfall levels in the catchment basins of the Palmeiras, Celso Ramos and Pery plants;
- ✓ One-off shutdowns for maintenance and investment.

Celesc has a generating site with 12 plants, **Chart 20** lists the breakdown of the company's generating site with the respective generating capacities.

**Gráfico 20 - Potência Instalada e Energia Assegurada Usinas Próprias**

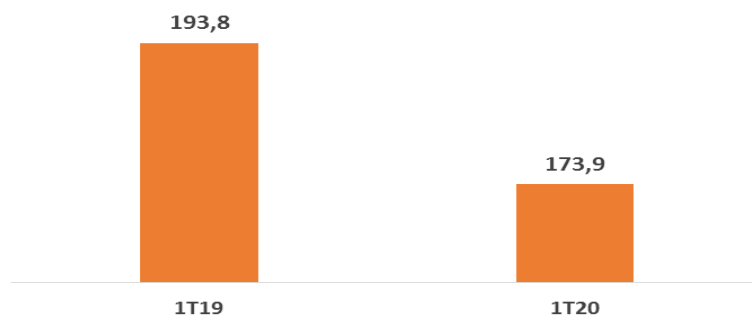


Source: DPRI

### 3.2.2.2. Billed Energy

**Chart 21** below shows the performance of Electricity Billed in Generation.

**Gráfico 21 - Energia Faturada (GWh)**



Source: DPRI

### Data Analysis

In **1Q20**, billed electricity totaled **173.9 GWh**, down by 10.3% compared to **193.8 GWh** in 1Q19.

Billed electricity fell by 10.3% in the quarter, mainly due to electricity SWAPs carried out in 2018. Among the supply classes, the greatest variations were in supply revenue and energy traded in the short-term market (CCEE), down by 10.8% and up by 63.9%, respectively.

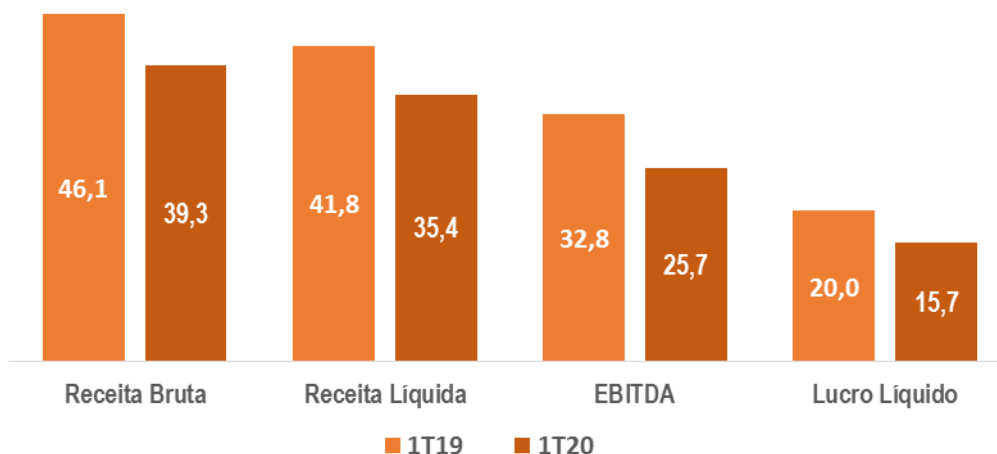
The average sale price of the contracts (without settlement at CCEE) fell from R\$/MWh 227 in December 2019 to R\$/MWh 150 in March 2020. The variation was mainly due to the decrease in electricity traded in the classes of electricity supply and short-term electricity.

### 3.2.3. FINANCIAL ECONOMIC PERFORMANCE

#### 3.2.3.1. Gross Operating Revenue, Net Operating Revenue and Net Income

Chart 22 below shows a comparison of **Gross Operating Revenue and Net Operating Revenue, EBITDA and Net Income**.

Gráfico 22 - Receita Bruta, Líquida, Ebitda e Lucro Líquido (Milhões)



Source: DPRI

### Analysis of Results

In **1Q20**, Celesc Geração's Gross Operating Revenue reached **R\$39.3 million**, down by **14.6%** compared to **R\$46.1 million** in 1Q19.

In **1Q20**, Net Operating Revenue totaled **R\$35.4 million**, down by **15.3%** compared to **R\$41.8 million** in 1Q19.

**Net Income** in **1Q20** reached **R\$15.7 million**, down by 21.3% (R\$4.3 million) over **R\$20 million** in 1Q19.

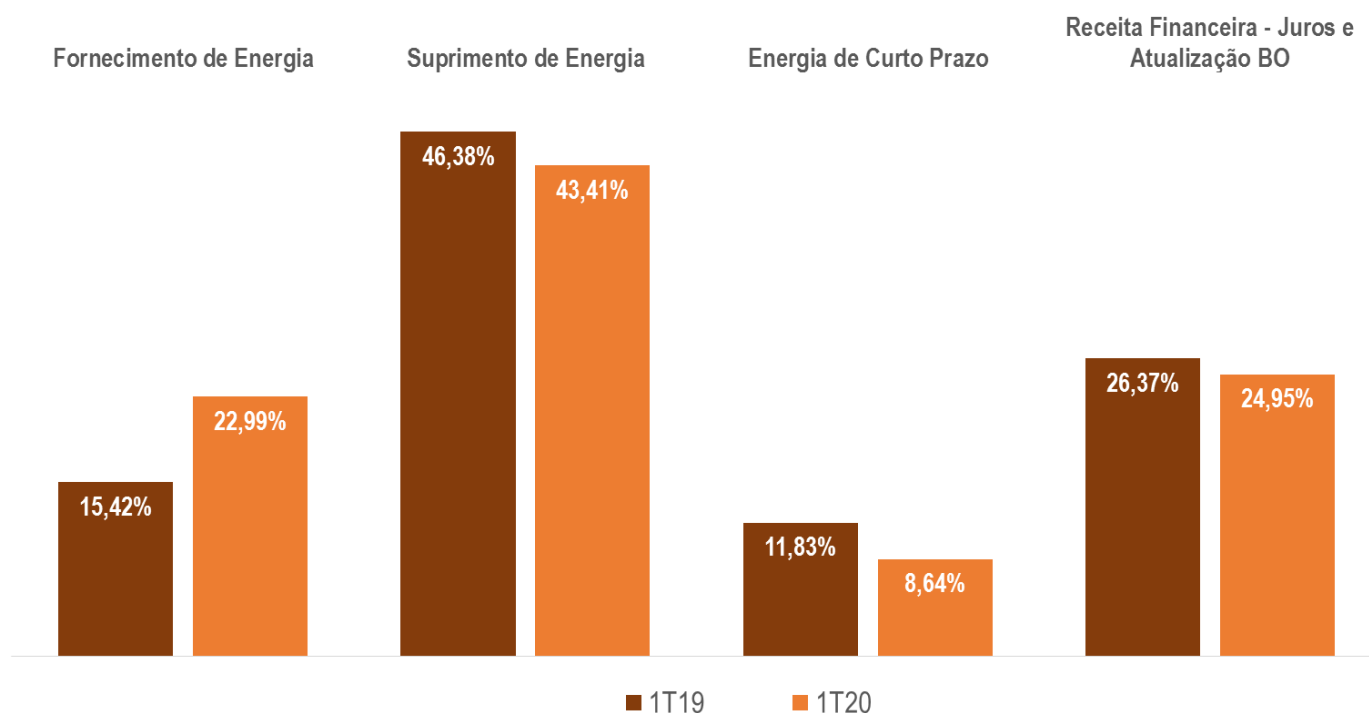
The main factors that positively affected the Gross Operating Revenue variation were:

- ✓ PLD decrease in the quarter;
- ✓ Decrease of 10.3% in Billed Energy in the quarter;
- ✓ Decrease in Energy Acquired for resale;
- ✓ Decrease of 19.2% in Financial Revenue from the Concession Bonus in the quarter.

### 3.2.3.2. Gross Operating Revenue - ROB or GOR

**Chart 23** below shows the breakdown of GOR.

**Gráfico 23 - Composição da Receita Operacional Bruta (exclui receita de construção)**  
1T19 - 1T20



Source: DPRI

### Analysis of Results

In **1Q20**, the item **Electricity Supply** (23% of GOR), increased by 26.7% YoY, followed in descending order by the items **Electricity Supply**, **Short-Term Electricity** and **Financial Revenue with Concession Bonus**.

In Electricity Supply in 2019, 36.8 GWh were billed to final consumers, whereas in 2020 this number rose to 45 GWh. In addition, the average selling price rose, resulting in a total billing of R\$9 million for this group, compared to R\$7.1 million in 2019.

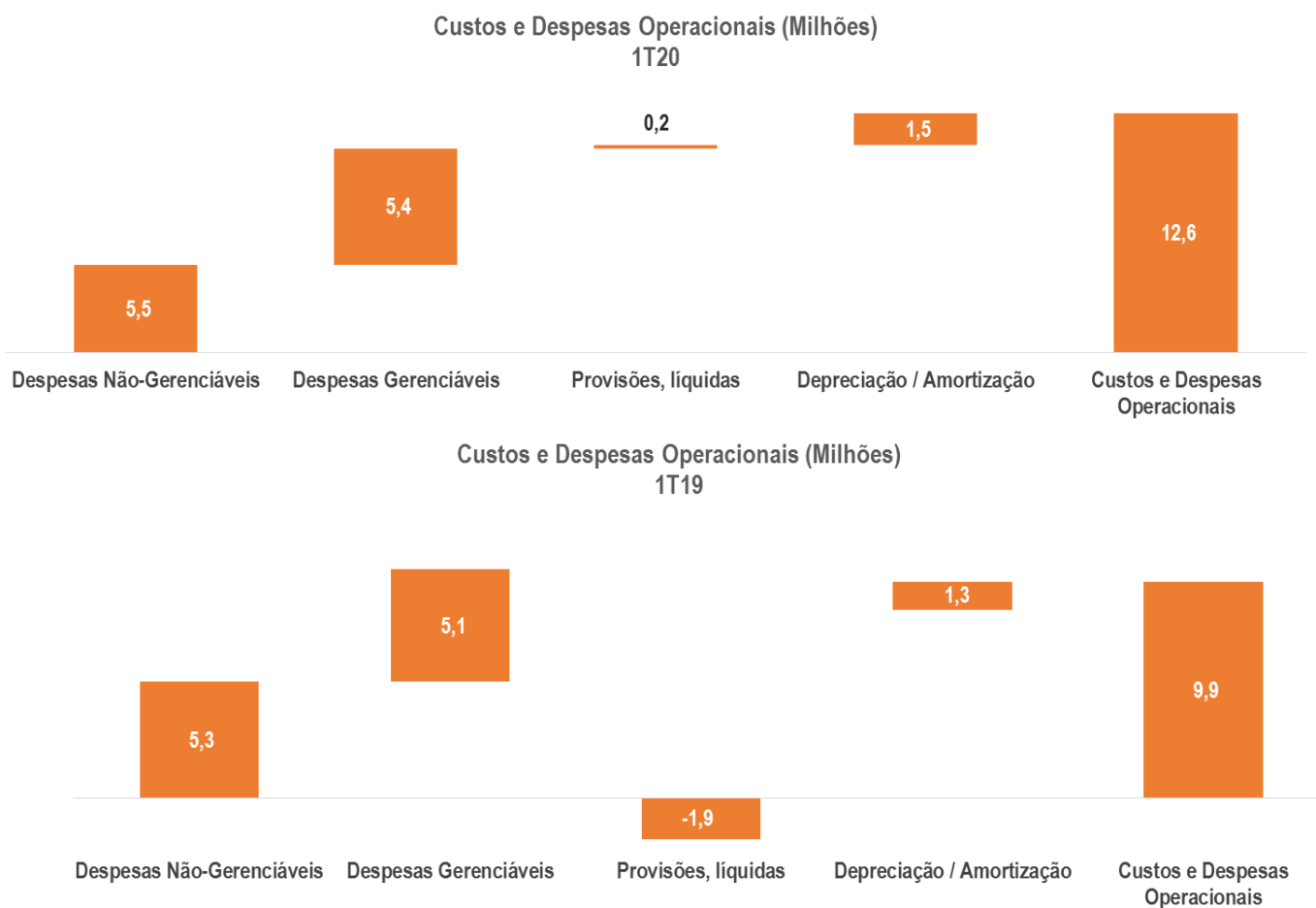
In Electricity Supply, the decrease in the amount billed is due to the lower sales to energy traders, while the decrease in the average price is due to the lower prices in contracts from 1 to 3 months, which are mainly marked by PLD. In 2020, the average PLD for the first quarter totaled R\$217.58/MWh, while in 2019 it reached R\$290.09/MWh.

Short-Term Electricity settled at CCEE fell from 22GWh to 8GWh, affected by the drop in average PLD.

Concession Bonus Revenue is influenced by the correction index used in the monetary restatement of this item.

### 3.2.3.3. Operating Costs and Expenses

**Chart 24** shows the performance of the evolution of Operating Costs and Expenses.



Source: DPRI

## Analysis of Results

In **1Q20**, Celesc Geração's Operating Costs and Expenses increased **R\$2.7 million** (27.5%) YoY, totaling R\$12.6 million.

In **1Q20**, **PMSO** reached **R\$5.6 million**, compared to **R\$3.2 million** in **1Q19**, up by 72.2% (**R\$2.4 million**), reflecting the increase in personnel expenses (24.5 %), up by **R\$0.7 million**, and the decrease in Net Provision (109%) by R\$1.7 million in 1Q19.

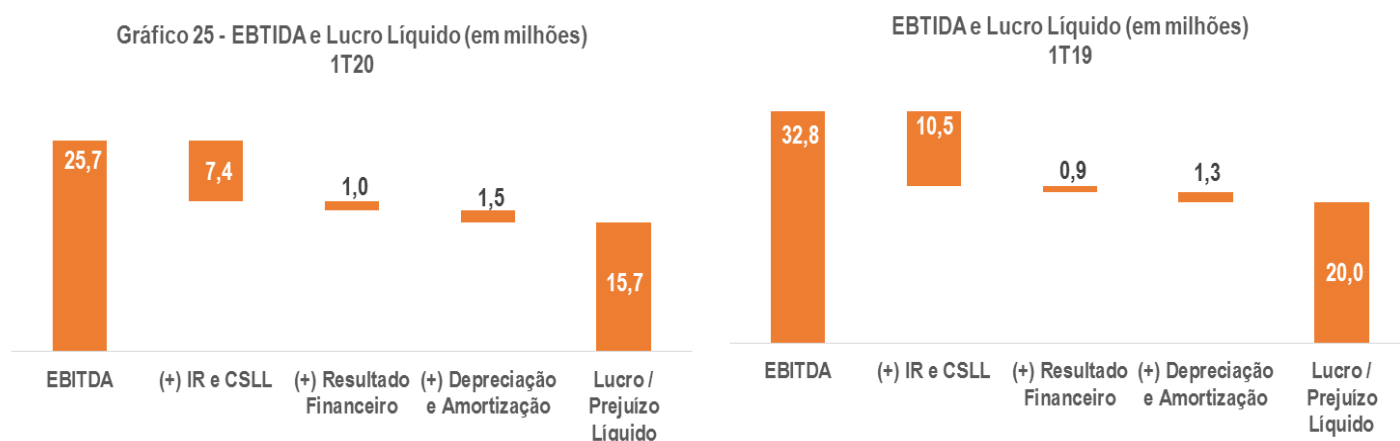
**Non-Manageable Costs in 1Q20** reached **R\$5.5 million**, compared to **R\$5.3 million** in 1Q19, up by 3.5% (R\$0.2 million).

It should be noted that in 1Q19 there was the reversal of the provision for GSF injunctions (R\$2.1 million) due to the decreased default, directly affecting the provisioning level.

In August 2018, the Judge who is competent to try the ordinary action raised the Incidence of Repetitive Claims - IRDR in case record nr. 1015846-64.2017.4.01.3400 before the Federal Regional Court of the 1<sup>st</sup> Region, suspending the process for 60 days. Until March 31, 2020 there was no change in the procedural progress. In this context, the Celesc G is carrying out a strategic analysis regarding the action in the case, maintaining permanent monitoring of the progress of the process, as well as evaluating the market movements, to anticipate measures, if necessary.

### 3.2.3.4. EBITDA (LAJIDA)

**Chart 25** below shows the breakdown of EBITDA:



Source: DPRI

### Data Analysis

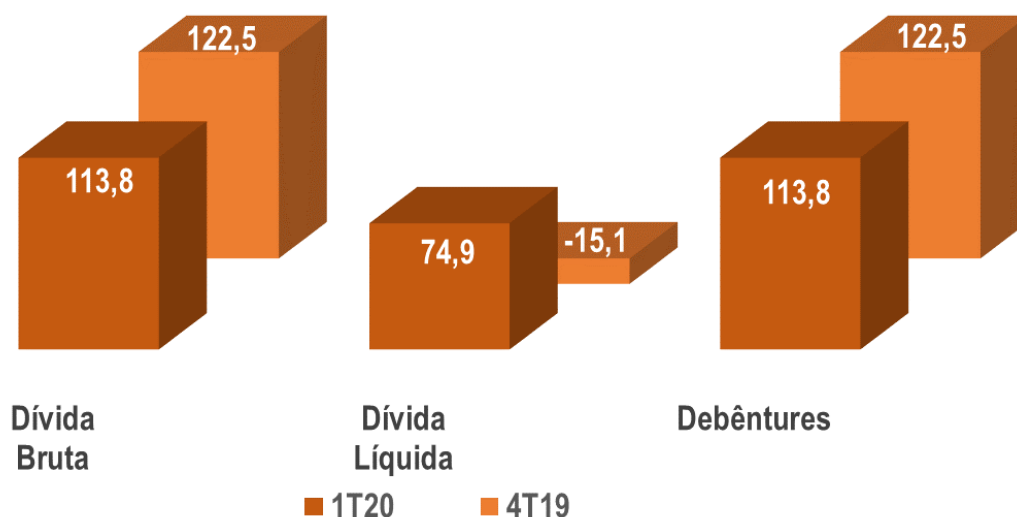
In **1Q20**, EBITDA totaled **R\$25.7 million**, down by **21.8%** (7.1 million), compared to **R\$32.8 million** in **1Q19**, due to the impacts already listed above.

### 3.2.3.5. Indebtedness

Chart 26 shows the Company's Gross Debt and Net Debt, as well as the breakdown of this Debt from December 31, 2019 to December 31, 2020.



**Gráfico 26 - Dívida Bruta, Dívida Líquida e Posição dos Empréstimos**



Source: DPRI

### Analysis of Results

In March 2020, **Celesc Geração's Gross Financial Debt** totaled **R\$113.8 million**, up by **7.6%** over December 2019 (R\$112.5).

Net Financial Debt totaled **R\$74.9 million** in March 2020, up by **59%** (R\$90 million) compared to December 2019.

Dívida Financeira 1T20			
R\$ Milhões	em 31 de Dezembro 2019	em 31 de Março 2020	Δ
Dívida de Curto Prazo	35,5	35,4	-0,21%
Dívida Longo Prazo	87,1	78,4	-10,00%
<b>Dívida Financeira Total</b>	<b>122,5</b>	<b>113,8</b>	<b>-7,16%</b>
( - ) Caixa e Equivalentes de Caixa	137,6	38,9	-71,74%
<b>Dívida Financeira Líquida</b>	<b>(15,1)</b>	<b>74,9</b>	<b>-595,83%</b>
EBITDA (últimos 12 meses)	111,0	103,8	-6,43%
<b>Dívida Fin. Líquida / EBITDA 12M</b>	<b>-0,1x</b>	<b>0,7x</b>	
EBITDA AJUSTADO (últimos 12 meses)	99,2	92,1	-7,19%
<b>Dívida Fin. Líquida / EBITDA Ajust. 12M</b>	<b>-0,2x</b>	<b>0,8x</b>	
Patrimônio Líquido	514,8	530,5	3,06%
<b>Dívida Fin. Total / Patrimônio Líquido</b>	<b>0,2x</b>	<b>0,2x</b>	
<b>Dívida Fin. Líquida / Patrimônio Líquido</b>	<b>0,0x</b>	<b>0,1x</b>	

### 3.2.3.6. Investments

**Table 02 below** shows the investments made in Celesc Geração in 1Q19 and 1Q20

**Table 02 - CAPEX**

R\$ Milhões	1º Trimestre		
	2019	2020	Δ
<b>Investimentos Celesc Geração</b>	<b>0,4</b>	<b>4,0</b>	<b>855,8%</b>
Investimentos em SPEs	0,0	0,3	
Usinas Parque Gerador Próprio	0,4	3,7	787,1%

Source: DPRI

## Analysis of Results

In **1Q20**, investments in electricity generation totaled **R\$4.0 million** compared to R\$0.4 million YoY. Such investments made it possible to continue the automation works of the company's own plants, making the operation process more efficient, and to maintain the company's participation in Special Purpose Entities (SPEs) focused on expanding the generation and transmission site in Santa Catarina.

During this period, we highlight the continuity of the works to expand the Celso Ramos SHP, located in the municipality of Faxinal dos Guedes, which will increase the Company's generating site by 8.3MW, having disbursed R\$3.4 million in 1Q20. Other investments in the company's own site, in the first quarter of the year, totaled R\$0.4 million. Investments in the generating site in partnership with private partners totaled R\$ 0.3 million, invested in Garça Branca Energética S.A. for cash supply.

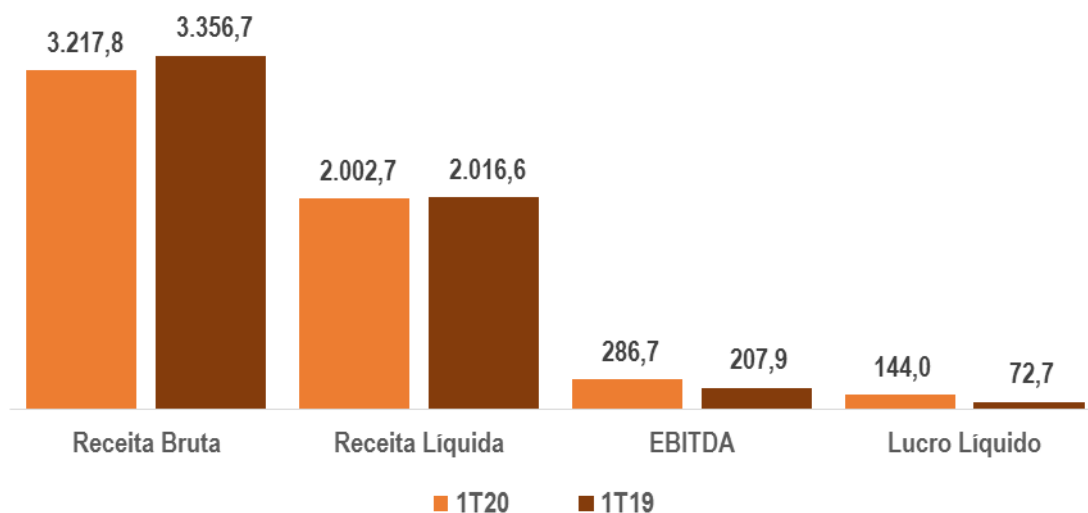
### 3.3. CONSOLIDATED

#### 3.3.1. Economic and Financial Performance

##### 3.3.1.1. Gross Operating Revenue, Net Operating Revenue and Consolidated Income

**Chart 28** below shows the comparison of the **Gross Operating Revenue and Net Operating Revenue, and the Consolidated Income of the Company**.

**Gráfico 28 - Receita Bruta, Líquida, Ebitda e Lucro Líquido (Milhões)**



Source: DPRI

### Analysis of Results

In **1Q20**, Gross Operating Revenue (excluding construction revenue) reached **R\$3,217.8** million, compared to **R\$3,356.7** in 1Q19, down by 4.2% (138.9 million).

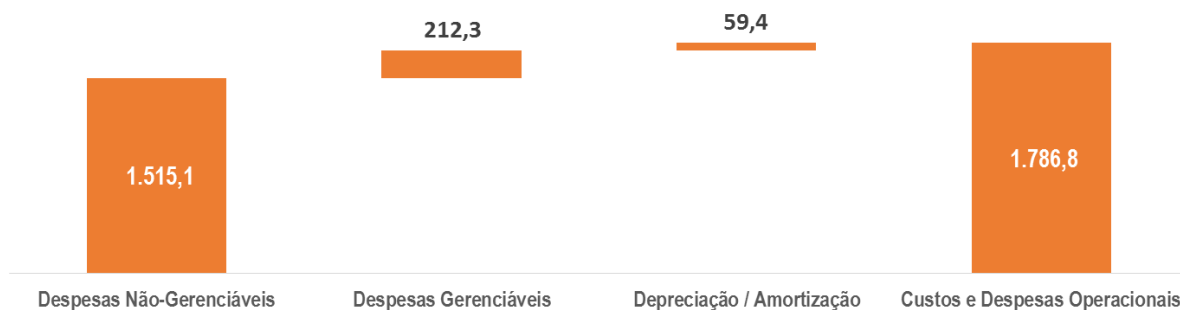
In **1Q20**, Consolidated Net Operating Revenue (excluding construction revenue) totaled **R\$2,002.7 million**, compared to **R\$2,217.8 million in 1Q19**, down by 9.7% (R\$215 million)

In **1Q20**, Consolidated Net Income totaled **R\$144 million**, compared to **R\$72.7 million in 1Q19**, up by 98.2% (71.3 million).

#### 3.3.1.3. Consolidated Operating Costs and Expenses

Chart 29 below shows the performance of Holding's Operating Costs and Expenses, including Non-Manageable Costs and expenses related to PMSO, Manageable expenses.

**Gráfico 29 - Custos e Despesas Operacionais Consolidada (Milhões)**  
**1T20**



**1T19**



Source: DPRI

## Data Analysis

In **1Q20**, Operating Costs and Expenses (excluding construction costs) reached **R\$1,786.8 million**, compared to **R\$1,870.3** in **1Q19**, down by 4.7% (83.5 million).

**Non-Manageable Costs** in the same period (Electricity costs) fell by **4.1%** (R\$65.3 million).

In **1Q20**, **Manageable Costs, PMSO** reached **R\$212.3 million**, compared to **R\$214.3 million** in **1Q19**, down by 0.9% (R\$2 million), due to the company's actions to cut expenses.

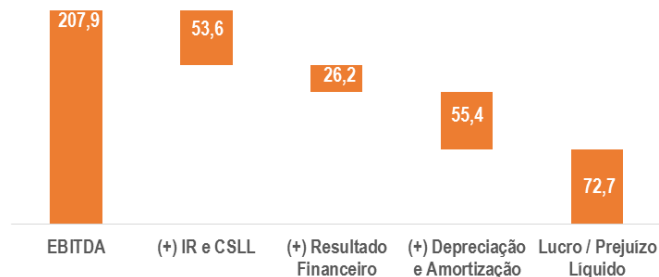
### 3.3.1.4. EBITDA (LAJIDA) Consolidated

**Chart 30** below shows the breakdown of the Consolidated EBITDA.

Gráfico 30 - EBTIDA e Lucro Líquido (em milhões)  
1T20



EBTIDA e Lucro Líquido (em milhões)  
1T19



Source: DPRI

## Data Analysis

In **1Q20**, Consolidated EBITDA totaled **R\$286.7 million**, compared to **R\$207.9 million** in 1Q19, up by 37.9% (**R\$78.8 million**).

### 3.3.1.5. Indebtedness

The Table shows the Company's Gross Debt and Net Debt, as well as the breakdown of this Debt from December 31, 2019 to December 31, 2020.

Dívida Financeira 1T19			
R\$ Milhões	em 31 de Dezembro de 2019	em 31 de Março de 2020	Δ
Dívida de Curto Prazo	488,8	558,3	14,2%
Dívida Longo Prazo	1.172,8	1.056,4	-9,9%
<b>Dívida Financeira Total</b>	<b>1.661,6</b>	<b>1.614,7</b>	<b>-2,8%</b>
( - ) Caixa e Equivalentes de Caixa	566,2	341,8	-39,6%
<b>Dívida Financeira Líquida</b>	<b>1.095,4</b>	<b>1.272,9</b>	<b>16,2%</b>
EBITDA (últimos 12 meses)	731,5	757,8	3,6%
<b>Dívida Fin. Líquida / EBITDA 12M</b>	<b>1,5x</b>	<b>1,7x</b>	
EBITDA AJUSTADO (últimos 12 meses)	797,0	987,3	23,9%
<b>Dívida Fin. Líquida / EBITDA Ajust. 12M</b>	<b>1,4x</b>	<b>1,3x</b>	
Patrimônio Líquido	1.407,1	1.551,2	10,2%
<b>Dívida Fin. Total / Patrimônio Líquido</b>	<b>1,2x</b>	<b>1,0x</b>	
<b>Dívida Fin. Líquida / Patrimônio Líquido</b>	<b>0,8x</b>	<b>0,8x</b>	

Source: DPRI

## Analysis of Results

On March 31, 2020, **Celesc Group's total Financial Debt** reached **R\$1,614.7 million**, compared to **R\$1,661.6 million** on **December 31, 2019**, down by 2.8% (**46.9 million**). **Short-Term Debt**, which represents **34% of Total Debt**, increased by **14.2%**. **Long-Term Debt** represents 65% of the **Total Debt**, down by 9.9%.

The **Group's consolidated net debt** reached **R\$1,272.9 million** at the end of March 2020, up by 16.2% (R\$177.5 million), compared to R \$ 1,095.4 million on December 31, 2019, representing **1.3x of the Adjusted EBITDA**.

### 3.3.1.6. Investments

The following table shows the investments in Celesc Group:

Investments Made in the Period			
R\$ Million	1 <sup>st</sup> Quarter		
	2019	2020	Δ
Electricity Generation	0.4	4.0	900.0%
Electricity Distribution	121.9	125.8	3.2%
<b>Total</b>	<b>122.3</b>	<b>129.8</b>	<b>6.2%</b>

Source: DPRI

## Analysis of Results

In **1Q20**, the Group's investments reached **R\$129.8 million**, up by 6.2% compared to **R\$122.3 million in 1Q19**. This total was distributed as follows: **R\$4.0 million** in Electricity Generation and **R\$125.8 million** in Electricity Distribution.

The **consolidated investment budget** for **2020**, according to the [Notice to the Market published on December 23, 2019](#), was set at **R\$833.8 million**, having the following breakdown: **i) R\$753 million** for Electricity Distribution, **ii) R\$65.8 million** for Electricity Generation and **iii) R\$15 million** for New Business.

According to the [Minutes of the Board of Directors of March 27, 2020](#), for 2020, 42% of the Investment Budget will be contingent. The measure is part of the actions taken by the company due to COVID-19's impacts.

## 4. CAPITAL MARKET PERFORMANCE

Celesc's shares are traded on the BM&FBOVESPA under the codes CLSC3 (15,527,137 ordinary shares - ON, 40.26%) and CLSC4 (23,044,454 preferred shares - PN, 59.74%). Since it joined Level 2 of Corporate Governance in 2002, the company has joined **IGC** and **ITAG**, indexes made up of companies that offer transparency and protection to minority shareholders.

The Company's Preferred Shares (CLSC4) had a negative performance of -7.58% in the quarter and -8.87% in the YTD in the last 12 months. In the same period, the main index of the Brazilian Stock Exchange, Ibovespa, presented a negative return of 36.86% (23.47% in 12 months) and the Electricity Index (IEE), which measures the behavior of the main shares of the Electricity Sector, presented a negative evolution in the quarter of 24.8% (positive appreciation of 0.85% in 12 months).

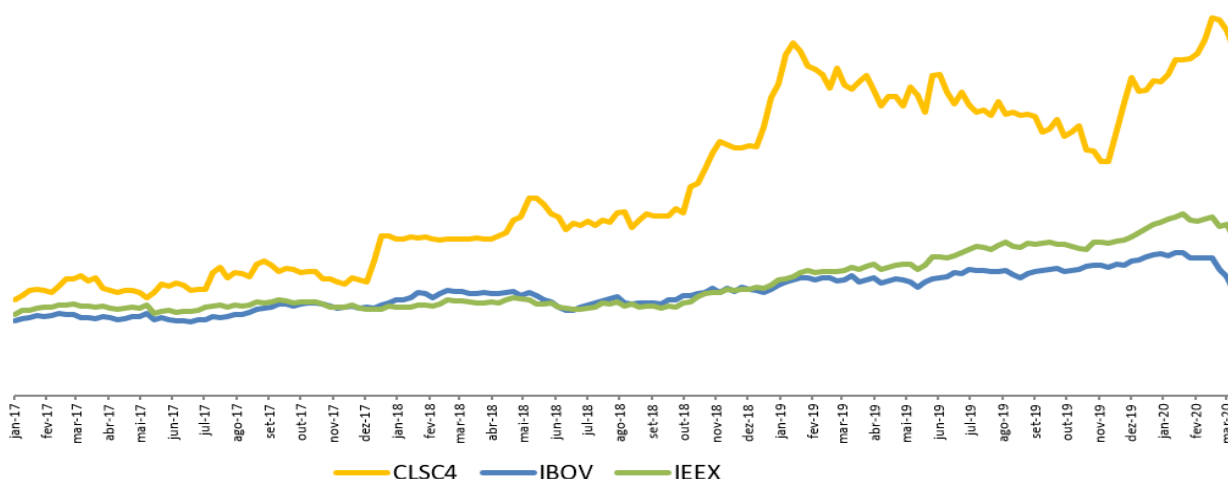
The negative variation in the quarter is mainly due to the impacts of the price war in the international oil market, and the risk aversion in the financial market in Brazil and the main economies in the world resulting from the COVID-19 epidemic.



Acompanhamento CLSC4	1T19	2T19	3T19	4T19	1T20
Cotação de fechamento ajustado a proventos (R\$/ação)	53,43	49,50	43,10	50,10	46,30
Preço / Lucro	12,4x	12,8x	8,0x	6,6x	4,9x
Preço / Valor Patrimonial	1,1x	1,0x	0,9x	1,0x	1,3x
Volume médio negociado (Mil ações)	7	4	5	18	16
Volume médio negociado (R\$ Mil)	386	208	238	757	885
Valor de Mercado (R\$ Milhões)	2.061	1.909	1.602	1.932	1.936
Valor de Mercado (US\$ Milhões)	529	498	399	478	399
Rentabilidade (%)	7,14	-5,23	-12,92	19,48	-7,58
Rentabilidade nos últimos 12 meses (%)	104,32	77,67	55,15	5,65	-8,87
Rentabilidade Ibovespa (%)	8,53	5,82	3,74	10,39	-36,86
Rentabilidade Ibovespa últimos 12 meses (%)	11,77	38,76	32,02	31,58	-23,47
Rentabilidade IEE (%)	16,61	11,11	6,72	12,5	-24,8
Rentabilidade IEE últimos 12 meses (%)	38,61	65,53	73,11	55,54	0,85

Chart 17 below shows CLSC4 performance against Ibovespa and IEE in recent years:

CLSC4 - IBOVESPA - IEE - EVOLUÇÃO Janeiro 2017 - Março 2020



Source: DPRI

## 5. CORPORATE RATING

Rating agencies or risk assessment agencies are independent and specialized companies that monitor the financial activities of several public and private institutions, assessing their credit risk level.

Moody's assigned ratings of **Ba2 on a global scale and Aa3.br on a national scale** for the parent company of Grupo Celesc.

On December 26, 2018, Fitch Ratings assigned a National Long-Term Rating of **'AA (bra)'** for Centrais Elétricas de Santa Catarina S.A.

According to the Notice to the Market - Rating Celesc Geração and Parent Company on December 20, 2019, Fitch Rating maintained the National Long-Term Ratings '**AA (bra)**' of CELESC and its wholly-owned subsidiary Celesc Geração S.A. ("CELESC G"). The corporate ratings perspective is Stable.

## **6. CELESC'S IMPACT AND ACTIONS DUE TO COVID-19**

Human infection, caused by the new coronavirus (COVID-19), has had a strong impact on Brazilian and global society and, therefore, severe measures have been adopted - both by the Federal Government and by the Health and Ministerial Bodies - to prevent the spread of the virus.

On February 6, 2020, Federal Law 13,979 was published, which established measures to deal with the public health emergency, of international importance, resulting from the coronavirus, responsible for the 2019 outbreak. On March 11, 2020, the World Health Organization (WHO) classified COVID-19 as a pandemic.

The Government of the State of Santa Catarina, aware of the effects of the pandemic, published, on March 17, 2020, State Decree 515, declaring an emergency situation throughout the territory of Santa Catarina, to have a drastic restriction of circulation of people.

On March 18, 2020, the Minister of State for Mines and Energy published Decree 117/GM and created the Sector's Crisis Committee. In its Exhibit II, item III, it was set that mixed and state-owned companies related should submit an action plan to the Ministry, covering their respective activities, to maintain the provision of services.

On March 20, 2020, Legislative Decree 6 was published, which recognized, exclusively for the purposes of Article 65 of Complementary Law 101/2000, a state of public calamity, with effect until December 31, 2020. On the same date, Decree 10.282 was also published, which regulated the already mentioned Federal Law 13.979/2020, to define essential public services and activities.

On March 23, 2020, State Decree 525 was published, with new measures to deal with the public health emergency, of international importance, resulting from the coronavirus.

The board of the Brazilian Electricity Regulatory Agency (ANEEL), on March 24, 2020, in an extraordinary public meeting, listed a set of measures, through Regulatory Resolution 878, to preserve the provision of the public electricity distribution service due to the public calamity related to the coronavirus pandemic (COVID-19).

On April 2, 2020, through Celesc Resolution 49, the COVID-19 Committee was created to identify the risks undertaken in the company's budgetary and strategic plan for the current year and those arising from the pandemic crisis.

### **Actions Taken - Celesc and Electricity Sector**

The electricity sector is having discussions, in different spheres, to minimize the impacts of COVID-19. The Energy Regulation and Management Board coordinates the discussions with different players, together with the Company's associations and departments, thus seeking solutions to maintain the company's essential activities. Thus, many actions taken over the past few days will be addressed, from the granting authority to the specific actions taken by Celesc and its subsidiaries:

#### **a) Ministry of Mines and Energy - MME**

On April 8, 2020, the executive branch signed Provisional Measure 950, which establishes important steps to deal with the impacts of the Covid-19 pandemic in the electricity sector.

The Government solved two urgent issues envisaged by the Ministries involved: the loss of the payment capacity of low-income consumers, beneficiaries of the social tariff, and a partial relief in the financial capacity of the electricity distributors, given the increased default and the decreased energy consumption.

The Provisional Measure exempts consumers who benefit from the social tariff from paying for a consumption of up to 220 kWh/month, for 3 months. Therefore, an investment of R\$900 million is foreseen in the Energy Development Account (CDE), which will be made possible through the creation of extraordinary credit, subject of Provisional Measure 949, also signed on the same date.

The Government establishes the conditions to make credit operations feasible, to provide financial relief to distributors given the sudden decrease in the market. The measure will enable distributors to continue honoring their commitments to other sector agents, preserving the sustainability of the electricity sector. Additionally, it will ease the tariff pressure on consumers in 2020, due to extraordinary costs in the context of the Covid-19 pandemic.

#### b) Brazilian Electricity Regulatory Agency - ANEEL - *[Agência Nacional de Energia Elétrica]*

Among the measures already announced by ANEEL are Regulatory Resolution 878/2020, with a set of measures to ensure the continuity of the electricity distribution service, protecting consumers and employees of concessionaires, including forbidding, for 90 days, the suspension of electricity supply due to default by residential consumers.

In addition, since March 24, 2020, public meetings of the board of directors are being held virtually with live transmission and preservation of all rites.

ANEEL also approved an Energy Efficiency Project in hospitals in Bahia and Pernambuco to fight the pandemic. There will be investments of around R\$3.2 million in efficiency measures, which can generate energy savings of up to 30% in hospitals.

The Regulatory Agency authorized the Electricity Trading Chamber (CCEE) to transfer to distributors and part of the free market agents the financial resources available in the reserve fund for future burden relief. The action's purpose is to reinforce the electricity sector's liquidity in the pandemic scenario and will anticipate R\$2.022 billion reserved for future relief of charges for the distributors of the Regulated Contracting Environment - ACR and for 7,166 agents of the Free Contracting Environment - ACL. We highlight the amount of R\$71.37 million received by Celesc D on April 8, 2020.

The Agency also suspended, for 90 days, the application of annual tariff adjustments for the distributors CPFL Paulista, Energisa Mato Grosso do Sul and Energisa Mato Grosso.

In addition, ANEEL established, on April 8, 2020, the Office to Monitor the Electricity Situation - GMSE. The action adds to others that the agency previously announced, focused on addressing the pandemic scenario. The Office was created to identify the effects of the pandemic on the electricity market, monitor the economic-financial situation and the energy demand and supply, as well as coordinate studies of proposals focused on preserving the balance in the relations between agents in the sector. GMSE will be coordinated by the collegiate board of ANEEL and will have technical advisors from the board. The Technical Note 001/2020, issued by the Office, stands out with initial considerations of the effects of the pandemic.

#### c) Brazilian Association of Electricity Distributors - ABRADÉE

ABRADÉE, due to the first legal acts related to the pandemic, still in March 2020, sent an official letter to sector agents, addressing the possible impacts on the distribution activity and in the entire chain of the electric sector.

ABRADÉE stressed that, since the Association is at the end of the electricity industry chain, the energy distribution represents the link with consumers and has received requests from many segments of society affected by the crisis.

However, the Association recalled that in this gear that makes electricity reach the consumer units, there are several agents involved and pointed out that over 80% of the electricity bill corresponds to costs that are not from energy distributors, such

as taxes and charges of the sector, transferred to governments and other agents; as well as electricity purchase and transmission costs, which are transferred to generators and transmitters.

In short, it showed that the distributor is main responsible for collecting and transferring revenues to the other members of the electricity production chain and the taxes destined to the Government.

Also, due to its minority share in the total of this revenue from the electricity supply, it is worth noting that the distributor, alone, does not have the financial and economic conditions to withstand the extraordinary impacts that this crisis has brought to the planet.

From an internal point of view, the Association discussed on its Board of Directors many possibilities, opening two working fronts: the first, addressing an immediate solution with the sector's entities to the distributor's cash and the second, creating two thematic groups:

G1: Apportioning the intra-sector delinquency (formulating ABRADÉE's position on the notifications issued by the associates);

G2: Formulating the new ACR Account and the Regulatory Asset of Portion B.

Celesc D participates, through the coordination of its regulatory area, of the two groups and, at this moment, both thematic fronts, with the contracted consultants, are defining new strategies aligned with the Board of Directors to reduce the impact on the energy distribution environment.

#### d) Actions to Protect Celesc D's Cash

To keep a healthy short-term cash flow and minimize the impacts of the turbulent financial and global market scenario, some companies (for example, Petrobrás and Vale) are using funds from committed credit lines.

In this sense, although Celesc D does not hold this type of agreement, it has a credit card, currently R\$150 million, to make some types of transactions, such as payment of slips.

In addition to using special credit lines, Celesc D is adopting the following measures to protect the cash:

i) approval, by the Board of Directors in an extraordinary meeting on March 27, 2020, of a 26% decrease in expenses with Materials, Services and Others and 42% decrease in Investments;

ii) deferral of the payment period for the Employer's Social Security Contribution (Decree 139, of April 3, 2020);

iii) deferral of the FGTS's payment period (Provisional Measure 927, of March 22, 2020);

iv) adjustments to the "S" System Contributions (Provisional Measure 932, of March 31, 2020);

v) start offsetting credits referring to the lawsuit, final and unappealable, of Celesc D on the exclusion of ICMS from the PIS/COFINS calculation base, the amounts of which have already been used in the refund statement in March 2020;

vi) approval, at a meeting of the Board of Directors on April 23, 2020, to continue the layoffs in the Incentivized Dismissal Plan, with releasing an additional R\$112 million budget to carry out the terminations in 2020.

#### e) Actions to Protect Celesc G's Cash

Celesc G received some notifications from customers regarding the possibility of reducing their contracts, which are under analysis.

From the budget's point of view, Celesc G revised its investment actions, postponing projects with lower priority.

During the first quarter of the year, Celesc G was working on a new issue of Debentures, totaling R\$37 million, to implement the expansion project of the Celso Ramos Plant, whose works started in July 2019. However, with the pandemic's impact on the economy, the strong macroeconomic instability greatly affected the capital market and led to the discontinuity of this operation. Due to Federal and State Decrees, Celesc G suspended the works for the said expansion at the end of March 2020, establishing its restart for the end of April 2020, after the release of the main and related activities by the official bodies.

Regarding managerial aspects, it followed the Company's guidelines.

**f) Actions to Fight Covid-19**

Celesc created a Crisis Committee in response to the pandemic and its possible implications for its operation, considering State Decree 515, of March 17, 2020, which decreed the emergency situation in Santa Catarina.

The Committee is responsible for forwarding measures and actions relevant to the current context, as per the notice to the market released on March 17, 2020: Covid-19 - Clarifications and Measures Adopted.

Accordingly, the Company issued a resolution with preventive measures, namely:

- a) suspending in-person services as of March 18, 2020, with stores remaining closed with the staff answering calls through transfers and back-office;
- b) making available hand sanitizers and masks for customer service points;
- c) Suspension of interstate and international travel for work;
- d) employees who return from trips abroad cannot go to their workplace up to 7 days after their arrival and, after the deadline, they must contact Celesc's medical team for evaluation;
- e) employees with symptoms of infection by Covid-19 (symptomatic) must take a leave of absence for, at least, 14 (fourteen) days, after their from the trip or after contact, as established by a doctor;
- f) employees with 60 years old or more, with chronic respiratory diseases, who live with elderly people with chronic diseases or live with people who have been abroad in the last seven days, pregnant women, nursing mothers and employees who have school-age children whose classes have been suspended and they have no other caregiver to take care of the child or they need to take turns in the care may work from home, as well as other management's employees; the essential services necessary must be maintained;
- g) Guidance to all managers under contract, so that contracted companies are notified of the responsibility to adopt all necessary measures to control the spread of the virus and comply with State Decree 507/2020.

Lastly, the Crisis Committee, in line with the actions of the health authorities of the State of Santa Catarina, keep evaluating the possible impacts on the Company's operation, immediately adopting the appropriate mitigating measures for business stability.



## 7. EXHIBITS

### CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.

#### BALANÇO PATRIMONIAL CONSOLIDADO

Em R\$ Mil

Ativo	31/12/2019	31/03/2020	Passivo e patrimônio líquido	31/12/2019	31/03/2020
<b>Circulante</b>			<b>Circulante</b>		
Caixa e Equivalentes de Caixa	566.181	341.759	Fornecedores	996.725	832.965
Contas a Receber	1.421.771	1.561.159	Empréstimos	383.623	453.821
Estoques	14.696	17.338	Debêntures	105.133	104.454
Tributos a Recuperar	68.579	638.885	Salários e Encargos Sociais	212.148	190.170
Dividendos	7.114	7.499	Tributos e Contribuições Sociais	209.296	252.729
Ativo Financeiro - "Parcela A" - CVA	32.597	32.893	Dividendos Propostos	67.683	67.683
Outros Créditos	247.134	217.474	Taxas Regulamentares	166.014	136.984
			Partes Relacionadas	18.831	9.164
			Passivo Atuarial	176.581	172.106
			Passivo Financeiro - "Parcela A" - CVA	25.142	13.716
			Outros Passivos	66.514	64.876
	<b>2.358.072</b>	<b>2.817.007</b>		<b>2.427.690</b>	<b>2.298.668</b>
<b>Não Circulante</b>			<b>Não Circulante</b>		
Aplicações Financeiras	137.478	137.478	Empréstimos	904.008	812.789
Contas a Receber	44.683	42.358	Debêntures	268.812	243.599
Partes Relacionadas	488	-	Salários e Encargos Sociais	48.186	48.186
Tributos Diferidos	1.004.094	995.084	Tributos Diferidos	19.596	20.536
Tributos a Recuperar	1.092.845	535.452	Taxas Regulamentares	189.425	191.648
Depósitos Judiciais	171.054	179.007	Provisão para Contingências	506.230	501.358
Ativo Indenizatório - Concessão	525.964	481.838	Passivo Atuarial	2.661.948	2.645.927
Ativo Financeiro - "Parcela A" - CVA	270.791	259.054	Passivo Financeiro - "Parcela A" - CVA	-	35.824
Outros Créditos	4.544	13.054	PIS/COFINS a Restituir a Consumidores	1.065.238	1.076.236
Investimentos	256.572	255.524	Outros Passivos	-	-
Imobilizado	174.796	177.233		<b>5.663.443</b>	<b>5.576.103</b>
Intangível	3.456.876	3.532.841		<b>8.091.133</b>	<b>7.874.771</b>
	<b>7.140.185</b>	<b>6.608.923</b>	<b>Patrimônio Líquido</b>		
			Capital Social	1.340.000	1.340.000
			Reservas de Capital	316	316
			Reservas de Lucro	1.521.681	1.521.681
			Ajustes de Avaliação Patrimonial	(1.454.873)	(1.455.014)
			Lucros/Prejuízos Acumulados	-	144.176
				<b>1.407.124</b>	<b>1.551.159</b>
<b>Total do Ativo</b>	<b>9.498.257</b>	<b>9.425.930</b>	<b>Total do Passivo e Patrimônio Líquido</b>	<b>9.498.257</b>	<b>9.425.930</b>



**CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.**
**DEMONSTRAÇÃO DE RESULTADOS - CONSOLIDADO**

Em R\$ Mil

	1T19	1T20	Var %
<b>Receita Operacional Bruta</b>	<b>3.472.196</b>	<b>3.324.898</b>	<b>-4,2%</b>
Fornecimento de Energia Elétrica	1.959.527	1.637.927	-16,4%
Suprimento de Energia Elétrica	133.438	130.426	-2,3%
Ativo Regulatório	(253.133)	(44.878)	-82,3%
Energia de Curto Prazo	212.188	118.990	-43,9%
Disponibilização de Rede Elétrica	1.109.691	1.194.089	7,6%
Doações e Subvenções	176.989	168.048	-5,1%
Renda de Prestação de Serviços	642	111	-82,7%
Serviço Taxado	3.883	2.018	-48,0%
Receita Financeira	12.152	9.819	-19,2%
Outras Receitas	1.309	1.283	-2,0%
<b>Receita de Construção</b>	<b>115.510</b>	<b>107.065</b>	<b>-7,3%</b>
<b>Deduções da Receita Operacional</b>	<b>(1.340.059)</b>	<b>(1.215.105)</b>	<b>-9,3%</b>
ICMS	(670.364)	(631.050)	-5,9%
PIS/COFINS	(309.566)	(296.826)	-4,1%
CDE	(344.972)	(300.735)	-12,8%
P&D	(10.161)	(10.111)	-0,5%
PEE	(9.916)	(9.873)	-0,4%
Taxa de Fiscalização Regulatória ANEEL	(1.810)	(1.964)	8,5%
Outros Encargos	6.730	35.454	426,8%
<b>Receita Operacional Líquida</b>	<b>2.132.137</b>	<b>2.109.793</b>	<b>-1,0%</b>
<b>Custos e Despesas Operacionais</b>	<b>(1.985.842)</b>	<b>(1.892.104)</b>	<b>-4,7%</b>
Energia Comprada para Revenda e Encargos	(1.580.385)	(1.515.071)	-4,1%
Pessoal e Administradores	(152.548)	(151.749)	-0,5%
Despesa Atuarial	(12.962)	(12.490)	-3,6%
Material	(3.661)	(3.761)	2,7%
Serviço de Terceiros	(57.441)	(58.182)	1,3%
Depreciação e Amortização	(55.441)	(59.368)	7,1%
Provisão de PECLD	(6.003)	(30.564)	409,1%
Reversão de Provisão de PECLD	2.885	32.313	1020,0%
Outras Provisões	(23.496)		-100,0%
Reversão de Outras Provisões	6.429		-100,0%
Outras Receitas/Despesas	12.291	13.833	12,5%
<b>Custo de Construção</b>	<b>(115.510)</b>	<b>(107.065)</b>	<b>-7,3%</b>
<b>Resultado Equivalência Patrimonial</b>	<b>6.194</b>	<b>9.596</b>	<b>54,9%</b>
<b>Resultado das Atividades - EBIT</b>	<b>152.489</b>	<b>227.285</b>	<b>49,1%</b>
Margem das Atividades (%)	7,2%	10,8%	
<b>EBITDA (R\$ mil)</b>	<b>207.930</b>	<b>286.653</b>	<b>37,9%</b>
Margem EBITDA (%)	9,8%	13,6%	
<b>Resultado Financeiro</b>	<b>(26.190)</b>	<b>(8.568)</b>	<b>-67,3%</b>
Receita Financeira	74.868	42.252	-43,6%
Despesa Financeira	(101.058)	(50.820)	-49,7%
<b>LAIR</b>	<b>126.299</b>	<b>218.717</b>	<b>73,2%</b>
IR e CSLL	(49.284)	(64.732)	31,3%
IR e CSLL Diferidos	(4.345)	(9.950)	129,0%
<b>Lucro Líquido</b>	<b>72.670</b>	<b>144.035</b>	<b>98,2%</b>
<b>Margem Líquida (%)</b>	<b>3,4%</b>	<b>6,8%</b>	



**CELESC - CENTRAIS ELÉTRICAS DE SANTA CATARINA S.A.**
**DEMONSTRAÇÃO DOS FLUXOS DE CAIXA (DFC) - CONSOLIDADO**

Em R\$ Mil

	12M19	3M20
<b>Lucro/Prejuízo antes do Imposto de Renda e Contribuição Social</b>	<b>420.980</b>	<b>218.717</b>
<b>Ajustes</b>	<b>326.340</b>	<b>109.090</b>
Depreciação e Amortização	227.696	59.368
Baixa de Ativo Indenizatório	239	8
Baixa de Ativo Imobilizado e Intangível	51.644	8.290
Resultado da Equivalência Patrimonial	(43.600)	(9.596)
Atualização Ativo Financeiro - VNR	(4.567)	(1.283)
Constituição (Reversão) de Reconhecimento de Impairment	(11.711)	-
Ganhos ou Perdas com Participações Societárias (Ativos)	-	-
Juros e Variações Monetárias	198.298	48.585
Atualização Monetária Bonificação Outorga	(30.504)	(9.819)
Outros Ajustes de Investimentos	-	-
Provisão para Passivo Atuarial	54.585	12.490
Provisão para Crédito de Liquidação Duvidosa	17.603	5.920
Realização de Provisão para Perdas	-	-
Contingências	(133.343)	(4.873)
<b>Variações nos Ativos e Passivos</b>	<b>(412.766)</b>	<b>(330.921)</b>
Contas a Receber	147.456	(142.983)
Estoques	(6.060)	(2.642)
Tributos a recuperar	(1.077.068)	(12.913)
Outros Ativos	(6.741)	31.151
Subsídio Decreto Nº 7.891/2013	244	-
Ativos Financeiro	361.699	68.435
Depósitos Judiciais	(704)	(7.953)
Fornecedores	(10.129)	(163.760)
Obrigações Trabalhistas e Previdenciárias	4.843	(22.066)
Tributos a Pagar	(27.075)	29.266
Taxas Regulamentares	(2.050.985)	(29.147)
Passivos Financeiro	(75.164)	(22.777)
PIS/COFINS a Restituir a Consumidores	1.065.238	-
Outros Passivos	7.249	(11.270)
Passivo Atuarial	(184.792)	(44.262)
Adiantamento Futuro Aumento Capital	10.000	-
<b>Caixa Proveniente das Operações</b>	<b>342.854</b>	<b>(3.114)</b>
Imposto de Renda e Contribuição Social Pagos	(95.897)	(50.565)
Juros Pagos	(114.331)	(17.600)
<b>Caixa Líquido Proveniente das Atividades Operacionais</b>	<b>132.626</b>	<b>(71.279)</b>
<b>Fluxos de Caixa das Atividades de Investimentos</b>	<b>(453.017)</b>	<b>(99.912)</b>
Aquisições de Bens do Ativo Imobilizado e Intangível	(476.474)	(100.292)
Aumento de Capital	(1.476)	198
Dividendos Recebidos	24.933	182
<b>Fluxos de Caixa das Atividades de Financiamento</b>	<b>188.512</b>	<b>(53.231)</b>
Partes Relacionadas	-	-
Amortização de Empréstimos	(167.383)	(27.741)
Ingressos de Empréstimos	518.897	-
Ingressos de Debêntures	-	-
Pagamento de Debêntures	(126.490)	-
Dividendos Pagos	(36.512)	(25.490)
<b>Total dos Efeitos de Caixa e Equivalentes de Caixa</b>	<b>(131.879)</b>	<b>(224.422)</b>
<b>Caixa e Equivalentes de Caixa no Início do Exercício</b>	<b>698.060</b>	<b>566.181</b>
<b>Caixa e Equivalentes de Caixa no Final do Exercício</b>	<b>566.181</b>	<b>341.759</b>

**CELESC DISTRIBUIÇÃO S.A.**

**BALANÇO PATRIMONIAL**

Em R\$ Mil

Ativo	31/12/2019	31/03/2020	Passivo e Patrimônio Líquido	31/12/2019	31/03/2020
<b>Circulante</b>			<b>Circulante</b>		
Caixa e Equivalentes de Caixa	400.090	288.506	Fornecedores	989.272	828.107
Contas a Receber de Clientes	1.403.888	1.541.273	Empréstimos e Financiamentos	383.623	453.821
Estoques	14.594	17.239	Debêntures	69.644	69.041
Tributos a Recuperar	65.740	625.723	Obrigações Trabalhistas e Previdenciárias	211.516	189.476
Subsídio Decreto nº 7.891/13	53.236	53.236	Tributos e Contribuições Sociais	194.446	244.387
Ativo Financeiro - "Parcela A" - CVA			Dividendos Propostos	47.066	47.066
Outros Créditos	195.462	165.714	Mútuo - Coligada e Controlada	-	90.317
			Taxas Regulamentares	165.049	135.918
			Passivo Atuarial	176.528	172.106
			Passivo financeiro - "Parcela A" - CVA	25.142	13.716
			Partes Relacionadas		
			Outros Passivos	84.994	73.756
	<b>2.133.010</b>	<b>2.691.691</b>		<b>2.347.280</b>	<b>2.317.711</b>
<b>Não Circulante</b>			<b>Não Circulante</b>		
Contas a Receber de Clientes	44.683	42.358	Empréstimos e Financiamentos	904.008	812.789
Tributos Diferidos	1.004.094	995.084	Debêntures	181.760	165.248
Tributos a recuperar ou compensar	1.090.907	533.490	Tributos Diferidos		
Depósitos Judiciais	147.344	155.210	Taxas Regulamentares	187.073	189.245
Ativo Indenizatório - Concessão	523.543	479.417	Obrigações Trabalhistas e Previdenciárias	48.186	48.186
Ativo Financeiro - "Parcela A" - CVA	12.678		Passivo Atuarial	2.661.948	2.645.927
Outros Créditos	4.544	3.054	Provisão para Contingências	500.474	495.583
Intangível	3.448.815	3.525.095	Passivo Financeiro - "Parcela A" - CVA		35.824
			PIS/COFINS a Restituir a Consumidores	1.065.238	1.076.236
			Outros Passivos	-	-
	<b>6.276.608</b>	<b>5.733.708</b>		<b>5.548.687</b>	<b>5.469.038</b>
				<b>7.895.967</b>	<b>7.786.749</b>
			<b>Patrimônio Líquido</b>		
			Capital Social Realizado	1.053.590	1.053.590
			Reservas de Lucro	930.087	930.087
			Ajuste de Avaliação Patrimonial	(1.470.026)	(1.470.026)
			Lucros/Prejuízos Acumulados	-	124.999
				<b>513.651</b>	<b>638.650</b>
<b>Total do Ativo</b>	<b>8.409.618</b>	<b>8.425.399</b>	<b>Total do Passivo e Patrimônio Líquido</b>	<b>8.409.618</b>	<b>8.425.399</b>

**CELESC DISTRIBUIÇÃO S.A.**
**DEMONSTRAÇÃO DE RESULTADOS**

	1T19	1T20	Var %
<b>Receita Operacional Bruta</b>	<b>3.427.454</b>	<b>3.286.923</b>	<b>-4,1%</b>
Fornecimento de Energia Elétrica	1.952.423	1.628.881	-16,6%
Suprimento de Energia Elétrica	107.344	110.760	3,2%
Ativo Regulatório	(253.133)	(44.878)	82,3%
Energia de Curto Prazo	212.188	118.990	-43,9%
Disponibilização de Rede Elétrica	1.110.299	1.194.645	7,6%
Doações e Subvenções	176.989	168.048	-5,1%
Renda de Prestação de Serviços	642	111	-82,7%
Serviço Taxado	3.883	2.018	-48,0%
Outras Receitas	1.309	1.283	-2,0%
<b>Receita de Construção</b>	<b>115.510</b>	<b>107.065</b>	<b>-7,3%</b>
<b>Deduções da Receita Operacional</b>	<b>(1.335.797)</b>	<b>(1.211.167)</b>	<b>-9,3%</b>
ICMS	(670.364)	(631.050)	-5,9%
PIS/COFINS	(305.882)	(293.431)	-4,1%
CDE	(344.972)	(300.735)	-12,8%
P&D	(9.916)	(9.873)	-0,4%
PEE	(9.916)	(9.873)	-0,4%
Taxa de Fiscalização Regulatória ANEEL	(1.742)	(1.894)	8,7%
Outros Encargos	6.995	35.689	410,2%
<b>Receita Operacional Líquida</b>	<b>2.091.657</b>	<b>2.075.756</b>	<b>-0,8%</b>
<b>Custos com Energia Elétrica</b>	<b>(1.576.403)</b>	<b>(1.510.942)</b>	<b>-4,2%</b>
Energia Elétrica Comprada para Revenda	(1.314.255)	(1.244.436)	-5,3%
Encargo do Uso do Sistema de Transmissão	(215.600)	(227.792)	5,7%
PROINFA	(46.548)	(38.714)	-16,8%
<b>Custos e Despesas Operacionais</b>	<b>(394.336)</b>	<b>(364.944)</b>	<b>-7,5%</b>
Pessoal e Administradores	(144.507)	(145.293)	0,5%
Despesa Atuarial	(12.962)	(12.490)	-3,6%
Material	(3.581)	(3.679)	2,7%
Serviço de Terceiros	(54.834)	(55.303)	0,9%
Depreciação e Amortização	(53.646)	(57.390)	7,0%
Provisão de PECLD	(6.003)	(29.807)	396,5%
Reversão de Provisão de PECLD	823	31.741	3756,7%
Outras Provisões	(23.224)		-100,0%
Outras Reversões de Provisões	6.369		-100,0%
Outras Receitas/Despesas	12.739	14.342	12,6%
<b>Custo de Construção</b>	<b>(115.510)</b>	<b>(107.065)</b>	<b>-7,3%</b>
<b>Resultado das Atividades - EBIT</b>	<b>120.918</b>	<b>199.870</b>	<b>65,3%</b>
Margem das Atividades (%)	5,8%	9,6%	
<b>EBITDA</b>	<b>174.564</b>	<b>257.260</b>	<b>47,4%</b>
Margem EBITDA (%)	8,3%	12,4%	
<b>Resultado Financeiro</b>	<b>(25.532)</b>	<b>(7.602)</b>	<b>70,2%</b>
Receita Financeira	74.094	41.265	-44,3%
Despesa Financeira	(99.626)	(48.867)	-50,9%
<b>LAIR</b>	<b>95.386</b>	<b>192.268</b>	<b>101,6%</b>
IR e CSLL	(41.262)	(58.259)	
IR e CSLL Diferidos	(1.828)	(9.010)	
<b>Lucro Líquido</b>	<b>52.296</b>	<b>124.999</b>	<b>139,0%</b>
<b>Margem Líquida (%)</b>	<b>2,5%</b>	<b>6,0%</b>	

CELESC DISTRIBUIÇÃO S.A.		
DEMONSTRAÇÃO DOS FLUXOS DE CAIXA (DFC)		Em R\$ Mil
	12M19	3M20
<b>Lucro/Prejuízo antes do Imposto de Renda e Contribuição Social</b>	<b>307.207</b>	<b>192.268</b>
<b>Itens que não afetam o caixa:</b>	<b>415.317</b>	<b>126.257</b>
Amortização	220.358	57.390
Atualização Ativo Financeiro - VNR	(4.567)	(1.283)
Provisão para Créditos de Liquidação Duvidosa	26.548	5.753
Contingências	(131.485)	(4.891)
<b>Ativos e Passivos Financeiros</b>	-	-
Juros e Variações Monetárias - Líquidas	199.929	48.500
Custo de Debêntures	-	-
Provisão para Plano de Benefícios Pós-Emprego	54.585	12.490
Baixa de Ativos	49.949	8.298
<b>Variações no Ativo Circulante e Não Circulante</b>	<b>897.234</b>	<b>(62.799)</b>
Contas a Receber de Clientes	152.121	(140.813)
Estoques	(6.106)	(2.645)
Tributos a Recuperar	(1.076.168)	(2.566)
Depósitos Judiciais	2.974	(7.866)
Subsídio Decreto Nº 7.891/2013	1.457.767	-
Ativos Financeiros	340.887	59.853
Outros Créditos	25.759	31.238
<b>Variações no Passivo Circulante e Não Circulante</b>	<b>(1.265.561)</b>	<b>(259.698)</b>
Fornecedores	(14.185)	(161.165)
Salários e Encargos Sociais	4.822	(22.040)
Tributos e Contribuições Sociais	(8.986)	31.083
Taxas Regulamentares	(2.051.519)	(29.299)
Previdência Privada	3.068	-
Passivo Atuarial	(184.707)	(44.262)
Passivos Financeiros	(75.164)	(22.777)
PIS/COFINS a serem restituídos a consumidores	1.056.928	-
Outros Passivos	4.182	(11.238)
<b>Caixa Proveniente das Operações</b>	<b>354.197</b>	<b>(3.972)</b>
Juros Pagos	(102.174)	(17.245)
Juros e Encargos Pagos a Partes Relacionadas	-	-
Imposto de Renda e Contribuição Social Pagos	(95.897)	(39.401)
<b>Caixa Líquido Proveniente das Atividades Operacionais</b>	<b>156.126</b>	<b>(60.618)</b>
<b>Atividades de Investimento</b>	<b>(511.897)</b>	<b>(96.559)</b>
Aquisição de Bens da Concessão	(511.897)	(96.559)
<b>Atividades de Financiamento</b>	<b>132.635</b>	<b>45.593</b>
Ingressos de Recursos	518.897	-
Ingressos de Partes Relacionadas	-	90.000
Amortização de Empréstimos e Financiamentos	(267.403)	(44.407)
Dividendos e Juros sobre o Capital Próprio - JCP	(28.859)	-
Amortização com Partes Relacionadas	(90.000)	-
<b>Total dos Efeitos de Caixa e Equivalentes de Caixa</b>	<b>(231.172)</b>	<b>(111.584)</b>
<b>Caixa e Equivalentes de Caixa no Início do Período</b>	<b>631.262</b>	<b>400.090</b>
<b>Caixa e Equivalentes de Caixa no Fim do Período</b>	<b>400.090</b>	<b>288.506</b>

**CELESC GERAÇÃO S.A.**
**BALANÇO PATRIMONIAL**

Em R\$ Mil

Ativo	31/12/2019	31/03/2020	Passivo e patrimônio líquido	31/12/2019	31/03/2020
<b>Circulante</b>			<b>Circulante</b>		76.249
Caixa e Equivalentes de Caixa	137.640	38.898	Fornecedores	7.109	4.554
Contas a Receber	18.116	20.097	Tributos e Contribuições Sociais	13.696	8.121
Ativo Financeiro	32.597	32.893	Dividendos Propostos	17.637	17.637
Tributos a Recuperar	635	2.243	Taxas Regulamentares	965	1.066
Dividendos e JCP	-	663	Debêntures	35.489	35.413
Estoques	102	99	Partes Relacionadas		
Despesas Antecipadas	134	77	Outros Passivos	1.353	1.271
Outros Créditos	1	-			
	<b>189.225</b>	<b>94.970</b>		<b>76.249</b>	<b>68.062</b>
<b>Não circulante</b>			<b>Não circulante</b>		
Partes Relacionadas		90.317	Tributos Diferidos	19.596	20.536
Tributos a Recuperar	1.938	1.962	Taxas Regulamentares	2.352	2.403
Depósitos Judiciais	369	369	Provisão para Contingências	1.218	1.218
Ativo Financeiro	258.113	259.054	Debêntures	87.052	78.351
Adiantamento Aumento de Capital	10.000	10.000			
Investimentos	61.297	62.348			
Imobilizado	174.778	177.216		<b>110.218</b>	<b>102.508</b>
Intangível	2.615	2.426			
Indenização Concessão	2.421	2.421			
Outros	488				
	<b>512.019</b>	<b>606.113</b>	<b>Total Passivo</b>	<b>186.467</b>	<b>170.570</b>
			<b>Patrimônio líquido</b>		
			Capital Social	250.000	250.000
			Reservas de Lucro	249.624	249.624
			Ajuste de Avaliação Patrimonial	15.153	15.012
			Lucros/Prejuízos Acumulados	-	15.877
				<b>514.777</b>	<b>530.513</b>
<b>Total do ativo</b>	<b>701.244</b>	<b>701.083</b>	<b>Total do passivo e patrimônio líquido</b>	<b>701.244</b>	<b>701.083</b>

**CELESC GERAÇÃO S.A.**
**DEMONSTRAÇÃO DE RESULTADOS**

	1T19	1T20	Var %
<b>Receita Operacional Bruta (R\$ mil)</b>	<b>46.077</b>	<b>39.347</b>	<b>-14,6%</b>
Fornecimento de Energia Elétrica	7.104	9.046	27,3%
Suprimento de Energia Elétrica	21.370	17.081	-20,1%
Energia de Curto Prazo	5.451	3.401	-37,6%
Receita Financeira - Juros e Atualização BO	12.152	9.819	-19,2%
<b>Deduções da Receita Operacional (R\$ mil)</b>	<b>(4.262)</b>	<b>(3.938)</b>	<b>-7,6%</b>
PIS/COFINS	(3.684)	(3.395)	-7,8%
Comp. Financ. p/ Utiliz. De Recursos Hídricos	(265)	(235)	-11,3%
RGR e P&D	(245)	(238)	-2,9%
Taxa de Fiscalização Regulatória ANEEL	(68)	(70)	2,9%
<b>Receita Operacional Líquida (R\$ mil)</b>	<b>41.815</b>	<b>35.409</b>	<b>-15,3%</b>
<b>Custos com Energia Elétrica (R\$ mil)</b>	<b>(5.317)</b>	<b>(5.501)</b>	<b>3,5%</b>
Energia Elétrica Comprada para Revenda	(4.709)	(4.945)	5%
Encargos do Uso do Sistema	(608)	(556)	-8,6%
<b>Custos e Despesas Operacionais (R\$ mil)</b>	<b>(4.545)</b>	<b>(7.069)</b>	<b>55,5%</b>
Pessoal, Administradores	(2.795)	(3.480)	24,5%
Material	(80)	(82)	2,5%
Serviço de Terceiros	(2.112)	(1.739)	-17,7%
Depreciação / Amortização	(1.301)	(1.484)	14,1%
Provisões, líquidas	1.850	(167)	-109,0%
Outras Receitas / Despesas	(107)	(117)	9,3%
Provisão / Reversão Teste Impairment, líquidas			
<b>Resultado Equivalência Patrimonial (R\$ mil)</b>	<b>(466)</b>	<b>1.328</b>	<b>385,0%</b>
<b>Resultado das Atividades - EBIT (R\$ mil)</b>	<b>31.487</b>	<b>24.167</b>	<b>-23,2%</b>
Margem das Atividades (%)	75,3%	68,3%	
<b>EBITDA (R\$ mil)</b>	<b>32.788</b>	<b>25.651</b>	<b>-21,8%</b>
Margem EBITDA (%)	78,4%	72,4%	
<b>Resultado Financeiro (R\$ mil)</b>	<b>(939)</b>	<b>(1.018)</b>	<b>8,4%</b>
Receita Financeira	2.469	1.234	-50,0%
Despesa Financeira	(3.408)	(2.252)	-33,9%
<b>LAIR (R\$ mil)</b>	<b>30.548</b>	<b>23.149</b>	<b>-24,2%</b>
IR e CSLL	(8.022)	(6.473)	-19,3%
IR e CSLL Diferidos	(2.517)	(940)	-62,7%
<b>Lucro Líquido (R\$ mil)</b>	<b>20.009</b>	<b>15.736</b>	<b>-21,4%</b>
Margem Líquida (%)	47,9%	44,4%	

CELESC GERAÇÃO S.A.		
DEMONSTRAÇÃO DOS FLUXOS DE CAIXA (DFC)		Em R\$ Mil
	12M19	3M20
<b>Lucro/Prejuízo antes do Imposto de Renda e Contribuição Social</b>	<b>102.633</b>	<b>23.149</b>
<b>Ajustes</b>	<b>(41.543)</b>	<b>(7.722)</b>
Depreciação e Amortização	5.348	1.484
Ganho ou perda na alienação de ativo imobilizado		
Baixa de ativo imobilizado/intangível	1.934	
Equivalência Patrimonial	(4.448)	(1.328)
Ganhos/perdas com Participações Societárias	3.421	
Provisões/Reversões para Contingências	229	
Reversão/Provisão para Perdas Ativo Imobilizado	(11.711)	
Reversão/Provisão para Perdas de Investimentos	(3.421)	
Variações Monetárias	12.349	2.091
Receita Financeira Mútuo	(5.652)	(317)
Perdas Estimadas em Crédito de Liquidação Duvidosa	3.869	167
Ativo Financeiro Atualização	(43.461)	(9.819)
<b>Variações no Ativo Circulante e Não Circulante</b>	<b>16.720</b>	<b>6.266</b>
Contas a Receber de Clientes	(4.684)	(2.148)
Tributos a Compensar ou Recuperar	(2.419)	(228)
Estoques	46	3
Depósitos Judiciais	(15)	
Ativo Financeiro	33.769	8.582
Adiantamento Futuro Aumento Capital	(10.000)	
Outros Ativos	23	57
<b>Variações no Passivo Circulante e Não Circulante</b>	<b>4.955</b>	<b>(4.772)</b>
Fornecedores	3.565	(2.555)
Taxas Regulamentares	534	152
Tributos e Contribuições Sociais	460	(2.287)
Outros Passivos	396	(82)
<b>Caixa Proveniente das Operações</b>	<b>82.765</b>	<b>16.921</b>
Juros pagos e recebidos	(12.157)	(2.044)
Imposto de Renda e Contribuição Social Pagos	(22.342)	(11.164)
<b>Caixa Líquido Proveniente das Atividades Operacionais</b>	<b>48.266</b>	<b>3.713</b>
<b>Atividades de Financiamento</b>	<b>(48.051)</b>	<b>(8.824)</b>
Ingressos de Debêntures	-	
Dividendos pagos e Juros sobre capital próprio - JCP	(21.581)	
Amortização de Empréstimos/Debêntures	(26.470)	(8.824)
<b>Atividades de Investimento</b>	<b>87.390</b>	<b>(93.631)</b>
Redução de Capital Investidas		488
Aquisição de Investimentos	(1.476)	(290)
Aquisições de bens do ativo imobilizado	(9.564)	(3.733)
Aquisição de Intangível	(356)	-
Partes Relacionadas - Contrato Mútuo	-	(90.000)
Partes Relacionadas - Contrato Mútuo	90.000	-
Dividendos recebidos	8.037	
Juros Recebidos Mútuo	749	(96)
<b>Total dos Efeitos de Caixa e Equivalentes de Caixa</b>	<b>87.605</b>	<b>(98.742)</b>
<b>Caixa e Equivalentes de Caixa no Início do Exercício</b>	<b>50.035</b>	<b>137.640</b>
<b>Caixa e Equivalentes de Caixa no Final do Exercício</b>	<b>137.640</b>	<b>38.898</b>