

Earnings Results Presentation

1st Quarter, 2021

May 7th, 2021

Committed to:



ICO2B3 ISEB3 IEEB3 IBRX100B3



FTSE4Good

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HIGHLIGHTS

1st QUARTER / 2021

NEOENERGIA HIGHLIGHTS

DISTRIBUTED ENERGY:

15,985 GWh in 1Q21
(+7.8% vs. 1Q20 | +4.2% ex-Neoenergia Distribuição Brasília).
Market Recovery.

Operational Expenses:

R\$ 801 MN in 1Q21 (0%¹ vs. 1Q20).
Absorbing inflation, growth of customer's base, higher headcount and new projects.

CAPEX:

R\$ 1.8 BN in 1Q21 (+89% vs. 1Q20).
Progress of Wind and Transmission projects.

EBITDA:

R\$ 2.3 BN in 1Q21 (+50% vs. 1Q20).
Demand, cost efficiency and progress of transmission projects.

Net Income²:

R\$ 1.0 BN in 1Q21 (+75% vs. 1Q20).
Highest quarterly result obtained by Neoenergia.

Leverage:

Net Debt / EBITDA = 3.28x (vs. 2.85x in 4Q20).
Already reflecting Neoenergia Distribuição Brasília acquisition.

NOTE (1): Desconsiders positive impact of arbitrations in 1Q20 and the 28 days of Neoenergia Distribuição Brasília consolidation in 1Q21.
NOTE(2) Excludes the profit assigned to minority shareholders

NETWORKS (TRANSMISSION)

Projets Under Implementation: Progress of the projects confirming expected rates of return.

April' 2017 Auction: RAP R\$104 MN

Expectation of total delivery of the lots in 2021! Overcoming the Business Plan.

- Lot 4: Delivered 4 out of 5 tranches | 61% of RAP and 66% of the lines;
- Lots 20, 22 e 27: delivered ahead Aneel's schedule and with capex savings of around 30%.

Operational excellence verified in the delivered lots.

Dec' 2018 Auction: RAP R\$501 MN

- Lot 1: PL's obtained; IL's issued for the Gaspar, Rio do Sul and Indaial substations;
- Lot 14: SEs Marmeleiros and Livramento and LT Sta. Maria – Livramento under construction;
- Lots 2 and 3: PL's issued by IBAMA.

Progress of the projects confirming the Business Plan!

Dec' 2017 Auction: RAP R\$183 MN

- Lot 4: 1,4 thousand foundation (100%), 97% standing towers and 378 km of cables launched (50%);
- Lot 6: 602 foundation (85%), 58% standing towers and 124 km of cables launched (38%).

Dec' 2019 Auction: RAP R\$18 MN

- Lot 9: IL obtained and +73% of land equated;

Dec' 2020 Auction: RAP R\$160 MN

- Concession contract signed and initiated the processes for obtaining the PL.



PHOTO: Dourados LT (Lot 4 – April '17)



PHOTO: Jalapão LT (Lot 4 - Dec'17)

RENEWABLES (Wind Farms and Solar Park)

Projects Under Implementation : High energy % already sold at ACL, ensuring expected return rates.

Chafariz Complex | Paraíba 15 farms | 471.2 MW

- Installation of wind turbines already started;
- Transmission line with 70% of cables lauched and 100% of foundation completed.

Start of Operations
2nd Semester 2021.

Oitis Complex | Piauí and Bahia 12 farms | 566.5 MW

- Wind farms ILs and Line PL obtained;
- Works with 3 months anticipation;
- 40% of foundations already excavated and 2 concreted.

Start of Operations
1st Semester 2022.

Luzia Solar Plant | Paraíba 2 parks | 100 MW

- 100% of the energy sold until 2026;
- Synergy with Chafariz and LT Santa Luzia;
- PLs obtained. CCT / CUST approved;
- Framed in REIDI.

Start of Operations
2nd Semester 2022.



PHOTO: Chafariz Complex - Installation of wind turbines



PHOTO: Chafariz Complex - Installation of wind turbines



PHOTO: Oitis Complex

NEOENERGIA DISTRIBUIÇÃO BRASÍLIA

START OF NEOENERGY MANAGEMENT | MAIN LEVERS

LOSSES

- **CLANDESTINE CONNECTIONS**

- 1k regularizations | 6 GWh | R\$4 MN;

- **INSPECTIONS**

- 4k inspections | 12 GWh | R\$8.4 MN;

50% of all energy recovered in 2020.

DELINQUENCY

- **RESUMPTION OF CUTTING IN ALL CONSUMER CLASSES**

- 2k | collection of R\$7 MN;

- **NEGOTIATIONS**

- 2k | R\$8 MN | 7x average of jan and feb;
- 178k collection actions | R\$4.4 MN | 2x actions than the average of jan and feb;

- **NEGATIVATIONS**

- 167k | 2x the average of jan and feb.

OPEX

- **Headcount readjustment (-12%);**
- **Restructuring / Integration of processes;**
- **New collective agreement for 2 years;**
- **Better management of service execution;**
- **Results culture;**
- **Change of headquarters building.**

DEC & FEC

- **2nd best DEC ever recorded in March and 55% better than average of Jan and Feb;**
- **Inspections | 270k interruptions avoided | DEC 0.63hs | R\$1.4 MN of revenue.**

CAPEX

- **Purchases: savings of 23% to 50% (connectors, meters, reclosers, etc.);**
- **Asset preparation for RTP;**
- **March Capex: 2x the average of jan and feb.**

FINANCIAL AND FISCAL OPTIMIZATION

- **Profit estimated already in 2021, allowing the use of tax losses;**
- **Liability management executed.**

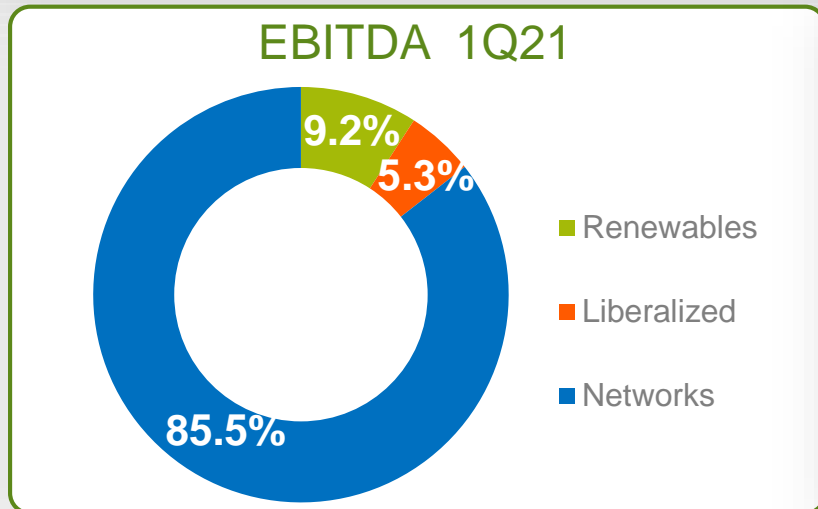
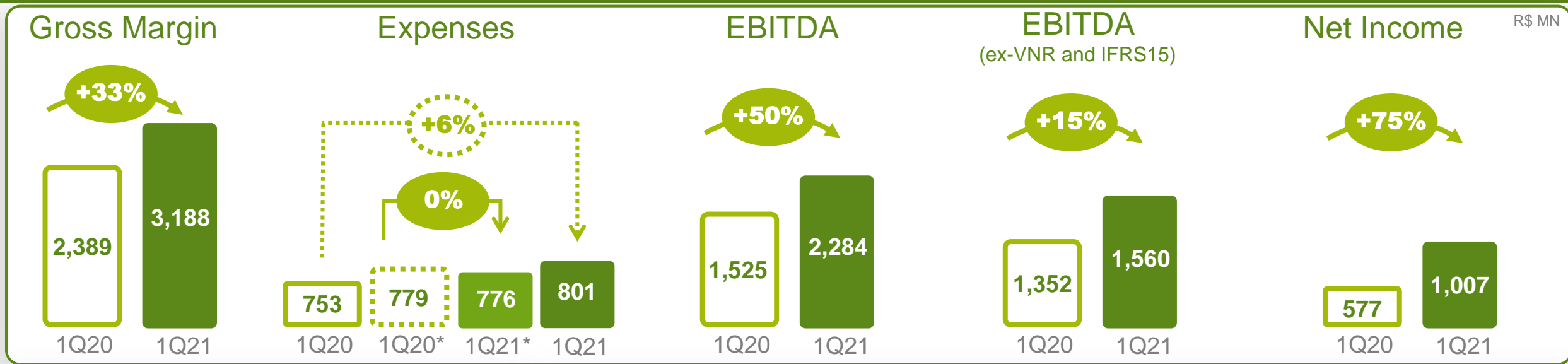
TURNAROUND IN COURSE WITHOUT SURPRISES AND START OF OPERATIONAL IMPROVEMENTS.

RESULTS ANALYSIS

1st QUARTER / 2021

Results 1Q20 x 1Q21

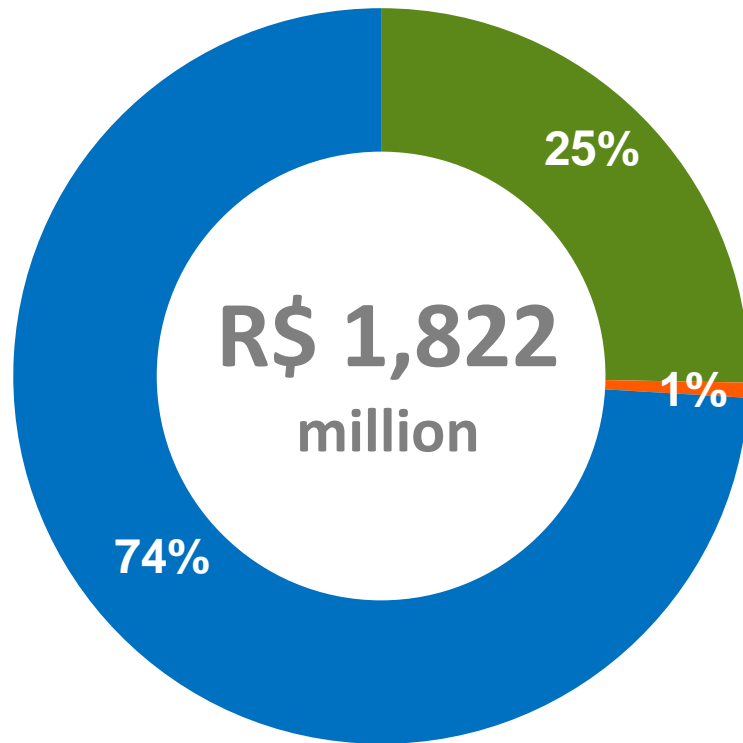
CONSOLIDATED



- ### Highlights:
- **Gross Margin:** Market increase on DisCos and better results of Liberalized and Renewables;
 - **Expenses:** In line with 1Q20 , absorbing inflation, growth in the customer base, higher *headcount* (659 ex-Neoenergia Distribuição Brasília) and Transmission growth;
 - **EBITDA:** Reflection of the better margin, cost discipline and growth;
 - **Net Income:** Record quarterly result.

CAPEX NEOENERGIA 1Q21

MAIN INVESTMENTS



■ Renewables ■ Liberalized ■ Networks



NETWORKS

R\$ 873 MN in Discos

- Network Expansion
- Asset Renewal
- Network Quality Improvement
- Loss combat actions.

R\$ 477 MN in Transmission

- Projects under implementation.



RENEWABLES

R\$ 45 MN* in Hydro

R\$ 416 MN in Wind power

- Projects under implementation.



LIBERALIZED

R\$ 12 MN

- Sustaining Capex.

TOTAL

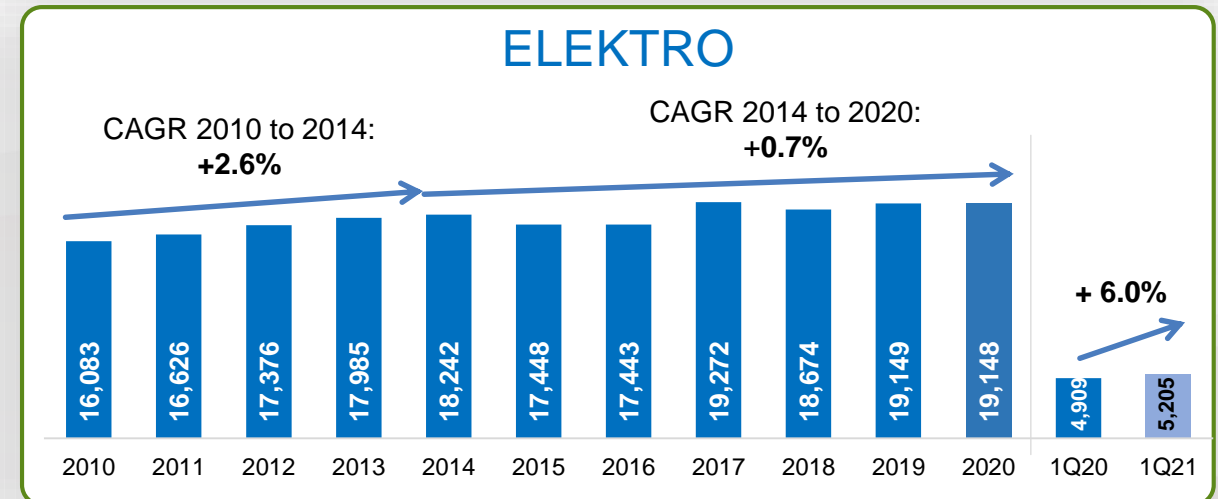
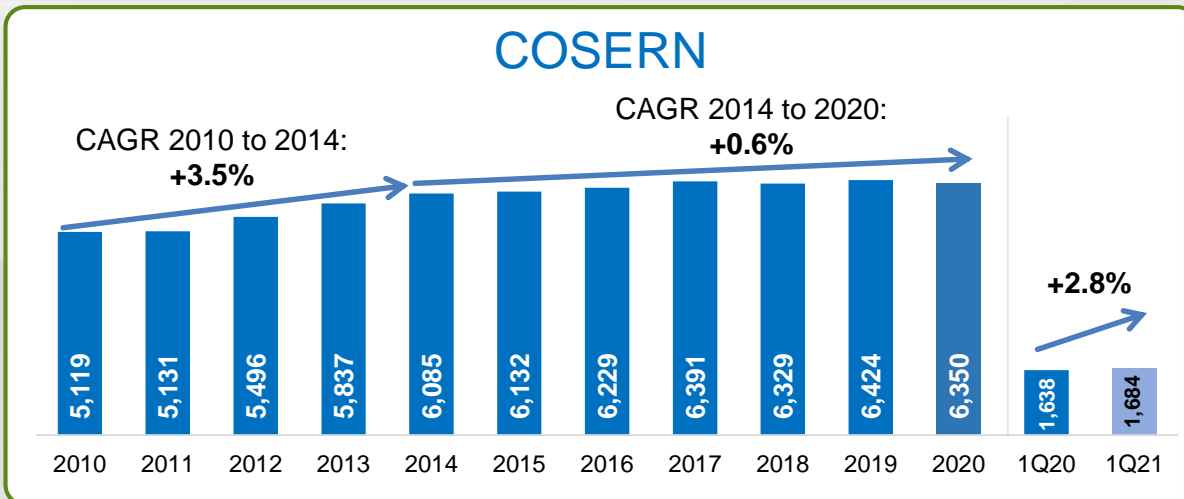
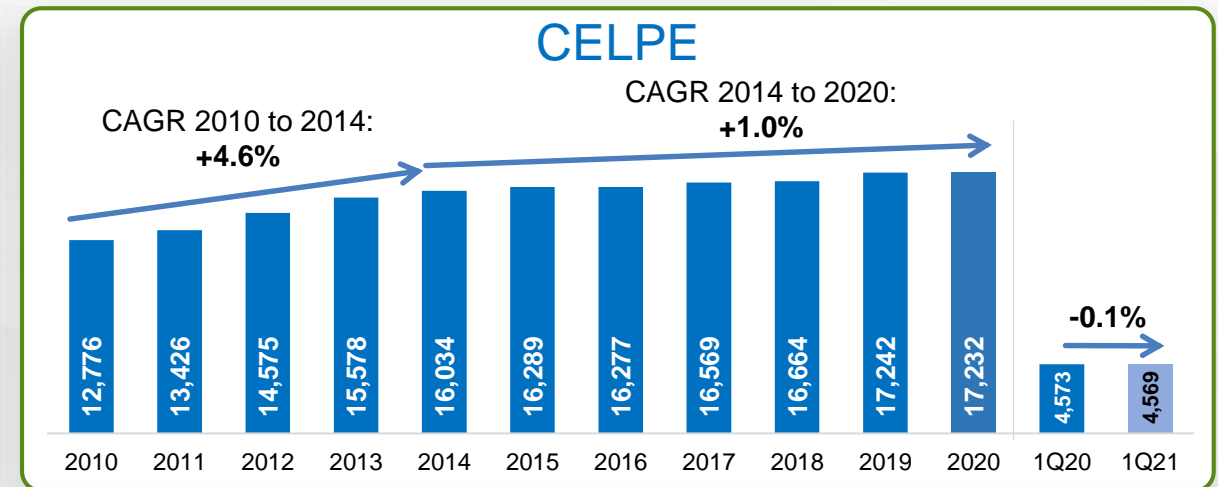
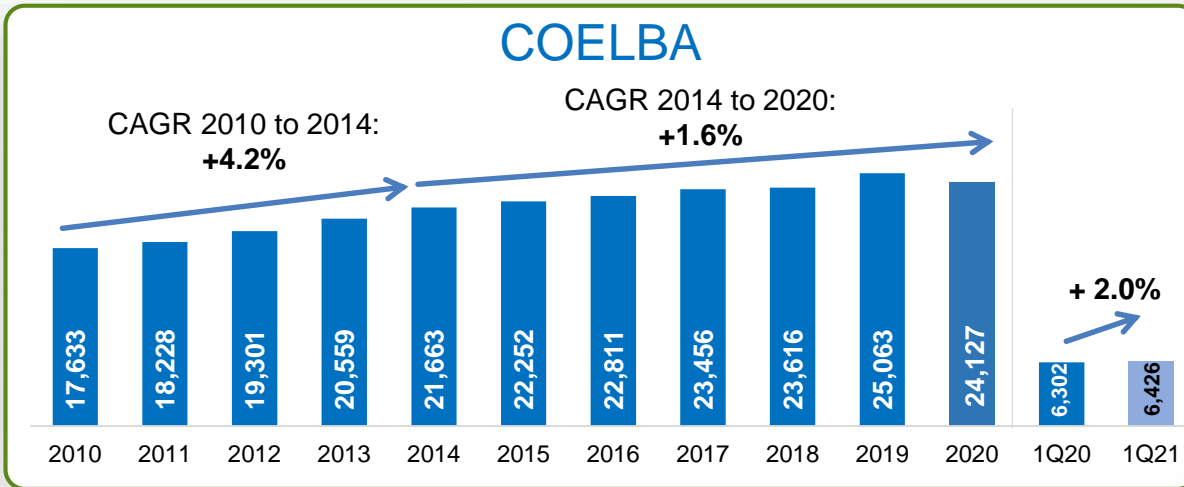
R\$ 1.822 MN

RESULTS ANALYSIS- NETWORKS

1st QUARTER / 2021

NETWORKS - DISTRIBUTION

INJECTED ENERGY (GWh) – 1Q21



Market recovery in Neoenergia's concession areas.

NETWORKS - DISTRIBUTION

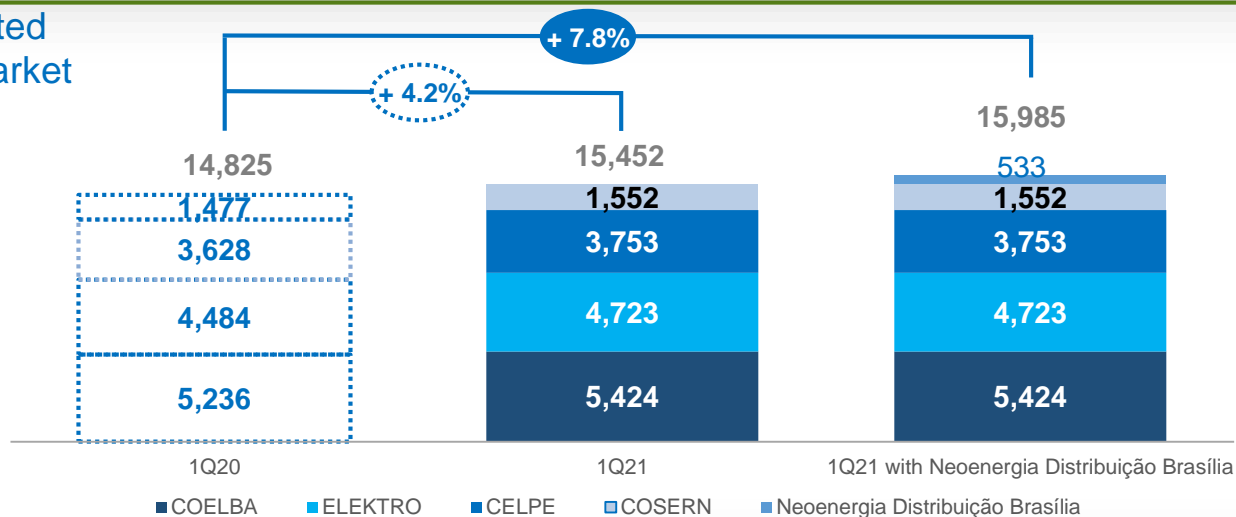
ENERGY DISTRIBUTED AND NUMBER OF CONSUMERS

15.5 million of clients

1.36 million of new clients 1Q21 vs. 1Q20
258 thousand new clients ex-Neoenergia Distribuição Brasília

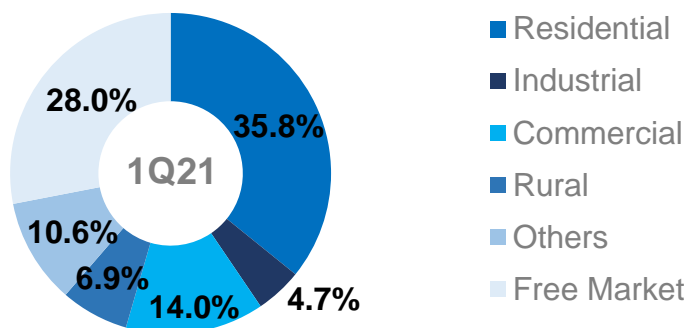
Energy Distributed
Captive + Free Market

GWh

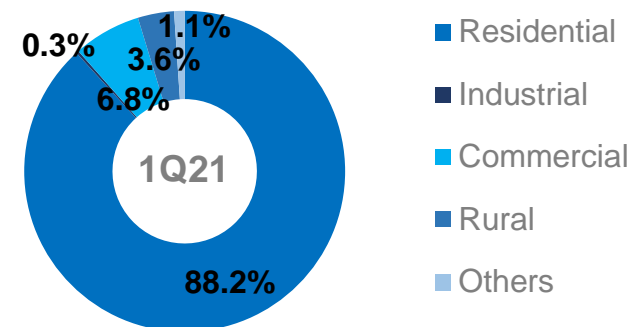


Energy Distributed per class (Captive + Free Market)

GWh

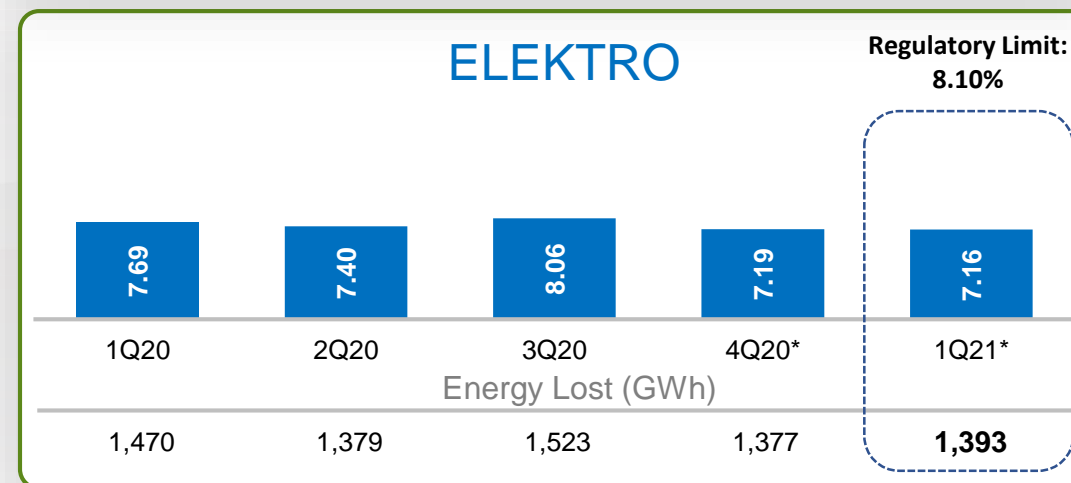
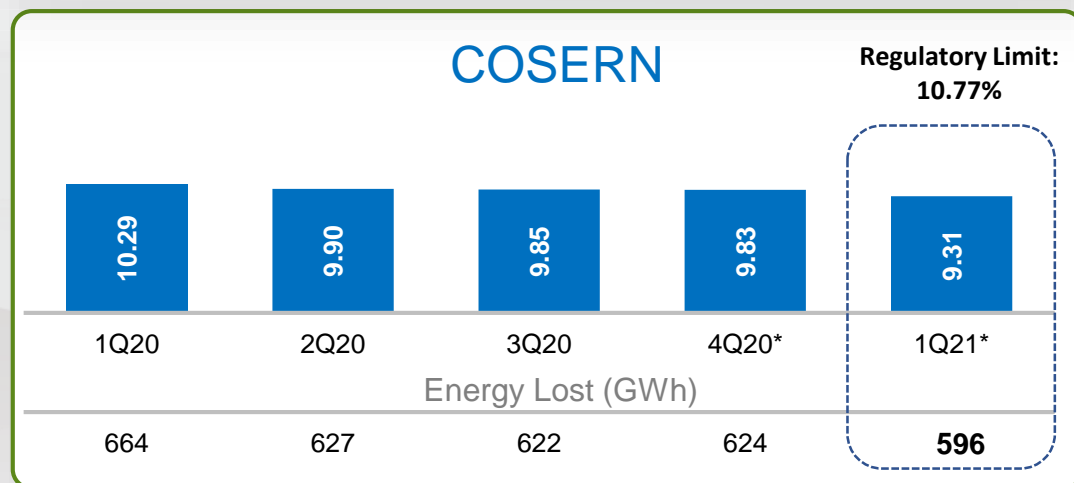
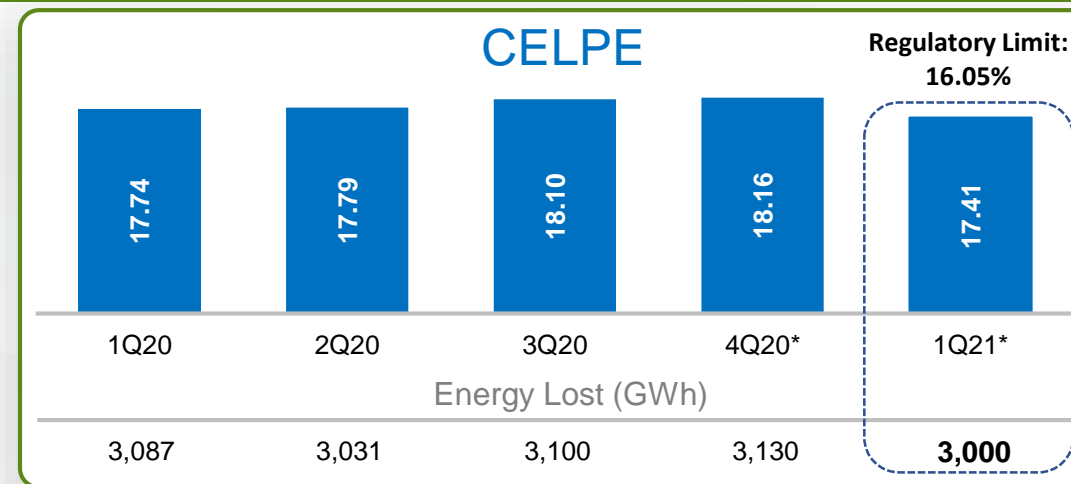
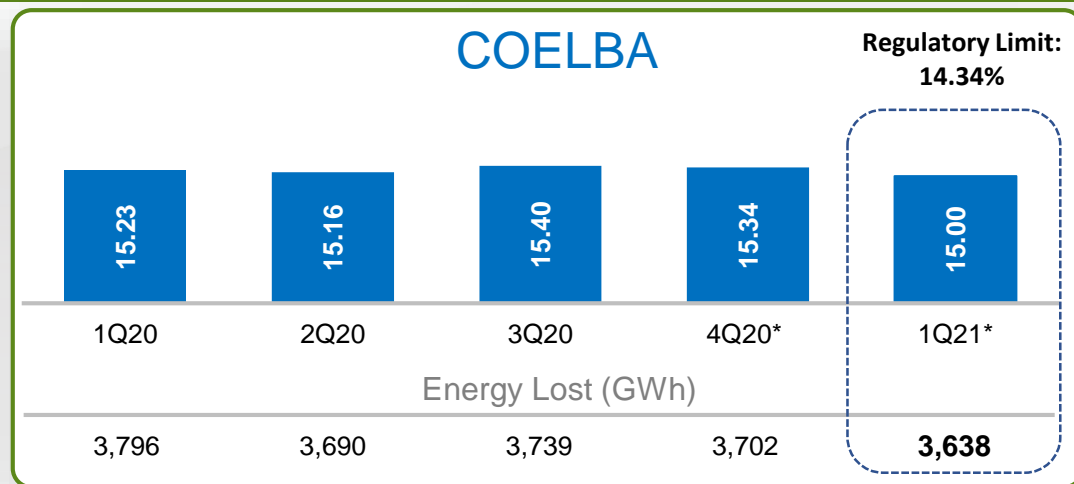


% of consumers per consumer class – Captive Market



NETWORKS - DISTRIBUTION

TOTAL LOSSES 12 MONTHS – 1Q21



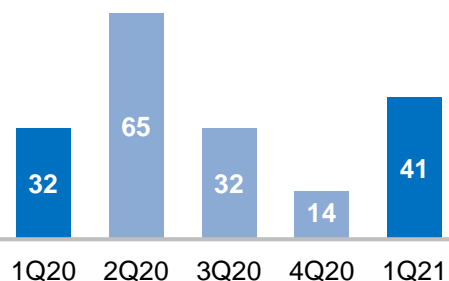
1Q21 showed a drop in losses at 4 DisCos.

NOTE: ex-REN 863

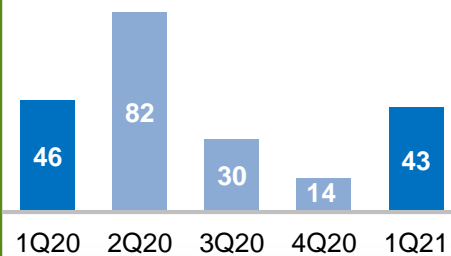
NETWORKS - DISTRIBUTION

PECLD (R\$ MN)

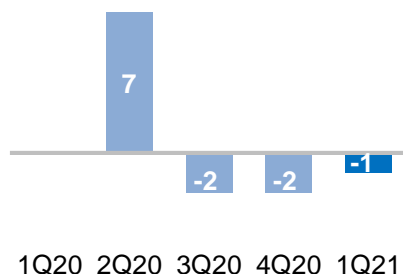
COELBA



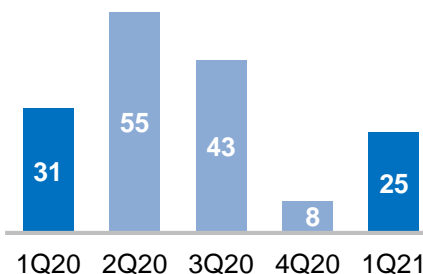
CELPE



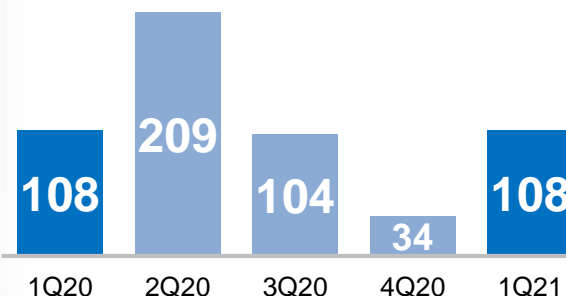
COSERN



ELEKTRO



DISCOS PECLD EVOLUTION



Note: (1) 1Q21 does not consider R\$4 MN PECLD of Neoenergia D. Brasília;

(2) This amount considers approximately R\$24 MN still reflecting the pandemic.

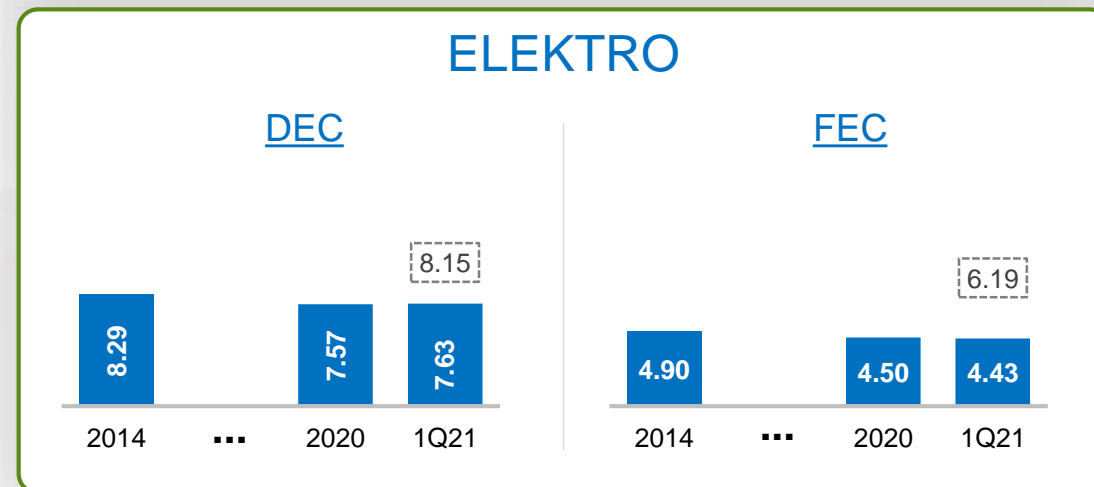
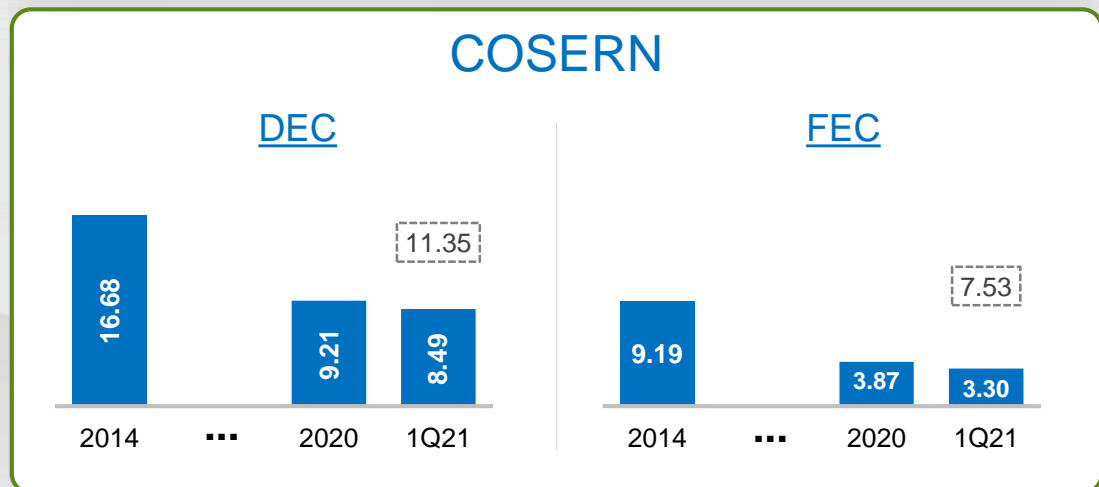
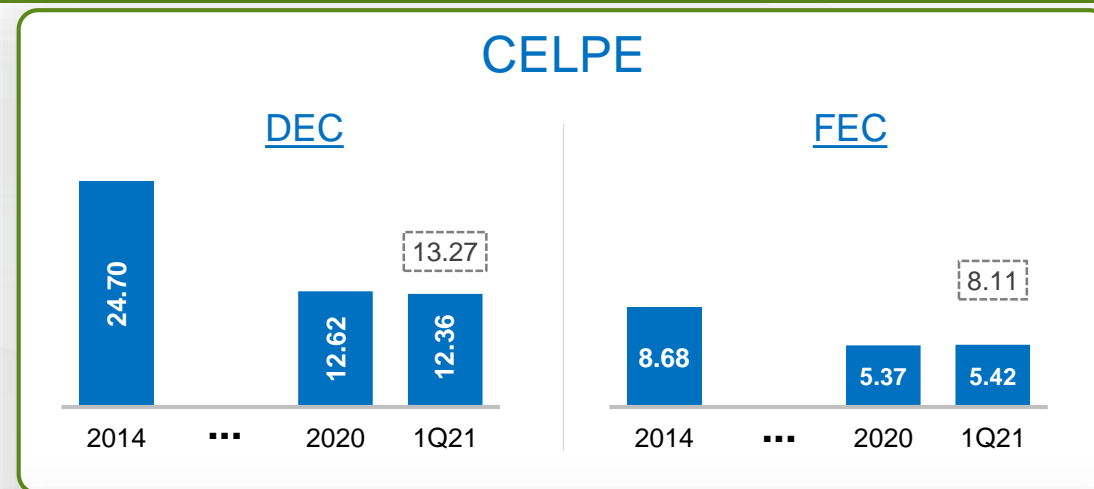
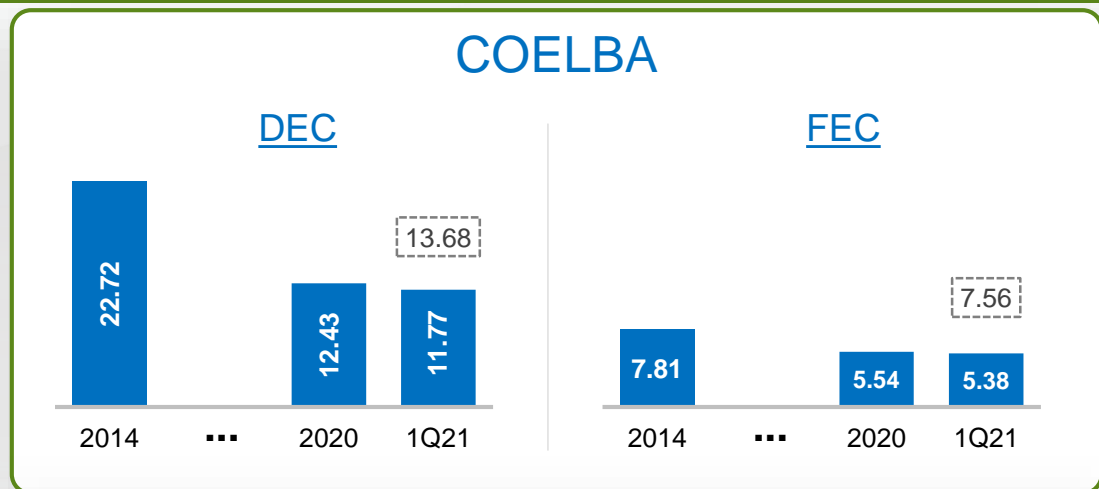
Actions

- 493 thousand supply disconnections;
- 3.6 million customers negativated;
- Negotiations for 91 thousand customers;
- 21 million telephone billing charges;
- Negotiations with Government Agencies and large-size customers;
- Payment by Credit Card;
- Virtual Card and PIX;
- Discount sale campaign 30%;
- Bonus action with Cash Back.

PECLD returned to the pre-Covid levels due to the success of collection actions.

NETWORKS - DISTRIBUTION

QUALITY INDICATORS: DEC (HOURS) and FEC (TIMES)



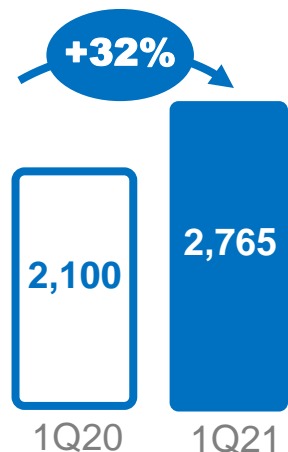
NOTE: Due to the fact that the deadline for calculating the quality indicators of March 2021 is after the period of disclosure of this report, the data presented are estimated.

EFFICIENT INVESTMENTS AND MANAGEMENT REFLECTING IMPROVED QUALITY IN THE FOUR DISCOS.

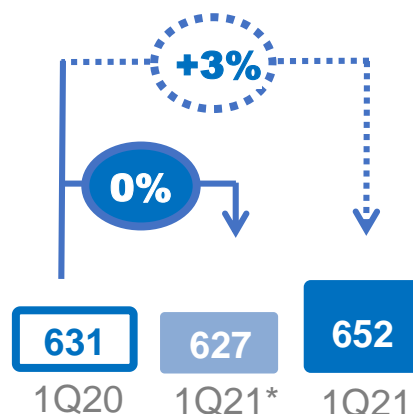
Results 1Q20 x 1Q21

NETWORKS

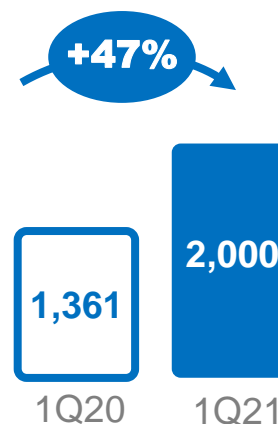
Gross Margin



Expenses



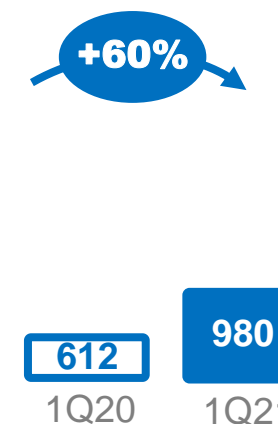
EBITDA



EBITDA (ex-VNR and IFRS15)



Net Income R\$ MN



NETWORKS EBITDA

	1Q20	1Q21	Var. R\$	Var. %
Disco	1,245	1,569	324	26%
Transco	116	431	315	271%
Total	1,361	2,000	639	47%

Highlights:

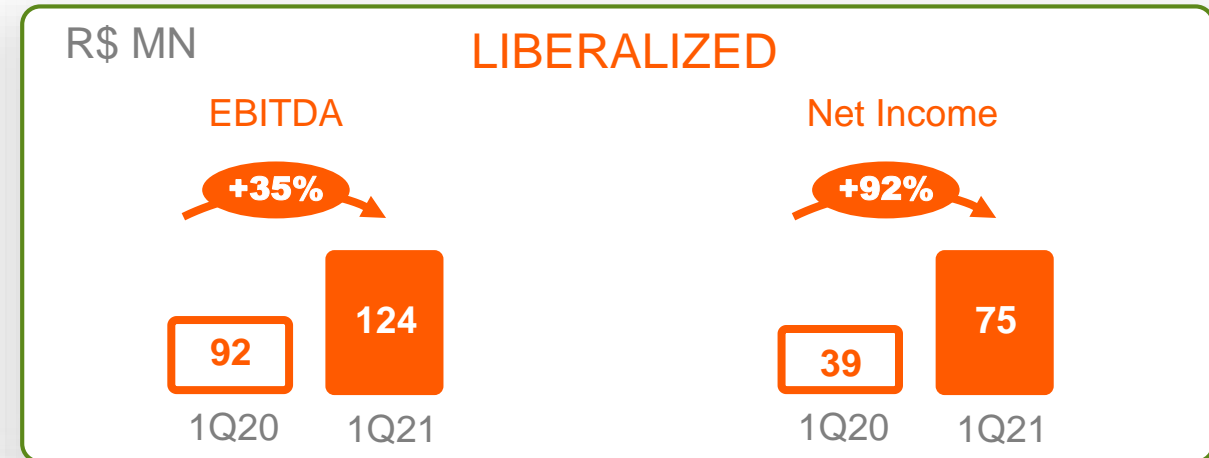
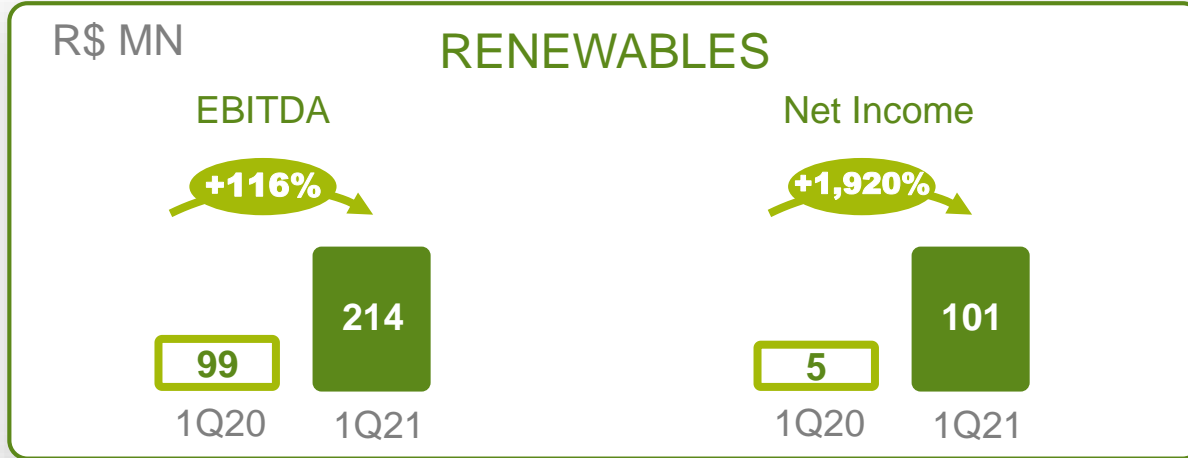
- **Gross Margin:** Market increase and tariff adjustments of 4 Discos;
- **Expenses:** 1Q21 considers the accounting of 28 days of Neoenergia Distribuição Brasília consolidation (+ R\$25 MN);
- **EBITDA:** Reflection of the better margin, cost discipline and growth;
- **COVID-19 negative impacts 1Q21:** Market (R\$58 MN) and PECLD (R\$24 MN);
- **Net Income:** Expressive Result.

RESULTS ANALYSIS – RENEWABLES AND LIBERALIZED

1st QUARTER / 2021

Resultados 1Q20 x 1Q21

RENEWABLES AND LIBERALIZED



R\$ MN

RENEWABLE EBITDA

	1Q20	1Q21	Var. R\$	Var. %
Hydro	70	152	82	117%
Wind	29	62	33	114%
Total	99	214	115	116%

- Hydros: Good performance due to seasonality. Non-recurring effect of the GSF settlement in Itapebi (+R\$ 37 MN);
- Wind: Higher winds (64%) and contract readjustments.

R\$ MN

LIBERALIZED EBITDA

	1Q20	1Q21	Var. R\$	Var. %
Termope	75	119	44	59%
NC	18	6	(12)	(67%)
Total	92	124	32	35%

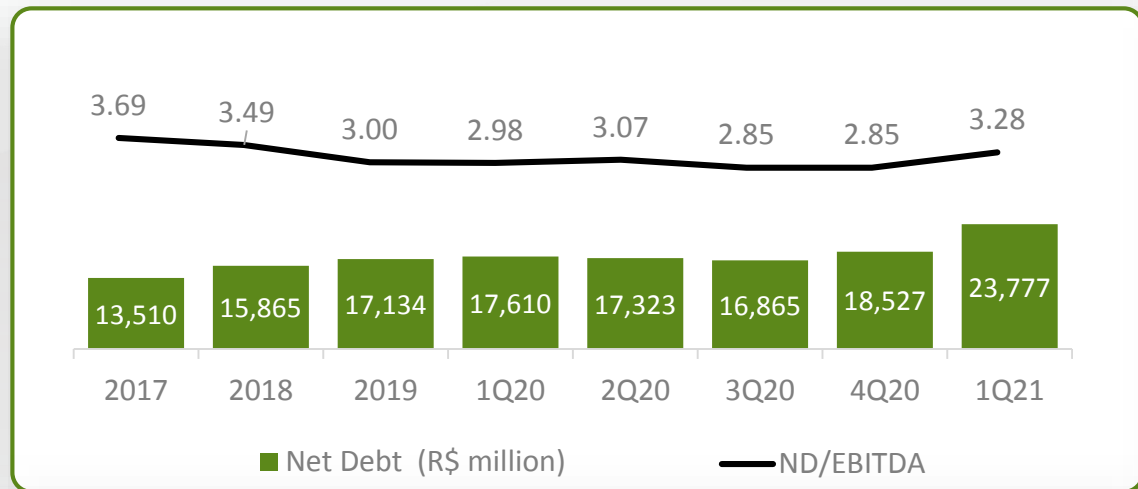
- Termopernambuco: Tariff adjustment impacts and purchase of energy at PLD below its CVU;
- Neoenergia Comercializadora: One-off impact due to contracts seasonality.

RESULTS ANALYSIS – CAPITAL STRUCTURE

1st QUARTER / 2021

CAPITAL STRUCTURE

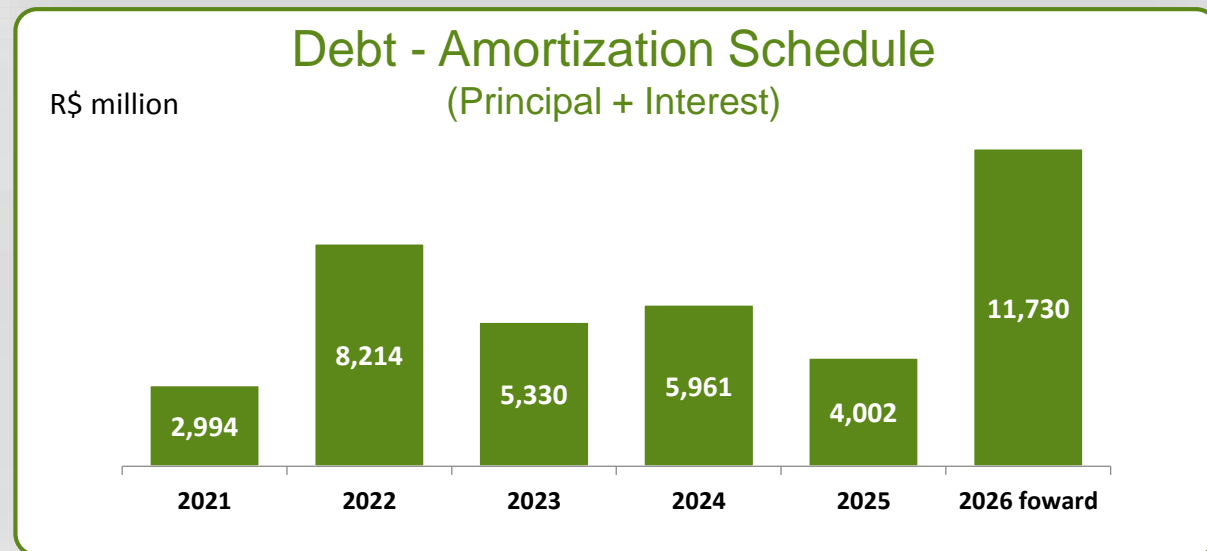
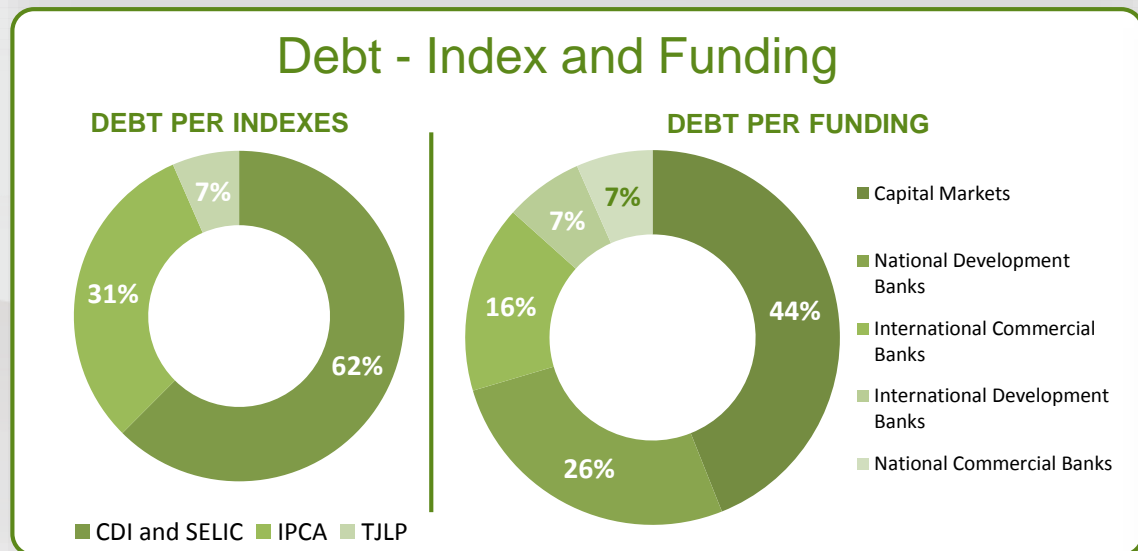
CONTROLLED LEVERAGE AND CASH PRESERVATION



Debt Structure

R\$ million

	1Q20	2Q20	3Q20	4Q20	1Q21	
Short Term	3,856	4,305	3,758	3,227	3,451	→ 12%
Long Term	18,434	18,578	19,158	20,570	24,564	→ 88%
Gross Debt	22,290	22,883	22,916	23,797	28,015	
Cash and Banks	(4,680)	(5,560)	(6,051)	(5,270)	(4,238)	
Net Debt	17,610	17,323	16,865	18,527	23,777	



Average annual cost of debt of 4.9% and average term of 4.56 years in 1Q21.
We continue to access diversified sources of financing at competitive costs and terms.

Q&A

THANK YOU!

Investor Relations

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