Rio de Janeiro, February 9th, 2021 –Neoenergia discloses on this date the company's results for the fourth quarter and closing of the 12-month period of 2020 (4Q20 and 2020).

NEOENERGIA

ICO2 B3 ISE B3 IEE B3 IBRX100 B3 NEOE3 NOVO MERCADO

HIGHLIGHTS (R$ MM) 4Q20	4Q20	4Q19	Δ %	2020	2019	Δ %
Net Operating Revenue	10,002	7,215	39%	31,138	27,622	13%
Gross Margin	3,163	2,509	26%	10,233	9,163	12%
Operating Expenses (PMSO)	(999)	(894)	12%	(3,225)	(3,180)	1%
EBITDA	2,101	1,513	39%	6,496	5,719	14%
Financial Income (Loss)	(350)	(368)	(5%)	(1,030)	(1,341)	(23%)
Profit assigned to controlling shareholders	996	618	61%	2,809	2,229	26%
Financial Asset (Concession)	404	156	159%	549	556	(1%)
IFRS 15	360	198	82%	758	343	121%

OPERATING INDICATORS						
Captive Market (GWh)	10,493	11,574	(9.3%)	41,348	43,942	(5.9%)
Captive + Free Market (GWh)	14,883	15,500	(4.0%)	57,026	58,922	(3.2%)
Volume of energy injected (GWh)	18,006	17,776	1.3%	66,857	67,878	(1.5%)
Number of Customers (thousand)	14,289	14,049	1.7%			

Financial Debt Indicators	2020	2019	Variation
Net Debt(1)/EBITDA(2)	2.85	3.00	(0.1)
EBITDA/Financial Result(2)	6.31	4.27	2.0
Corporate Rating (S&P)	AAA	AAA	-

(1) Net debt of cash and cash equivalents, short-term investments and securities

(2) EBITDA and Financial Result - 12 months

Financial and Operating Results:

- 18,006 GWh of energy injected in the 4Q20 (+1.29% vs. 4Q19) reflecting the upturn of economic activity, and 66,857 GWh in 2020 (-1.50% vs. 2019) impacted by the effects of Covid-19, especially in 2Q20;
- In 4Q20, AFDA (Allowance for Doubtful Accounts) amounted to R$ 35 million, a decrease of R$ 73 million vs. 4Q19 due to the success of collection actions. In the year, AFDA was R$ 456 million, +R$ 124 million vs.2019, impacted by the pandemic;
- Operating expenses of R$ 999 million in 4Q20 (+12% vs. 4Q19) due to collection actions and energy cuts, in addition to non-recurring expenses from the acquisition of CEB (R$ 25 million) and write-off of assets in Celpe (R$ 26 millions). In the year, expenses were R$ 3.2 billion, in line with 2019;
- EBITDA of R$ 2.1 billion in 4Q20 (+39% vs. 4Q19) and R$ 6.5 billion in 2020 (+14% vs. 2019), confirming economic recovery;
- Profit of R$ 996 million in 4Q20 (+61% vs. 4Q19) and R$ 2.8 billion in 2020 (+26% vs. 2019);
- CAPEX of R$ 2.1 billion in 4Q20 (+49% vs. 4Q19) and R$ 6.3 billion in the year (+44% vs. 2019) due to the progress of Transmission and Wind projects;
- Reduction of leverage. Net Debt/EBITDA of 2.85x in 4Q20 below that recorded in 4Q19 of 3.0x.

TELECONFERENCE 4Q20
Wednesday, February 10, 2021
Time: 10:00 (BRT) | 08:00 (EST)
(with simultaneous translation into English)
Telephone for connection: +55 (11) 3181-8565 or +55 (11) 4210-1803
EUA/Canada: (Toll Free) +1 844 204-8942 – **(Dial In)** +1 412 717-9627
Other countries: +1 412 717-9627 or +55 (11) 3181-8565
Password: Neoenergia
Access to Webcast: https://choruscall.com.br/neoenergia/4q20.htm

NEOENERGIA S.A., DISCLOSES THE RESULTS FOR THE FOURTH QUARTER (4Q20) AND FOR THE FISCAL YEAR OF 2020 BASED ON MANAGEMENT ANALYSES THAT THE BOARD OF DIRECTORS UNDERSTANDS TO TRANSLATE THE COMPANY'S BUSINESS IN THE BEST MANNER, CONCILIATED WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS).

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MESSAGE FROM THE PRESIDENT

Amid a year as challenging as 2020, which will be remembered for the effects of the Covid-19 Pandemic, Neoenergia maintained its course of continuous growth, the result of a structured strategy and a sustainable and diversified business model. With cost discipline and constant pursuit of efficiency, we kept our OPEX at the same levels as 2017, absorbing inflation, increasing in the number of customers and headcount by expanding our business portfolio. EBITDA grew by 14% compared to 2019, while net income reached R$ 2.8 billion, 26% in excess of that recorded in the previous year.

After the severe impact of the mobility restriction measures and the economic downturn in the second quarter, in the electricity sector we recorded a market recovery throughout the rest of the year to the levels of 2019, resulting in an energy injection downturn of 1.5% for the year. With innovation and pioneering spirit, we implemented new service and payment channels, positively impacting bad debt. We ended the year with a collection rate of 0.7 pp higher than 2019. It is worthy of highlight that, despite the operational challenges imposed by the Pandemic, we ensured quality services in compliance with regulatory limits.

During the year, we invested more than R$ 6.3 billion, approximately 50% in the expansion and upgrade of distribution networks. In the transmission segment, we energized, ahead of the term contracted, 359 km and the Biguaçu substation, in Santa Catarina, adding 400 MVa to the Brazilian electric energy system. In the renewable business, we carried on building the Chafariz complex in Paraíba, which is on schedule, and we started mobilizing Oitis, with 95% of CAPEX and materials and services contracted.

The year 2020 was also important in expanding our operations in the country. Aligned with the global strategy and with a business plan based on efficiencies, synergy and the upgrading of the networks, we acquired Companhia Elétrica de Brasília (CEB), with an investment of R$ 2.5 billion. We also purchased another transmission lotwith more than 80% in Bahia, Coelba's concession area, adding 1.1 thousand km of networks and a 400 MVa substation to the portfolio, in addition to approving the construction of the first Neoenergia solar park, with 149 MW dc in the Luzia complex, in the state of Paraíba.

We understand that our role goes beyond financial results, and we strongly support the fight against the effects of Covid-19, promoting actions of Energy Efficiency, donations of hospital resources, hygiene and food supplies to the most vulnerable tier of our surrounding communities. Through the Neoenergia Institute, we invested more than R$ 9 million in social, cultural and environmental projects, 47% of which with our own resources.

We also expanded our training and local development project, by training some 1,500 students in Electrician Schools, which also promote inclusion and diversity by training women to become electricians. Our sustainable practices, commitment to the environment and the generation of social dividends are increasingly recognized. We were included in the 16th portfolio of the Corporate Sustainability Index (ISE) and the 11th portfolio of the Carbon Efficient Index (ICO2) of B3, and we are among the companies under the Proética seal.

We believe in the responsibility of the electric sector for the recovery of the economy, and we will carry on investing in projects that foster actions to decarbonize the economy, with the expansion of renewable energies and initiatives for electrifying the economy, such as the first Green Corridor in the Northeast, which will allow to transport electricity between six northeastern capital cities.

The Results achieved in 2020 are the product of the planned work and commitment of a team devoted to the results promised. I thank the Neoenergia team for their courage, determination and responsibility and our shareholders for their trust.

Mario Jose Ruiz Tagle Larrain

Neoenergia Chief Executive Officer

1. OPERATING PERFORMANCE

The Neoenergia Group has three strategic segments, as follows: (i) Networks - distribution and transmission, (ii) Renewables - wind and hydroelectric generation and (iii) Liberalized - thermal energy generation and energy trade.

1.1. Networks

1.1.1. Distributors

1.1.1.1 Number of Consumers

The table below displays the number of active consumers at the end of 2020 in each distributor of the Neoenergia Group. Compared to 2019, there was an incrase of 240 thousand consumers (+1.7%).

Number of Customers (thousand)	2020					2019					VARIATION				
	Consolidated	COELBA	CELPE	COSERN	ELEKTRO	Consolidated	COELBA	CELPE	COSERN	ELEKTRO	Consolidated	COELBA	CELPE	COSERN	ELEKTRO
Residential	12,601	5,490	3,414	1,308	2,390	12,353	5,385	3,337	1,297	2,334	248	105	77	10	56
Industrial	39	13	5	1	20	41	14	5	1	21	(2)	0	0	0	(2)
Commercial	935	408	225	103	199	983	426	256	103	198	(48)	(18)	(31)	0	1
Rural	556	225	143	56	131	505	201	127	50	128	51	25	17	6	3
Other	158	69	33	26	30	167	80	33	25	29	(9)	(11)	0	1	1
Total	**14,289**	**6,205**	**3,820**	**1,494**	**2,770**	**14,049**	**6,105**	**3,757**	**1,476**	**2,711**	**240**	**100**	**63**	**18**	**59**

1.1.1.2. Market Evolution

Distributed energy (captive + free) was 14,883 GWh in 4Q20 (-4.0% vs. 4Q19), mainly explained by the reduction in the reading cycle of Group A, which took place in November and December 2020, as anticipated in ANEEL Normative Resolution 863/2019, which made the billing of these customers shift to January 2021 and, therefore, accounted as non-billed energy in 4Q20, so there was no economic impact in the quarter. Thereby, disregarding the effect of this Resolution, there would be an increase of + 2.5% vs. 4Q19, with total volume distributed reaching 15,883 GWh.

In the year, distributed energy reached 57,026 GWh (-3.2% vs. 2019) and without the impact of REN 863 the volume would be 58,026 GWh (-1.5% vs. 2019), still reflecting the impacts of the pandemic, especially the effects of 2Q20.

The amounts of energy distributed by class of client are displayed on the table below:

Energy Distributed - Captive Market (GWh)	COELBA			CELPE			COSERN			ELEKTRO			CONSOLIDATED		
	4Q20	4Q19	%	4Q20	4Q19	%	4Q20	4Q19	%	4Q20	4Q19	%	4Q20	4Q19	%
Residential	1,926	1,931	(0.3%)	1,392	1,366	1.9%	602	573	5.1%	1,360	1,227	10.8%	5,279	5,097	3.6%
Industrial	229	368	(37.8%)	113	162	(30.2%)	56	77	(27.3%)	330	366	(9.8%)	728	973	(25.2%)
Commercial	680	900	(24.4%)	501	668	(25.0%)	194	253	(23.3%)	551	590	(6.6%)	1,928	2,412	(20.1%)
Rural	473	664	(28.8%)	165	205	(19.5%)	126	148	(14.9%)	318	297	7.1%	1,081	1,315	(17.8%)
Other	583	726	(19.7%)	404	479	(15.7%)	153	198	(22.7%)	338	374	(9.6%)	1,477	1,777	(16.9%)
Energy Distributed - Total Captive Market (GWh)	**3,891**	**4,590**	**(15.2%)**	**2,574**	**2,880**	**(10.6%)**	**1,130**	**1,250**	**(9.6%)**	**2,898**	**2,854**	**1.5%**	**10,493**	**11,574**	**(9.3%)**
Free Market	1,180	1,045	12.9%	989	886	11.6%	328	271	21.0%	1,893	1,723	9.9%	4,390	3,926	11.8%
TOTAL (Captive + Free)	**5,071**	**5,635**	**(10.0%)**	**3,563**	**3,766**	**(5.4%)**	**1,458**	**1,521**	**(4.1%)**	**4,791**	**4,577**	**4.7%**	**14,883**	**15,500**	**(4.0%)**
TOTAL ex-REN 863	**5,525**	**5,635**	**(2.0%)**	**3,847**	**3,766**	**2.2%**	**1,550**	**1,521**	**1.9%**	**4,961**	**4,577**	**8.4%**	**15,883**	**15,500**	**2.5%**

Energy Distributed - Captive Market (GWh)	COELBA			CELPE			COSERN			ELEKTRO			CONSOLIDATED		
	2020	2019	%	2020	2019	%	2020	2019	%	2020	2019	%	2020	2019	%
Residential	7,446	7,326	1.6%	5,413	5,164	4.8%	2,365	2,229	6.1%	5,099	4,773	6.8%	20,323	19,493	4.3%
Industrial	1,095	1,435	(23.7%)	502	786	(36.1%)	246	297	(17.2%)	1,219	1,480	(17.6%)	3,062	3,997	(23.4%)
Commercial	2,768	3,404	(18.7%)	2,062	2,526	(18.4%)	803	987	(18.6%)	2,074	2,272	(8.7%)	7,708	9,190	(16.1%)
Rural	1,913	2,212	(13.5%)	618	686	(9.9%)	406	432	(6.0%)	1,115	1,080	3.2%	4,052	4,410	(8.1%)
Other	2,444	2,790	(12.4%)	1,711	1,847	(7.4%)	679	758	(10.4%)	1,370	1,457	(6.0%)	6,203	6,852	(9.5%)
Energy Distributed - Total Captive Market (GWh)	15,667	17,166	(8.7%)	10,307	11,009	(6.4%)	4,499	4,704	(4.4%)	10,875	11,062	(1.7%)	41,348	43,942	(5.9%)
Free Market	4,305	4,063	6.0%	3,512	3,242	8.3%	1,134	1,078	5.2%	6,727	6,596	2.0%	15,678	14,980	4.7%
TOTAL (Captive + Free)	19,972	21,229	(5.9%)	13,819	14,251	(3.0%)	5,633	5,782	(2.6%)	17,602	17,658	(0.3%)	57,026	58,922	(3.2%)
TOTAL ex-REN 863	20,426	21,229	(3.8%)	14,103	14,251	(1.0%)	5,725	5,782	(1.0%)	17,772	17,658	0.6%	58,026	58,922	(1.5%)

The higher margin residential consumption showed growth in all distributors, consolidating an increase of 3.6% in 4Q20 (with emphasis on Elektro, +10.8%) and 4.3% in the year compared to 2019, driven by both the increase in the customer base (+1.7%) and the social distancing imposed by Covid-19.

The consumption of the captive industrial class decreased by 25.2% in 4Q20 vs. 4Q19, mainly explained by the reduction in the reading cycle of Group A, which took place in November and December 2020. When analyzing this group together with the free market, there was an increase of 4.5% in 4Q20 vs. 4Q19, influenced by the return to economic activities. In the year, there was a decrease of 1.2% vs. 2019, still due to the impacts of the pandemic, especially in 2Q20.

The captive commercial class decreased by 20.1% in 4Q20 vs. 4Q19 and 16.1% in 2020 vs. 2019, mainly explained by the reduction in the reading cycle of Group A, which took place in November and December 2020, and by the social distancing measures imposed by Covid-19, which affected all sectors, except supermarkets and hospitals.

The rural class decreased 17.8% when compared to 4Q19 due to the reduction in the reading cycle of Group A and the lower demand for irrigation, with the exception of Elektro, which increased 7.1% in the quarter, explained by greater irrigation given the droughts in the region at the end of the year. As to 2020, there was a drop of 8.1% (vs. 2019), explained by the lower demand for irrigation due to increased rainfall at the beginning of the year.

The other classes recorded a decrease of 16.9% (4Q20 vs. 4Q19) and 9.5% (2020 vs. 2019), also due to the reduction in the reading cycle of Group A, and the closing of government units due to Covid-19.

1.1.1.3. Energy Balance

The energy injected (energy supplied to own customers + border concessionaires + free customers + losses) reached the level of 18,006 GWh in 4Q20 (+1.29% vs. 4Q19) and 66,857 in 2020 (-1.50% vs. 2019).

ENERGY BALANCE (GWh)	4Q20	4Q19	4Q20 x 4Q19		2020	2019	2020 x 2019	
			Dif	%			Dif	%
CONSOLIDATED								
Captive Market	10,493	11,574	(1,081)	(9.34%)	41,348	43,941	(2,593)	(5.90%)
Free Market + Supply	4,390	3,926	464	11.82%	15,678	14,980	698	4.66%
Distributed Energy (A)	14,883	15,499	(616)	(3.97%)	57,026	58,920	(1,894)	(3.21%)
Lost Energy (B)	2,309	2,368	(59)	(2.49%)	8,767	8,883	(116)	(1.31%)
Non-billed (C)	814	(91)	905	(994.51%)	1,065	75	990	1320.00%
Injected Energy (D) = (A) + (B) + (C)	18,006	17,776	230	1.29%	66,857	67,878	(1,021)	(1.50%)

COELBA								
Captive Market	3,891	4,590	(699)	(15.23%)	15,667	17,166	(1,499)	(8.73%)
Free Market + Supply	1,180	1,045	135	12.92%	4,305	4,063	242	5.96%
Distributed Energy (A)	5,071	5,635	(564)	(10.01%)	19,972	21,229	(1,257)	(5.92%)
Lost Energy (B)	931	1,020	(89)	(8.73%)	3,659	3,789	(130)	(3.43%)
Non-billed (C)	422	(82)	504	(614.63%)	497	44	453	1029.55%
Injected Energy (D) = (A) + (B) + (C)	6,424	6,573	(149)	(2.27%)	24,127	25,063	(936)	(3.73%)

CELPE								
Captive Market	2,574	2,880	(306)	(10.63%)	10,307	11,009	(702)	(6.38%)
Free Market + Supply	989	886	102	11.63%	3,512	3,242	270	8.33%
Distributed Energy (A)	3,563	3,766	(203)	(5.39%)	13,819	14,251	(432)	(3.03%)
Lost Energy (B)	828	800	28	3.50%	3,106	2,976	130	4.37%
Non-billed (C)	249	(37)	286	(772.97%)	307	15	292	1946.67%
Injected Energy (D) = (A) + (B) + (C)	4,640	4,529	111	2.45%	17,232	17,242	(10)	(0.06%)

COSERN								
Captive Market	1,130	1,250	(120)	(9.60%)	4,499	4,704	(205)	(4.36%)
Free Market + Supply	328	271	57	21.03%	1,134	1,078	55	5.19%
Distributed Energy (A)	1,458	1,521	(63)	(4.14%)	5,633	5,782	(149)	(2.58%)
Lost Energy (B)	181	188	(7)	(3.72%)	618	642	(24)	(3.74%)
Non-billed (C)	110	8	102	1275.00%	99	0	99	-
Injected Energy (D) = (A) + (B) + (C)	1,750	1,718	32	1.86%	6,350	6,424	(74)	(1.15%)

ELEKTRO								
Captive Market	2,898	2,854	44	1.54%	10,875	11,062	(187)	(1.69%)
Free Market + Supply	1,893	1,723	170	9.87%	6,727	6,596	131	1.99%
Distributed Energy (A)	4,791	4,577	214	4.68%	17,602	17,658	(56)	(0.32%)
Lost Energy (B)	369	360	8	2.50%	1,384	1,476	(92)	(6.23%)
Non-billed (C)	33	19	14	73.68%	163	15	148	986.67%
Injected Energy (D) = (A) + (B) + (C)	5,193	4,957	236	4.76%	19,148	19,149	(1)	(0.01%)

1.1.1.4. Losses

Energy losses are monitored by way of the percentage index that calculates the ratio between the energy injected and the energy invoiced, accumulated in the 12-month period. Based on this methodology, we show below the evolution of the indicator and the comparison with the tariff coverage.

DISTRIBUTORS	Losses 12 months (%)																
	Technical Loss					Non-Technical Loss					Total Losses						
	4Q19	1Q20	2Q20	3Q20	4Q20	4Q19	1Q20	2Q20	3Q20	4Q20	4Q19	Aneel 19	1Q20	2Q20	3Q20	4Q20	Aneel 20
COELBA	10.99%	10.89%	10.65%	10.63%	10.59%	4.31%	4.33%	4.51%	4.78%	6.63%	15.30%	14.25%	15.23%	15.16%	15.40%	17.22%	14.35%
CELPE	8.18%	8.10%	8.11%	8.14%	8.05%	9.17%	9.63%	9.68%	9.97%	11.75%	17.35%	16.03%	17.74%	17.79%	18.10%	19.80%	16.10%
COSERN	8.45%	8.39%	8.50%	8.43%	8.44%	1.54%	1.90%	1.40%	1.42%	2.86%	9.99%	10.72%	10.29%	9.90%	9.85%	11.29%	10.77%
ELEKTRO	5.84%	5.83%	5.72%	5.70%	5.73%	1.95%	1.86%	1.68%	2.35%	2.35%	7.79%	8,03%	7.69%	7.40%	8.06%	8.08%	8.11%

DISTRIBUTORS	Total Losses 12 months (GWh)																
	Technical Loss					Non-Technical Loss					Total Losses						
	4Q19	1Q20	2Q20	3Q20	4Q20	4Q19	1Q20	2Q20	3Q20	4Q20	4Q19	Aneel 19	1Q20	2Q20	3Q20	4Q20	Aneel 20
COELBA	2,753	2,716	2,594	2,580	2,556	1,080	1,080	1,096	1,159	1,600	3,834	3,523	3,796	3,690	3,739	4,155	3,338
CELPE	1,410	1,410	1,384	1,393	1,388	1,581	1,677	1,647	1,707	2,025	2,991	2,720	3,087	3,031	3,100	3,413	2,652
COSERN	543	542	534	533	536	99	123	93	90	181	642	694	664	627	622	717	677
ELEKTRO	1,118	1,114	1,068	1,079	1,096	374	356	311	445	450	1,491	1,347	1,470	1,379	1,523	1,546	1,553

NOTE: Due to the fact that the deadline for calculating the quality indicators of December 2020 falls after the period of disclosure of this report, the data presented are estimated. The December 2019 indicators were adjusted for the final calculation.

The 12-month increase in total losses in the 4 distributors is mainly explained by the reduction in the reading cycle of Group A, which took place in November and December 2020, pushing the billing to January 2021, as anticipated in ANEEL Normative Resolution 863/2019. This adjustment caused the volume of non-billed energy to increase in 4Q20, consequently affecting the loss indicator. It is worthy of note that this effect is temporary and will last until 4Q21, since the indicator is monitored in the 12-month range. Additionally, there is no impact on the Company's Economic Result, given that there were no significant increases in the actual energy loss, as demonstrated in the table below.

In the 4Q20 Coelba recorded total 12-month losses of 17.22%, above the regulatory limit of 14.35%, equivalent to an amount of energy loss of 4,155 GWh. Disregarding the effect of the Normative Resolution on the billing calendar in 4Q20, the indicator would have been 15.34%, lower than that recorded in 3Q20.

At Celpe, total losses in the 12-month view ended 4Q20 at 19.80%, above the regulatory limit of 16.10%, corresponding to an amount of energy loss of 3,413 GWh. Disregarding the effect of the Normative Resolution on the billing calendar in 4Q20, the indicator would have been 18.16%, in line with that recorded in 3Q20.

At Cosern, total losses in the 12-month period ended 4Q20 at 11.29%, above the regulatory limit of 10.77%, corresponding to an amount of energy loss of 717 GWh. Disregarding the effect of the Normative Resolution on the billing calendar in 4Q20, the indicator would have been 9.83%, lower than that recorded in 3Q20.

Finally, Elektro ended 4Q20 with total 12-month losses of 8.08%, below the regulatory limit of 8.11%, corresponding to an amount of energy loss of 1,546 GWh. Disregarding the effect of the Normative Resolution on the billing calendar in 4Q20, the indicator would have been 7.19%, lower than that recorded in 3Q20.

The table below displays the level of the increase to non-billed energy in the quarter and the percentage of total losses, excluding the effect of the Normative Resolution.

	COELBA				CELPE				COSERN				ELEKTRO			
12 Months (GWh)	4Q19	3Q20	4Q20	4Q20 ex-REN 863	4Q19	3Q20	4Q20	4Q20 ex-REN 863	4Q19	3Q20	4Q20	4Q20 ex-REN 863	4Q19	3Q20	4Q20	4Q20 ex-REN 863
Distributed	21,229	20,537	19,972	20,426	14,251	14,023	13,819	14,103	5,782	5,695	5,633	5,725	17,659	17,388	17,602	17,772
Energy Lost	3,789	3,747	3,659	3,659	2,976	3,078	3,106	3,106	642	625	618	618	1,476	1,375	1,384	1,384
Non-billed	44	-7	497	43	15	21	307	24	-0	-3	99	6	15	149	163	-7
Total Losses (a)	3,834	3,739	4,155	3,702	2,991	3,100	3,413	3,130	642	622	717	624	1,491	1,523	1,546	1,377
Injected (b)	25,063	24,276	24,127	24,127	17,242	17,122	17,232	17,232	6,424	6,317	6,350	6,350	19,149	18,911	19,148	19,148
% Total Losses a/b	15.30%	15.40%	17.22%	15.34%	17.35%	18.11%	19.80%	18.16%	9.99%	9.85%	11.29%	9.83%	7.79%	8.06%	8.08%	7.19%

In the 4Q20 anti-loss actions were carried out as follows:

i. 467 thousand inspections were carried out, recovering more than 338 GWh;

ii. Replacement of 428 thousand obsolete and/or possibly damaged meters;

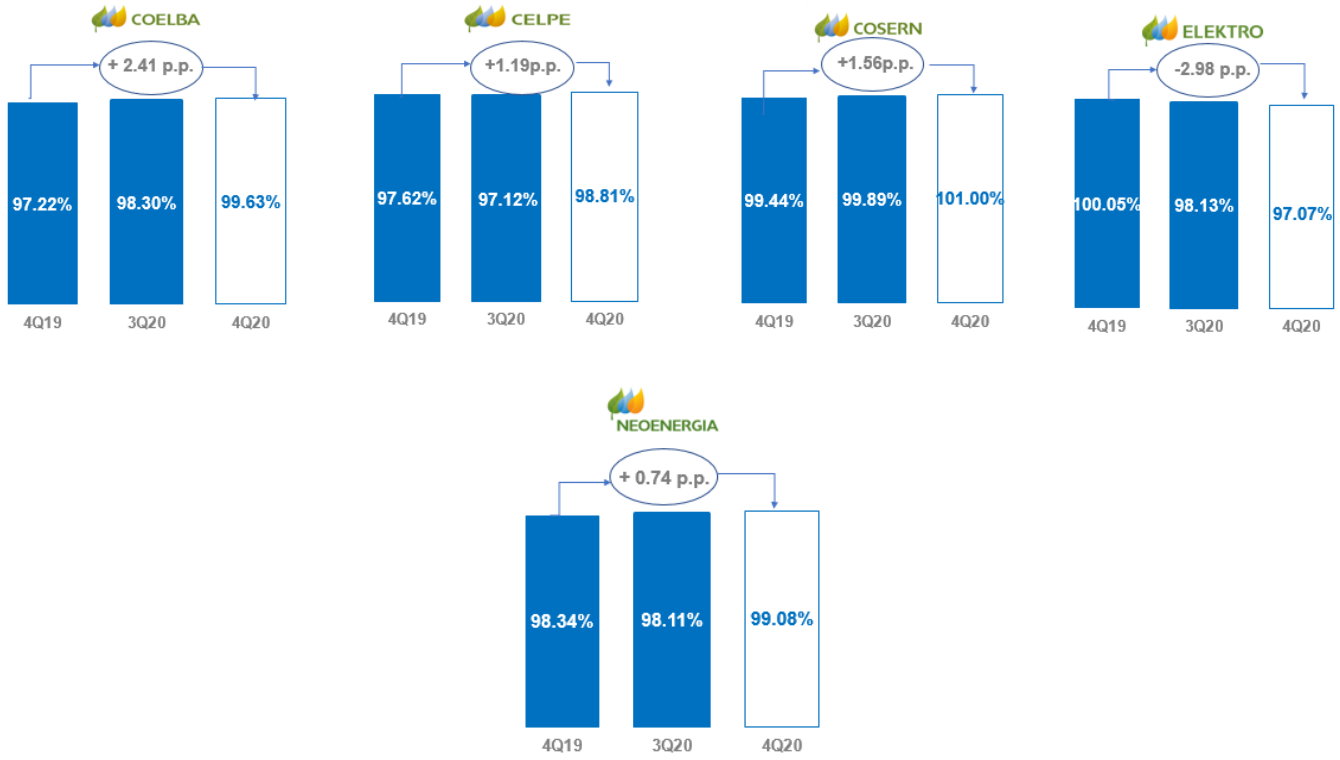
iii. Regularization of more than 119 thousand illegal connections, of which 242 were quite substantial, resulting in some 98 GWh recovered;

iv. Survey and Inspection of Street Lights in more than 1.2 million points, totaling 121 GWh of energy recovered;

v. 175 police actions to fight energy theft were carried out, recovering more than 38 GWh.

4.1.1.5. Collection and Default

The charts below reflect the collection rate of overdue bills of Neoenergia distributors throughout the quarters.



Based on the charts above, a high level of revenue can be noted in all four of the group's distributors. The consolidated collection rate was 99.08% in 4Q20 (+0.97 pp compared to 3Q20), a level higher than that of the previous year, pre-pandemic, a direct result of the effectiveness of the various collection actions implemented, particularly after disconnections were resumed, which allowed to recover part of the unpaid amounts, especially in the 2Q20 (peak of the pandemic).

AFDA/ ROB		4Q19	1Q20	2Q20	3Q20	4Q20	3Q20 x 4Q20	4Q19 x 4Q20	2020	2019	Var.	Regulatory Limit
COELBA	*ROB*	*3,111*	*2,806*	*2,356*	*2,555*	*2,744*	*7.40%*	*(11.80%)*	*10,461*	*11,199*	**(6.59 p.p.)**	
	AFDA	*46*	*32*	*67*	*33*	*15*	*(54.55%)*	*(67.39%)*	*148*	*127*	**16.48 p.p.**	
	Default	**1.47%**	**1.15%**	**2.84%**	**1.30%**	**0.56%**	**(0.75 p.p.)**	**(0.92 p.p.)**	**1.41%**	**1.13%**	**0.28 p.p.**	**1.16%**
CELPE	*ROB*	*2,006*	*1,894*	*1,629*	*1,714*	*1,883*	*9.86%*	*(6.13%)*	*7,120*	*7,310*	**(2.60 p.p.)**	
	AFDA	*40*	*46*	*85*	*32*	*16*	*(50.00%)*	*(60.00%)*	*180*	*134*	**33.95 p.p.**	
	Default	**1.98%**	**2.42%**	**5.23%**	**1.89%**	**0.87%**	**(1.03 p.p.)**	**(1.11 p.p.)**	**2.53%**	**1.84%**	**0.69 p.p.**	**1.40%**
COSERN	*ROB*	*805*	*758*	*639*	*687*	*740*	*7.71%*	*(8.07%)*	*2,824*	*2,919*	**(3.26 p.p.)**	**-**
	AFDA	*(2)*	*(0)*	*7*	*(1)*	*- 2*	*100.00%*	*-*	*4*	*5*	**(32.56 p.p.)**	**-**
	Default	**(0.24%)**	**(0.04%)**	**1.11%**	**(0.22%)**	**(0.21%)**	**0.00 p.p.**	**0.02 p.p.**	**0.13%**	**0.19%**	**(0.06 p.p.)**	**0.40%**
ELEKTRO	*ROB*	*1,912*	*1,872*	*1,609*	*1,706*	*1,998*	*17.12%*	*4.50%*	*7,185*	*7,895*	**(8.99 p.p.)**	**-**
	AFDA	*30*	*31*	*56*	*44*	*9*	*(79.55%)*	*(70.00%)*	*139*	*95*	**46.35 p.p.**	**-**
	Default	**1.54%**	**1.65%**	**3.47%**	**2.57%**	**0.45%**	**(2.12 p.p.)**	**(1.10 p.p.)**	**1.94%**	**1.21%**	**0.73 p.p.**	**0.39%**

NOTA: AFDA considers the amount accrued + plus restatement

It is worth noting the success of the various collection actions of the 4Q20, as listed below, which reduced the default rate by improving collection, and allowed for a low level of AFDA due to the reversal of amounts accrued.

i. 631 thousand supply suspensions were carried out through operations in georeferenced concentrations;

ii. Monitoring of 102 thousand customers that had been disconnected, and did not request reconnection fee, in order to avoid losses in the proceedings arising from illegal actions or disconnections;

iii. Negative entry of 3,658 thousand consumers;

iv. Intensification of collection and negotiations;

v. Telephone collection, totaling 22.6 million contacts via SMS and IVR;

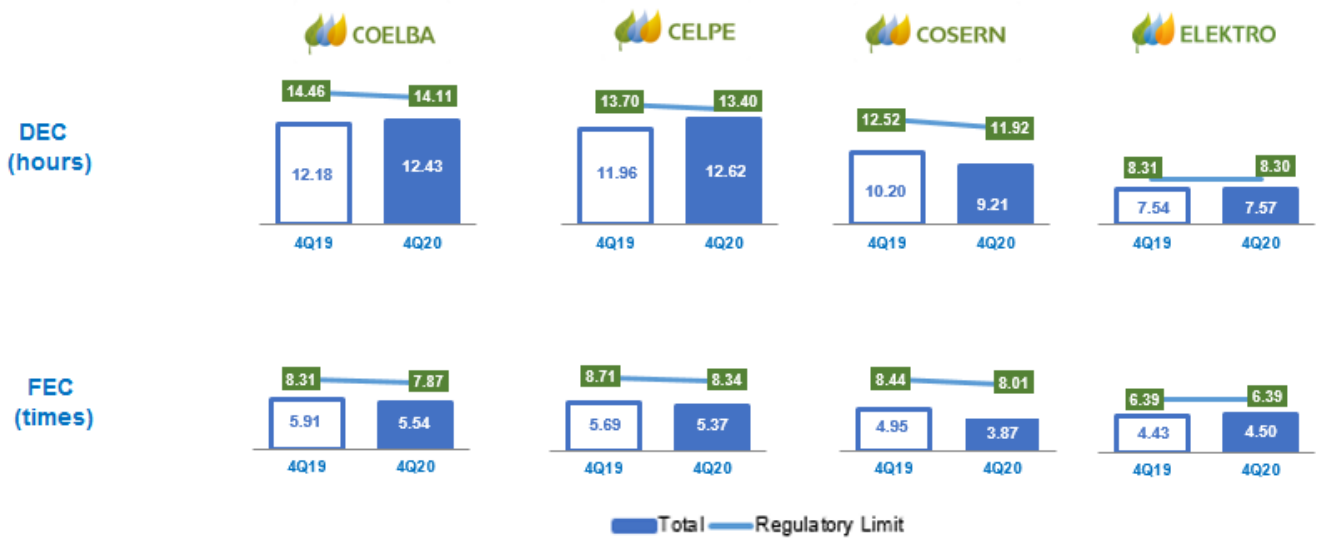
vi. E-mail billing, totaling 1,515 thousand calls;

vii. Systematic actions for large customers and negotiations with government agencies.

1.1.1.6. DEC and FEC (12 months)

The quality of the energy supply is mainly verified by the DEC - Equivalent Interruption Duration per Consumer and FEC - Equivalent Interruption Frequency per Consumer indicators, which measure the failures in the distribution network.

All Group's distributors are below the regulatory limit for both DEC and FEC, as displayed in the charts below, reflecting the group's efficient operating management:



NOTE: Due to the fact that the deadline for calculating the quality indicators of December 2020 falls after the period of disclosure of this report, the data presented are estimated. The December 2019 indicators were adjusted for the final calculation.

1.1.2. Transmission Lines

1.1.2.1. Transmission lines in operation

In 4Q20, six transmission lines were in operation (Afluente T, Narandiba, Potiguar Sul, Atibaia, Biguaçu and Sobral), in addition to the three stretches belonging to lot 4 of the April 2017 auction (Dourados) already delivered to the system: Nova Porto Primavera - Rio Brilhante delivered in July 2020, Rio Brilhante - Campo Grande delivered in December 2020 and Nova Porto Primavera - Ivinhema also in December 2020.

April/2017 Auction

- Lot 20 (Atibaia) – Completed 14 months ahead of schedule according to Aneel Contractual Term (February 2021) and CAPEX 38% lower than the investment originally estimated by Aneel.
- Lot 27 (Sobral) – Completed 13 months ahead of the Aneel Contractual Term (February 2021) and CAPEX 33% lower than the investment originally estimated by Aneel.
- Lot 22 (Biguaçu) – Completed 7 months ahead of the Aneel Contractual Term (February 2021) and CAPEX 27% lower than the investment originally estimated by Aneel.

Auction	Lot	Name	Location	Extension (Km)	Substation	RAP[3] (R$ MN)	Operation Start	Line Availability Rate (%)		
								2018	2019	2020
-	-	Afluente T	BA	489 km	3 substations	45	1990	99.72	99.88	99.97
Auction Jun' 08	E	Narandiba[1]	BA	-	1 substation	10	Jun' 11	99.93	99.94	99.97
Auction Jun' 11	G	Extremoz II[1]		-	1 substation	3	Sep' 14	100.00	100.00	100.00
Auction Mai' 12	D	Brumado II[1]	RN	-	1 substation	2	Jul' 15	99.93	99.94	99.97
Auction Jan' 13	G	Potiguar Sul	RN / PB	196 km	-	26	Nov' 16	99.48	99.68	99.93
Auction Abr' 17	4	Dourados	MS	578 km	1substation					
		Nova Porto Primavera- Rio Brilhante	*MS / SP*	*147 km*	-	*13*	*Jul' 20*	*n/a*	*n/a*	*100.00*
		Nova Porto Primavera – Ivinhema	MS / SP	*64 km*	-	*8*	*Dez' 20*	*n/a*	*n/a*	*n/a*
		Rio Brilhante – Campo Grande	MS / SP	*149 km*	-	*14*	*Dez' 20*	*n/a*	*n/a*	*n/a*
	20	Atibaia	MS	-	1 substation	15	Dez' 19	n/a	n/a	99.99
	22	Biguaçu	SC	-	1 substation	15	Jul' 20	n/a	n/a	100.00
	27	Sobral	CE	-	1 substation	14	Jan' 20	n/a	n/a	100.00

NOTE 1: Afluente T arises from the deverticalization process of Coelba
[1] Narandiba comprises 3 substations: SE Narandiba, SE Extremoz II and SE Brumado II
[2] RAP ratified (2020-21), except for the Dourados stretches, RAP of which is effectively released from the start of operation.

The limit set out by the National System Operator (ONS) stipulates availability between 95% and 98% as normal. This indicator guides the quality of service assessed by ANEEL based on the availability of the transmission system. In the last three years, the group's transmission lines have been available above the upper limit defined by ONS.

1.1.2.2. Environmental Licenses and Progress of Transmission Assets Construction

			Physical Progress of Transmission Projects	LICENSES LP	LICENSES LI	LICENSES LO	RAP [1] R$ (MN)	CAPEX Aneel R$ (MN)	Concession Start (Aneel)	Concession End
Auction Apr' 2017	Lot 4	Dourados	88%	✓	✓	●	66	487	Aug' 22	Aug' 47
Auction Dec' 2017	Lot 4	Jalapão	71%	✓	✓	▲	126	1,346	Mar' 23	Mar' 48
	Lot 6	Sta. Luzia	62%	✓	✓	▲	57	584	Mar' 23	Mar' 48
Auction Dec' 2018	Lot 2	Guanabara	11%	●	▲	▲	117	2,792	Mar' 24	Mar' 49
	Lot 3	Itabapoana	10%	●	▲	▲	69	1,331	Mar' 24	Mar' 49
	Lot 1	Vale do Itajaí	12%	●	●	▲	194	754	Mar' 24	Mar' 49
	Lot 14	Lagoa dos Patos	28%	●	●	▲	121	1,215	Mar' 24	Mar' 49
Auction Dec' 2019	Lot 9	Rio Formoso	15%	✓	●	▲	18	303	Mar' 24	Mar' 49
Auction Dec' 2020	Lot 2	TBD	0%	▲	▲	▲	160	1,997	Mar' 26	Mar' 51

(1) Auction RAP

Concluded	✓
In progress	●
To be Started	▲

LP = Preliminary License
LI = Installation License
LO = Operational License

NOTE: Progress as of December 2020.

The construction projects of the transmission lots obtained in the auctions of Apr/17, Dec/17, Dec/18 and Dec/19 continue with significant progress, confirming the schedule anticipated by Neoenergia.

April/2017 Auction

- Lot 4 (Dourados) - as mentioned above, 3 of the 5 sections have already been delivered, hence the project already has 52% of the project's RAP and 361 km of line extension (equivalent to 63% of the total lines of the lot): LT Nova Porto Primavera - Rio Brilhante (147 km), 25 months ahead of the Aneel deadline (August 2022), LT Rio Brilhante - Campo Grande (149 km), 20 months ahead of the Aneel deadline and LT 230 kV Nova Porto Primavera - Ivinhema (65 km), 19 months ahead of the Aneel deadline.

December/2017 Auction

- Lot 4 (Jalapão) – Works in progress with anticipation of early completion compared to the Business Plan;
- Lot 6 (Santa Luzia) – Works in progress with anticipation of early completion compared to the Business Plan.

December/2018 Auction:

- Lot 1 (Vale do Itajaí) – Prior Licenses (PLs) granted for the five 230kV substations: Gaspar 2, Indaial, Rio do Sul, Jaguará do Sul and Itajaí;
- Lot 2 (Guanabara) and Lot 3 (Itabapoana) – PLs in progress;
- Lot 14 (Lagoa dos Patos) – Installation License granted for the two substations (SE Marmeleiros-2 and SE Livramento-3) and for the TL section Sta. Maria – Livramento.

December/2019 Auction:

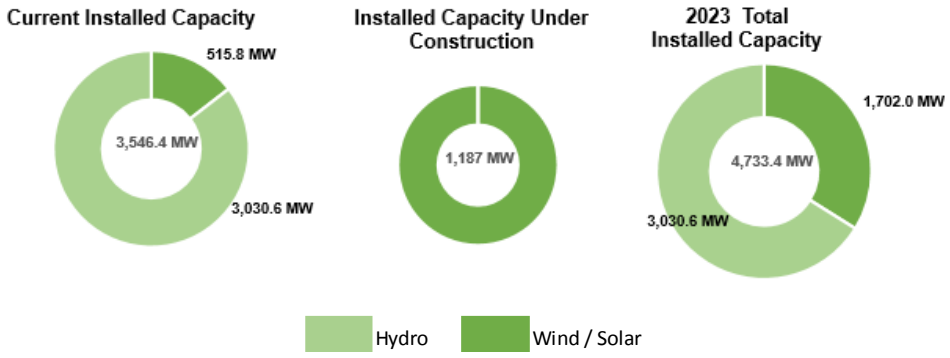
- Lot 9 (Rio Formoso) – PL granted.

December/2020 Auction:

Neoenergia purchased lot 2, which comprises three 500 kV transmission lines, one 230 kV transmission line, a new 500 kV substation, Medeiros Neto, with synchronous compensation in Bahia, amounting to 1,091 km in length, mostly covering Bahia, in addition to Minas Gerais and Espírito Santo. Aneel Capex is estimated at R$ 2 billion with RAP of R$ 160 million (adjusted annually by IPCA).

1.2. Renewables

The Neoenergia Group operates in the renewable energy sector in two fronts: wind and hydroelectric generation. The assets in operation and under construction amount to 44 wind farms and 7 hydroelectric plants.



1.2.1. Wind Farms

In 2020, the Company operated in the renewable generation segment with 17 wind farms in operation, with installed capacity of 515.8 MW: Arizona I; Caetité I, II and III; Calango I, II, III, IV, V and VI; Mel II; Santana I and II; Canoes; Lagoa I and II; and Rio do Fogo.

The Company has three complexes under construction: Chafariz, located in Paraíba (15 wind farms with 471.2 MW), Oitis, in Piauí and Bahia (12 wind farms with 566.5 MW) and Luzia (solar project of 149 MW dc).

In 2022, the wind assets portfolio will total 1.6 GW, of which 51% will be negotiated in Regulated Contracting Environment (ACR) and 49% in the Free Contracting Environment (ACL), in line with the positioning strategy in the liberalization of the Brazilian energy electricity market.

Wind in Operation	Neoenergia Share (Direct and Indirect)	State	Location	Installed Capacity (MW)	Assured Energy (MW)	Concession Date / Authorization	End of Concession
EOL Caetité 1	100%	BA	Caetité	30.0	13.0	10/29/2012	10/28/2042
EOL Caetité 2	100%	BA	Caetité	30.0	14.7	2/7/2011	2/6/2046
EOL Caetité 3	100%	BA	Caetité	30.0	11.2	2/24/2011	2/23/2046
EOL Calango 1	100%	RN	Bodó e Santana do Mato	30.0	13.9	4/28/2011	4/27/2046
EOL Calango 3	100%	RN	Bodó, Santana do Mato e Lagoa Nova	30.0	13.9	5/30/2011	5/29/2046
EOL Rio do Fogo (ENERBRASIL)	100%	RN	Rio do Fogo	49.3	17.9	12/19/2001	12/18/2031
EOL Arizona 1	100%	RN	Rio do Fogo	28.0	12.9	3/4/2011	3/3/2046
EOL Mel 2	100%	RN	Areia Branca	20.0	8.8	2/28/2011	2/27/2046
EOL Calango 6	100%	RN	Bodó e Cerro Corá	30.0	18.5	11/20/2014	11/19/2049
EOL Santana 1	100%	RN	Bodó, Lagoa Nova e Cerro Corá	30.0	17.3	11/14/2014	11/13/2049
EOL Santana 2	100%	RN	Bodó e Lagoa Nova	24.0	13.1	11/14/2014	11/13/2049
EOL Calango 2	100%	RN	Bodó	30.0	12.8	5/9/2011	5/8/2046
EOL Calango 4	100%	RN	Bodó	30.0	12.8	5/19/2011	5/18/2046
EOL Calango 5	100%	RN	Bodó	30.0	13.7	6/2/2011	6/1/2046
EOL Canoas	100%	PB	São José do Sabugi e Junco do Seridó	31.5	17.7	8/4/2015	8/3/2050
EOL Lagoa 2	100%	PB	São José do Sabugi e	31.5	17.5	8/4/2015	8/3/2050
EOL Lagoa 1	100%	PB	Santa Luzia	31.5	18.7	8/4/2015	8/3/2050

In 4Q20, the wind energy generated was 560 GWh (-2.83% vs. 4Q19) and 1,878 GWh in 2020 (-5.77% vs. 2019) due to lower winds compared to the same periods in 2019. Availability in 4Q20 was in excess of 97%, as scheduled.

1.2.1.1. Progress of Wind Farms Construction

Wind Farms Physical Progress	LICENSES LP	LI	LO
Chafariz Complex	✓	✓	▲
Oitis Complex	✓	✓	▲

Completed	✓
In Progress	●
To be started	▲

LP = Prior License
LI = Installation License
LO = Operational License

All wind farms in the Chafariz Complex have already been granted installation and concession licenses; the works started in October 2019, three months ahead of schedule, and already have 100% of the CAPEX contracted.

All wind farms in the Oitis Complex have been granted an installation license in November and December 2020, thus allowing the start of the works procedures for the Complex three months ahead of the Business Plan calendar, since it was scheduled to start in February 2021.

1.2.2. Hydroelectric Plants

Neoenergia has a stake in 7 hydroelectric plants (with direct and indirect participation): Itapebi, Corumbá, Baguari, Dardanelos, Teles Pires, Baixo Iguaçu and Belo Monte.

Hydro Plants in Operation	Neoenergia Share (Direct and Indirect)	State	Location	Installed Capacity (MW)	Assured Energy (MW)	Date of Concession / Authorization	End of Concession
UHE Itapebi	100%	BA	Rio Jequitinhonha	462.0	209.1	5/28/1999	8/31/2035
UHE Corumbá III	70%	GO	Rio Corumbá	96.5	49.3	11/7/2001	2/14/2037
UHE Baguari I	51%	MG	Rio Doce	140.0	84.7	8/15/2006	8/14/2041
UHE Dardanelos - Águas da Pedra	51%	MT	Rio Aripuanã	261.0	154.9	7/3/2007	1/2/2043
Teles Pires	51%	MT / PA	Rio Teles Pires	1,819.8	930.7	6/7/2011	6/6/2046
Belo Monte	10%	PA	Rio Xingu	11,233.1	4,571.0	8/26/2010	8/25/2045
Baixo Iguaçu - Geração Céu Azul	70%	PR	Rio Iguaçu	350.2	172.4	8/20/2012	10/30/2049

1.3. Liberalized

1.3.1. Termopernambuco

Termopernambuco is a thermal plant participating in the PPT (Priority Thermal Program). It holds PPAs with Coelba (65MW) and Celpe (390MW) expiring in 2024, which guarantee the plant's revenue. It has an installed capacity of 533 MW and assured energy of 504 MW, and its authorization expires in 2030.

In 4Q20, energy generation was 12.28% lower than that of the same period in 2019, reaching 1,029 GWh. This variation is explained by the smaller number of operating days in the period. In 4Q20 there were 9 days of shutdown due to a lack of gas supply, while in 4Q19 it was shutdown for only 1 day.

In 2020 there energy generation was 27.90% lower than that recorded in 2019, reaching 2,385 GWh. This reduction is due to the lower number of days in operation in 2020, since the plant was shutdown for 174 days, 18 days for maintenance, 14 days for lack of gas supply and 142 for no dispatch, while in 2019 the plant did not operate for 104 days. It is important to note that the effect of the shutdowns on Termopernambuco's result is minimized by the purchase of energy to supply its sales contracts at prices below the variable cost per unit.

2. ECONOMIC-FINANCIAL PERFORMANCE

2.1. Consolidated

CONSOLIDATED STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Operating Revenue (1)	10,002	7,215	2,787	39%	31,138	27,622	3,516	13%
Costs with Energy (2)	(7,243)	(4,862)	(2,381)	49%	(21,454)	(19,015)	(2,439)	13%
Gross Margin w/out Concession Financial Assets	**2,759**	**2,353**	**406**	**17%**	**9,684**	**8,607**	**1,077**	**13%**
Concession Financial Assets (VNR)	404	156	248	159%	549	556	(7)	-1%
GROSS MARGIN	**3,163**	**2,509**	**654**	**26%**	**10,233**	**9,163**	**1,070**	**12%**
Operating Expenses (PMSO)	(999)	(894)	(105)	12%	(3,225)	(3,180)	(45)	1%
Provision for Doubtful Receivables (PECLD)	(35)	(108)	73	(68%)	(456)	(332)	(124)	37%
(+) Equity Accounting	(28)	6	(34)	(567%)	(56)	68	(124)	-182%
EBITDA	**2,101**	**1,513**	**588**	**39%**	**6,496**	**5,719**	**777**	**14%**
Depreciation	(430)	(359)	(71)	20%	(1,618)	(1,446)	(172)	12%
Financial Income (Loss)	(350)	(368)	18	(5%)	(1,030)	(1,341)	311	-23%
IR/CS	(292)	(144)	(148)	103%	(943)	(623)	(320)	51%
Minority shareholdings	(33)	(24)	(9)	38%	(96)	(80)	(16)	20%
NET INCOME	**996**	**618**	**378**	**61%**	**2,809**	**2,229**	**580**	**26%**

(1) Considers Construction Revenue

(2) Considers Construction Costs

As expressed in Technical Guideline CPC 08, the recognition and measurement of the variations between the non-manageable costs actually incurred compared to the approved tariffs are always classified in the Operating Revenue line as Amounts Receivable/Returnable from Parcel A and Other Financial Items. Considering that a large portion of Parcel A is recorded as energy cost, the isolated analysis of variations in revenue and cost may lead to distortions in the interpretation of the result for the period. Accordingly, the Company believes it is more appropriate to explain the variations in the result based on Gross Margin.

Neoenergia recorded Gross margin of R$ 3,163 million in 4Q20, +R$ 654 million vs. 4Q19, explained by the effects of the Tariff Reset of the four distributors and greater Concession Financial Assets (+R$ 248 million vs. 4Q19), due to higher IPCA in the period (+1,34 pp), in addition to the use of IFRS15 of R$ 360 million in transmission (+R$ 162 million vs. 4Q19).

In 2020, Gross Margin was R$ 10,233 million, R$ 1,070 million in excess of that of 2019, also impacted by the effects of the distributors' Tariff Resets of 2019 and 2020, and by the effects of the Periodic Tariff Review of Elektro in August 2019, in addition to the application of R$ 758 million of IFRS15 to transmission (+R$ 415 million vs. 2019).

Neoenergia operating expenses amounted to R$ 999 million in the quarter (+12% vs. 4Q19) mainly explained by increased expenses associated with collection actions in the four distributors aiming to recover unpaid amounts during the first months of the pandemic in which distributors were prohibited by ANEEL to cut, the non-recurring write-off of some assets in Celpe (R$ 26 million), due to the increased volume of investments in order to optimize the Assets Remuneration Basis, other non-recurring expenses associated with studies of the CEB auction (R$ 25 million) and the growth of the transmission segment (R$ 8 million). For the year, Operating Expenses amounted to R$ 3,225 million, in line with 2019, absorbing both inflation and the growth of the distributor' customer base, and the increase in headcount due to the process of insourcing of the distributors' operating activities.

Allowance for Doubtful Accounts – AFDA amounted to R$ 35 million, significantly lower than the R$ 108 million recorded in the 4Q19, which evidences the success of collection actions that have been allowing for the reversal of provisions made and the recovery of outstanding bills. In the year, AFDA was R$ 456 million, of which R$114 million are still due to the impact of the Covid-19 pandemic.

As a result of the abovementioned effects, EBITDA recorded was R$ 2,101 million in 4Q20 (+39% vs.4Q19) and R$ 6,496 million in the year (+14% vs. 2019), confirming the upturn of the economic activity, the maintenance of efficiency and the progress in the construction of transmission assets.

It should be pointed out that in 2020 Ebitda was negatively impacted by some R$ 262 million, due to the effects of Covid-19, mainly due to the drop in the market and higher defaults. That impact mainly affected the Distributors, and took place as follows: Coelba (R$ 140 million), Elektro (R$ 69 million), Celpe (R$ 30 million) and Cosern (R$ 24 million).

In the quarter, Neoenergia recorded Net Income of R$ 996 million (+61% vs. 4Q19) and in 2020 Net Income amounted to R$ 2,809 million (+26% vs. 2019), due to increased financial income for the period, in addition to the abovementioned reasons.

2.2. Networks

The result of the Networks segment contemplates the performance of both distributors and transmission assets.

NETWORKS STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	9,613	6,772	2,841	42%	29,896	25,901	3,995	15%
Costs with energy	(7,240)	(4,721)	(2,519)	53%	(21,596)	(18,460)	(3,136)	17%
Gross Margin w/out Concession Financial Assets	**2,373**	**2,051**	**322**	**16%**	**8,300**	**7,441**	**859**	**12%**
Concession Financial Assets (VNR)	404	156	248	159%	549	556	(7)	(1%)
Gross Margin	**2,777**	**2,207**	**570**	**26%**	**8,849**	**7,997**	**852**	**11%**
Operating Expenses (PMSO)	(780)	(703)	(77)	11%	(2,608)	(2,624)	16	(1%)
Provision for Doubtful Receivables (PECLD)	(33)	(109)	76	(70%)	(454)	(348)	(106)	30%
EBITDA	**1,964**	**1,395**	**569**	**41%**	**5,787**	**5,025**	**762**	**15%**
Depreciation	(314)	(276)	(38)	14%	(1,189)	(1,062)	(127)	12%
Financial Income (Loss)	(266)	(287)	21	(7%)	(806)	(1,149)	343	(30%)
IR CS	(257)	(147)	(110)	75%	(864)	(573)	(291)	51%
NET INCOME	**1,127**	**685**	**442**	**65%**	**2,928**	**2,241**	**687**	**31%**

The Networks segment ended the quarter with Gross Margin of R$ 2,777 million, R$ 570 million in excess of that recorded in the 4Q19, due to the effects of the Tariff Reset of the four distributors and greater Concession Financial

Assets – VNR (+R$ 248 million vs. 4Q19), explained by higher IPCA in the period (+1.34 pp), in addition to the application of IFRS15 of R$ 360 million to transmission (+R$ 162 million vs. 4Q19).

In 2020, Gross Margin was R$ 8,849 million, R$ 852 million in excess that recorded in 2019, also impacted by the effects of the distributors' Tariff Reset of 2019 and 2020 and by the Periodical Tariff Review of Elektro in August 2019, in addition to the application of IFRS15 of R$ 758 million to transmission (+R$ 415 million vs. 2019).

As to operating expenses, R$ 780 million were recorded in the 4Q20 (+11% vs. 4Q19) mainly explained by the increased expenses of collection actions, the non-recurring write-off of some assets in Celpe (R$ 26 million) due to the increased volume of investments, and the growth of the transmission segment (R$ 8 million). For the year, operating expenses amounted to R$ 2.608 million (-1% vs. 2019), absorbing both inflation and the growth of the distributors' customer base, and the increase in headcount due to the insourcing process of the distributors' operating activities, proof of cost discipline.

Allowance for Doubtful Accounts – AFDA amounted to R$ 33 million, R$ 76 million less than in the 4Q19, proving the success of collection actions that have been allowing for the reversal of provisions made and the recovery of outstanding bills. In the year, AFDA was R$ 454 million, of which R$ 106 million are still due to the impact of the Covid-19 pandemic.

Still as regards AFDA, it is important to remember that in 3Q19 Neoenergia adopted a more objective stance in provisioning, based on the history of payment behavior, by customer class (aging), of the last 60 months, structured in 4 portfolios: (i) portfolio not in installments, (ii) installment portfolio, (iii) Fraud portfolio (retroactive billing resulting from anti-loss inspection actions) and (iv) Legal portfolio (overdue debts that are now being dealt with in court).

The Networks EBITDA ended the 4Q20 at R$ 1,964 million (+41% vs. 4Q19) and the year at R$ 5,787 million (+15% vs. 2019), confirming the upturn of the economy, the maintenance of efficiency and the progress in the construction of transmission assets.

It should be pointed out that in 2020 the Networks Ebitda was negatively impacted by some R$ 262 million due to the effects of Covid-19.

Net income for the quarter was R$ 1,127 million (+65% vs. 4Q19), and R$ 2,928 million for 2020 (+31% vs. 2019), due to lower financial income in the period, in addition to the abovementioned reasons.

2.2.1. COELBA

COELBA STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	3,411	2,444	967	40%	10,909	9,922	987	10%
Costs with Energy	(2,500)	(1,634)	(866)	53%	(7,557)	(6,710)	(847)	13%
Concession Financial Assets (VNR)	204	82	122	149%	280	210	70	33%
Gross Margin	**1,115**	**892**	**223**	**25%**	**3,632**	**3,422**	**210**	**6%**
Operating Expenses (PMSO)	(323)	(316)	(7)	2%	(1,117)	(1,159)	42	(4%)
Provision for Doubtful Receivables (PECLD)	(14)	(45)	31	(69%)	(144)	(125)	(19)	15%
EBITDA	**778**	**531**	**247**	**47%**	**2,371**	**2,138**	**233**	**11%**
Depreciation	(148)	(131)	(17)	13%	(560)	(493)	(67)	14%
Financial Income (Loss)	(104)	(111)	7	(6%)	(353)	(482)	129	(27%)
IR CS	(56)	(14)	(42)	300%	(239)	(154)	(85)	55%
NET INCOME	**470**	**275**	**195**	**71%**	**1,219**	**1,009**	**210**	**21%**

Coelba ended the 4Q20 with Gross Margin of R$ 1,115 million, (+ 25% vs. 4Q19), due to the average 5% increase of the tariff reset of April/20 and the lower Concession Financial Assets (+R$ 122 million vs. 4Q20), explained by

higher IPCA in the period (+1,34 pp). In 2020, Gross Margin was 6% greater than in 2019, explained by the same aforementioned reasons.

PMSO was R$ 323 million in 4Q20, a 2% growth when compared to the 4Q19. For the year, PMSO was R$ 1.1 billion, and efficiency was 4% vs. 2019. Coelba carries on absorbing the growth in the customer base (+1,6% vs. 2019) and inflation for the period, and continues to carry out the insourcing of operating processes.

In the 4Q20, the Concession Financial Assets amounted to R$ 14 million, R$ 31 million decrease compared to the 4Q19, which proves the success of the collection actions that has been allowing for the reversal of accruals previously made. For the year, the Concession Financial Assets amounted to R$ 144 million, R$ 19 million in excess of that of 2019, also due to the impacts of the Covid-19 pandemic.

As a result of the aforementioned variations, EBITDA for the 4Q20 was R$ 778 million, a 47% increase when compared to 4Q19. In 2020, EBITDA amounted to R$ 2.4 billion, + 11% vs. 2019.

Net Income for the 4Q20 was R$ 470 million (+71% vs. 4Q19) and R$ 1.2 billion for the year (+21% vs. 2019).

2.2.2. CELPE

CELPE STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	2,138	1,533	605	39%	6,689	5,947	742	12%
Energy costs	(1,721)	(1,139)	(582)	51%	(5,107)	(4,415)	(692)	16%
Concession Financial Assets (VNR)	77	24	53	221%	104	70	34	49%
Gross Margin	**494**	**418**	**76**	**18%**	**1,686**	**1,602**	**84**	**5%**
Operating Expenses (PMSO)	(207)	(149)	(58)	39%	(693)	(650)	(43)	7%
Provision for Doubtful Receivables (PECLD)	(14)	(37)	23	(62%)	(171)	(125)	(46)	37%
EBITDA	**273**	**232**	**41**	**18%**	**822**	**827**	**(5)**	**(1%)**
Depreciation	(77)	(65)	(12)	18%	(288)	(257)	(31)	12%
Financial Income (Loss)	(96)	(80)	(16)	20%	(251)	(338)	87	(26%)
IR CS	(21)	(16)	(5)	31%	(66)	(51)	(15)	29%
NET INCOME	**79**	**71**	**8**	**11%**	**217**	**181**	**36**	**20%**

Celpe ended the 4Q20 with Gross Margin of R$ 494 million, an increase of 18% compared to 4Q19 due to the average 5.16% increase of the tariff reset of April/20 and higher Concession Financial Assets (+R$ 53 million), explained by higher IPCA in the period (+1.34 pp). In 2020, Gross Margin was 5% greater than that recorded in 2019, reaching R$ 1,686 million, explained by the same aforementioned reasons.

Operating expenses amounted to R$ 207 million in 4Q20 (+ R$ 58 million vs. 4Q19) and R$ 693 million in the year (+R$ 43 million vs. 2019), mainly explained by improved collection actions, and the non-recurring write-off of some assets based on the acceleration of the investment volume in the amount of R$ 26 million.

In 4Q20, Concession Financial Assets amounted to R$ 14 million; a R$ 23 million decrease vs. 4Q19, explained by the reversal of amounts accrued, proving the success of collection actions. In 2020, Concession Financial Assets amounted to R$ 171 million, R$ 46 million in excess of that of 2019, also due to the impacts of Covid-19.

As a result of the abovementioned variations, EBITDA in 4Q20 amounted to R$ 273 million, an increase of 18% vs. 4Q19, and in 2020 it amounted to R$ 822 million, in line with 2019. That result shows the upturn of the economic activity.

Net Income for the 4Q20 amounted to R$ 79 million (+11% vs. 4Q19) and R$ 217 million for the year (+20% vs. 2019).

2.2.3. COSERN

COSERN STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	792	644	148	23%	2,697	2,545	152	6%
Costs with Energy	(606)	(454)	(152)	33%	(1,926)	(1,831)	(95)	5%
Concession Financial Assets (VNR)	43	17	26	153%	57	45	12	27%
Gross Margin	**229**	**207**	**22**	**11%**	**828**	**759**	**69**	**9%**
Operating Expenses (PMSO)	(72)	(67)	(5)	7%	(252)	(240)	(12)	5%
Provision for Doubtful Receivables (PECLD)	2	2	-	-	(3)	(5)	2	(40%)
EBITDA	**159**	**142**	**17**	**12%**	**573**	**514**	**59**	**11%**
Depreciation	(28)	(24)	(4)	17%	(105)	(93)	(12)	13%
Financial Income (Loss)	(18)	(25)	7	(28%)	(55)	(96)	41	(43%)
IR CS	(14)	(13)	(1)	8%	(71)	(52)	(19)	37%
NET INCOME	**99**	**80**	**19**	**24%**	**342**	**273**	**69**	**25%**

Cosern ended the 4Q20 with Gross Margin of R$ 229 million, an increase of 11% compared to 4Q19 due to the average 3.4% increase of the tariff reset of April/20 and higher Concession Financial Assets (+R$ 26 million), explained by higher IPCA in the period (+1.34 pp). In 2020, Gross Margin was 9% greater than that recorded in 2019, reaching R$ 828 million due to the same aforementioned reasons.

Operating expenses amounted to R$ 72 million in the 4Q20 (+R$ 5 million vs. 4Q19) and R$ 252 million in the year (+R$ 12 million vs. 2019) mainly explained by intensified disconnections.

In 4Q20, the Concession Financial Assets were R$ 2 million higher, in line with 4Q19. In 2020, Concession Financial Assets were R$ 3 million, R$ 2 million less that that of 2019, confirming the success of collection actions.

As a result of the aforementioned variations, EBITDA in the 4Q20 was R$ 159 million, a 12% increase vs. 4Q19 and in 2020 it was R$ 573 million, R$ 59 million in excess of that of 2019. That result shows the upturn of the economic activity.

Net Income for the 4Q20 amounted to R$ 99 million (+24% vs. 4Q19) and R$ 342 million in the year-to-date (+25% vs. 2019), explained by the improved EBITDA and financial income.

2.2.4. ELEKTRO

ELEKTRO STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	1,954	1,782	172	10%	6,654	6,485	169	3%
Costs with Energy	(1,497)	(1,327)	(170)	13%	(4,914)	(4,889)	(25)	1%
Concession Financial Assets (VNR)	80	33	47	142%	108	231	(123)	(53%)
Gross Margin	**537**	**488**	**49**	**10%**	**1,848**	**1,827**	**21**	**1%**
Operating Expenses (PMSO)	(157)	(173)	16	(9%)	(524)	(585)	61	(10%)
Provision for Doubtful Receivables (PECLD)	(8)	(29)	21	(72%)	(136)	(94)	(42)	45%
EBITDA	**372**	**286**	**86**	**30%**	**1,188**	**1,148**	**40**	**3%**
Depreciation	(62)	(56)	(6)	11%	(238)	(220)	(18)	8%
Financial Income (Loss)	(36)	(69)	33	(48%)	(123)	(233)	110	(47%)
IR CS	(49)	(36)	(13)	36%	(235)	(200)	(35)	18%
NET INCOME	**225**	**125**	**100**	**80%**	**592**	**495**	**97**	**20%**

Elektro ended the 4Q20 with Gross Margin of R$ 537 million, +10% vs. 4Q19, due to the average 5.4% increase of the tariff reset of August/20 and higher Concession Financial Assets (+ R$ 47 million) explained by higher IPCA in the period (+1.34 pp). In 2020, Gross Margin remained in line with that recorded in 2019, reaching R$ 1,848 million.

Operating expenses amounted to R$ 157 million in 4Q20 and R$ 524 million in 2020, a 9% and 10% improvement in performance, respectively, compared to that recorded in the same periods of 2019. Elektro carries on absorbing both the growth of customers base (+2.2% vs. 2019) and inflation for the period.

In 4Q20, the Concession Financial Assets were R$ 8 million, an increase of R$ 21 million compared to 4Q19, explained by the reversal of accrued amounts, showing the success of collection actions. In 2020, Concession Financial Assets were R$ 136 million, R$ 42 million in excess of 2019, also due to Covid-19.

As a result of the aforementioned variations, EBITDA in 4Q20 was R$ 372 million, a 30% increase vs. 4Q19, and in 2020 it amounted to R$ 1,188 million, R$ 40 million more than in 2019. That result shows the upturn of the economic activity

Net Income for the 4Q20 amounted to R$ 225 million (+80% vs. 4Q19) and R$ 592 million in the year-to-date (+20% vs. 2019), explained by the improvement in EBITDA and financial income.

2.3. Renewables

The result of the Renewables segment contemplates the performance of wind farms and hydroelectric plants of the Neoenergia Group.

RENEWABLES STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	295	225	70	31%	1,010	950	60	6%
Costs with Energy	(42)	(44)	2	(5%)	(141)	(167)	26	(16%)
GROSS MARGIN	**253**	**181**	**72**	**40%**	**869**	**783**	**86**	**11%**
Operating Expenses (PMSO)	(63)	(63)	-	-	(218)	(218)	-	-
Provision for Doubtful Receivables (PECLD)	-	2	(2)	(100%)	-	1	(1)	(100%)
(+)Equity Accounting	(28)	6	(34)	(567%)	(56)	68	(124)	(182%)
EBITDA	**162**	**126**	**36**	**29%**	**595**	**634**	**(39)**	**(6%)**
Depreciation	(56)	(33)	(23)	70%	(196)	(168)	(28)	17%
Financial Income (Loss)	(32)	(31)	(1)	3%	(157)	(146)	(11)	8%
IR/CS	(24)	3	(27)	(900%)	(40)	(51)	11	(22%)
NET INCOME	**50**	**65**	**(15)**	**(23%)**	**202**	**269**	**(67)**	**(25%)**

HYDRO PLANTS STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net revenue	155	105	50	48%	562	526	36	7%
Costs with Energy	(27)	(35)	8	(23%)	(102)	(128)	26	(20%)
GROSS MARGIN	**128**	**70**	**58**	**83%**	**460**	**398**	**62**	**16%**
Operating Expenses (PMSO)	(32)	(28)	(4)	14%	(107)	(111)	4	(4%)
Provision for Doubtful Receivables (PECLD)	-	2	(2)	(100%)	-	1	(1)	(100%)
(+) Equity Accounting	(28)	6	(34)	(567%)	(56)	68	(124)	(182%)
EBITDA	**68**	**50**	**18**	**36%**	**297**	**356**	**(59)**	**(17%)**
Depreciation	(24)	(6)	(18)	300%	(83)	(63)	(20)	32%
Financial Income (Loss)	(12)	(9)	(3)	33%	(74)	(54)	(20)	37%
IR/CS	(22)	7	(29)	(414%)	(65)	(35)	(30)	86%
NET INCOME (LOSS)	**10**	**42**	**(32)**	**(76%)**	**75**	**204**	**(129)**	**(63%)**

WIND FARMS STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net revenue	140	120	20	17%	448	424	24	6%
Costs with Energy	(15)	(9)	(6)	67%	(39)	(39)	-	-
GROSS MARGIN	**125**	**111**	**14**	**13%**	**409**	**385**	**24**	**6%**
Operating Expenses (PMSO)	(31)	(35)	4	(11%)	(111)	(107)	(4)	4%
EBITDA	**94**	**76**	**18**	**24%**	**298**	**278**	**20**	**7%**
Depreciation	(32)	(27)	(5)	19%	(113)	(105)	(8)	8%
Financial Income (Loss)	(20)	(22)	2	(9%)	(83)	(92)	9	(10%)
IR/CS	(2)	(4)	2	(50%)	25	(16)	41	(256%)
NET INCOME	**40**	**23**	**17**	**74%**	**127**	**65**	**62**	**95%**

The Renewables segment closed the 4Q20 with gross margin of R$ 253 million (+R$ 72 million vs. 4Q19), positively impacted (+R$ 58 million vs. 4Q19) based mainly on seasonality. In 2020 the segment recorded gross margin of R$ 869 million (+11% vs. 2019).

Operating expenses ended 4Q20 at R$ 63 million and the year at R$ 218 million, in line with the same periods of 2019.

Net Equity for the quarter was -R$ 28 million and for the year -R$ 56 million, explained by the smaller contribution of Belo Monte due to restraints in the transmission system, which has limited the company to liquidate its ACL energy only at the Spot Price of the North.

EBITDA of the renewables segment closed the 4Q20 at R$ 162 million (+29% vs. 4Q19), a good performance of both the hydroelectric plants and the wind farms. In the year, EBITDA reached R$ 595 million (-6% vs. 2019).

Net Income for the quarter was R$50 million (-23% vs. 4Q19) and R$ 202 million for the year (-25% vs. 2019).

2.4. Liberalized

LIBERALIZED STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	648	726	(78)	(11%)	2,273	2,680	(407)	(15%)
Costs with Energy	(510)	(596)	86	(14%)	(1,738)	(2,273)	535	(24%)
Gross Margin	**138**	**130**	**8**	**6%**	**535**	**407**	**128**	**31%**
Operating Expenses (PMSO)	(68)	(55)	(13)	24%	(186)	(138)	(48)	35%
EBITDA	**68**	**74**	**(6)**	**(8%)**	**347**	**268**	**79**	**29%**
Depreciation	(17)	(7)	(10)	143%	(63)	(45)	(18)	40%
Financial Income (Loss)	(9)	(25)	16	(64%)	(65)	(105)	40	(38%)
IR CS	(1)	(2)	1	(50%)	(25)	1	(26)	(2600%)
NET INCOME	**41**	**40**	**1**	**2%**	**194**	**119**	**75**	**63%**

TERMOPERNAMBUCO STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	317	302	15	5%	1,140	1,039	101	10%
Costs with Energy	(187)	(166)	(21)	13%	(638)	(581)	(57)	10%
Gross Margin	**130**	**136**	**(6)**	**(4%)**	**502**	**458**	**44**	**10%**
Operating Expenses (PMSO)	(51)	(50)	(1)	2%	(133)	(115)	(18)	16%
EBITDA	**79**	**86**	**(7)**	**(8%)**	**369**	**343**	**26**	**8%**
Depreciation	(17)	(7)	(10)	143%	(59)	(44)	(15)	34%
Financial Income (Loss)	(9)	(21)	12	(57%)	(58)	(97)	39	(40%)
IR CS	(5)	(7)	2	(29%)	(37)	(26)	(11)	42%
NET INCOME	**48**	**51**	**(3)**	**(6%)**	**215**	**176**	**39**	**22%**

NC STATEMENT OF INCOME (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Revenue	331	424	(93)	(22%)	1,132	1,640	(508)	(31%)
Costs with Energy	(324)	(430)	106	(25%)	(1,100)	(1,692)	592	(35%)
Gross Margin	**7**	**(6)**	**13**	**(217%)**	**32**	**(52)**	**84**	**(162%)**
Operating Expenses (PMSO)	(16)	(5)	(11)	220%	(53)	(23)	(30)	130%
EBITDA	**(11)**	**(12)**	**1**	**(8%)**	**(23)**	**(76)**	**53**	**(70%)**
Depreciation	-	-	-	-	(4)	(1)	(3)	300%
Financial Income (Loss)	-	(5)	5	(100%)	(7)	(8)	1	(13%)
IR CS	4	5	(1)	(20%)	12	27	(15)	(56%)
NET INCOME	**(7)**	**(12)**	**5**	**(42%)**	**(22)**	**(58)**	**36**	**(62%)**

The segment Liberalized consolidated a gross margin of R$ 138 million in the 4Q20, an increase of R$ 8 million vs. 4Q19, influenced by the new commercial positioning of NC (+R$ 13 million vs. 4Q19). For the year, gross margin recorded was R$ 535 million (+R$ 128 million vs. 2019), impacted by the new commercial positioning of NC (+R$ 84 million) and the results of Termopernambuco (+R$ 44 million), due to the impact of the dollar tariff reset and by the purchase of energy at a lower Spot Price.

PMSO amounted to R$ 68 million in the 4Q20 (+R$13 million vs. 4Q19) and R$ 186 million in the year (+R$ 48 million vs. 2019), mainly explained by the adjustment to the Termopernambuco O&M agreements, and the new commercial positioning of NC.

EBITDA of the Liberalized segment was R$ 68 million for the quarter (-R$ 6 million vs. 4Q19) and R$ 347 million for 2020 (+R$ 79 million vs. 2019). Net Income amounted to R$ 41 million in 4Q20 (+R$ 1 million vs. 4Q19) and -R$ 194 million in 2020 (+R$ 75 million vs. 2019).

3. EBITDA

In compliance with CVM Instruction nº 527 we show below the conciliation of EBITDA (English acronym for Earnings Before Income Tax, Depreciation and Amortization) and we further state that the calculations shown are in line with the criteria of that same instruction:

EBITDA (R$ MN)	4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%
Net Income for the Period (A)	996	618	378	61%	2,809	2,229	580	26%
Profit assigned to minority shareholders (B)	(33)	(24)	(9)	38%	(96)	(80)	(16)	20%
Financial Expenses (C)	(584)	(474)	(110)	23%	(1,755)	(1,768)	13	(1%)
Financial Revenues (D)	176	124	52	42%	597	518	79	15%
Other net financial income (loss) (E)	58	(18)	76	(422%)	128	(91)	219	(241%)
Income tax and social contribution (F)	(292)	(144)	(148)	103%	(943)	(623)	(320)	51%
Depreciation and amortization (G)	(430)	(359)	(71)	20%	(1,618)	(1,446)	(172)	12%
EBITDA = (A-(B+C+D+E+F+G))	**2,101**	**1,513**	**588**	**39%**	**6,496**	**5,719**	**777**	**14%**

4. FINANCIAL INCOME (LOSS)

NET FINANCIAL INCOME (R$ MN)	4Q20	4Q19	Variation		9M20	9M19	Variation	
			R$	%			R$	%
Revenue from financial investments	**29**	**52**	**(23)**	**(44%)**	**135**	**199**	**(64)**	**(32%)**
Charges, monetary and exchange variations and debt derivative financial Instruments	**(305)**	**(304)**	**(1)**	**0%**	**(1,058)**	**(1,323)**	**265**	**(20%)**
Other financial income (loss) not related to debt	**(74)**	**(116)**	**42**	**(36%)**	**(107)**	**(217)**	**110**	**(51%)**
Interest, commissions and arrears interest	148	43	105	244%	440	188	252	134%
Monetary and exchange variations - other	(10)	1	(11)	(1100%)	(54)	(28)	(26)	93%
Adjustment to provision for contingencies / judicial deposits	(37)	(56)	19	(34%)	(167)	(135)	(32)	24%
Adjustment to sector financial assets / liabilities	(6)	11	(17)	(155%)	(4)	48	(52)	(108%)
Post-employment liabilities	(15)	(20)	5	(25%)	(60)	(81)	21	(26%)
Other net financial revenues (expenses)	(154)	(95)	(59)	62%	(262)	(209)	(53)	25%
Total	**(350)**	**(368)**	**18**	**(5%)**	**(1,030)**	**(1,341)**	**311**	**(23%)**

The financial income/loss of Neoenergia amounted to -R$ 350 million in the 4Q20 (+R$ 18 million vs. 4Q19) and -R$ 1.030 million in 2020 (+R$ 311 million vs. 2019). In the quarter the variation is mainly explained by the caption "arrears", adjusted by higher IGPM when compared to 4Q20. In the year, the variation is explained by lower expenses with debt charges (+R $ 265 million 2020), mainly due to the 3.20 pp reduction in the CDI, the main debt index of the group (58% of the group's debt is adjusted by that index). On the table below, we list the main indexers:

Indexes	2020	2019	Δ (p.p.)
CDI	2.76%	5.96%	(3.20 p.p.)
TJLP	4.87%	6.20%	(1.33 p.p.)
USD[1]	1.1660	0.1559	1.01
IPCA[2]	4.24%	3.23%	1.01 p.p.

Nota 1: exchange variation between the closing of December 30 to December 30.

Nota 2: considers the inflation accounted in 12 months (M-1).

5. INVESTMENTS

The Neoenergia Group made total investments of the order of R$ 2.1 billion in 4Q20, and R$ 6.3 billion in 2020 in the companies that the group consolidates, as reported by the management and displayed on the table below:

CAPEX Neoenergia (R$ million)	4Q20	4Q19	Δ %	2020	2019	Δ %
Networks	**1,714**	**1,156**	**48%**	**5,335**	**3,923**	**36%**
Distributors	835	983	(15%)	3,339	3,327	0%
Transmission Lines	879	172	410%	1,995	596	235%
Renewables	**397**	**221**	**80%**	**898**	**321**	**180%**
Liberalized	**15**	**46**	**(67%)**	**101**	**142**	**(29%)**
Holding	**2**	**3**	**(26%)**	**3**	**4**	**(25%)**
TOTAL	**2,129**	**1,426**	**49%**	**6,337**	**4,390**	**44%**

5.1. Subsidiary and Affiliated Companies

The investment made by the affiliated companies corresponded to the amounts of R$ 14 million in 4Q20 and R$ 61 million in 2020.

Subsidiary and Affiliated Companies*	4Q20	4Q19	Δ %	2020	2019	Δ %
EAPSA	2	2	20%	3	2	61%
Teles Pires	7	25	(74%)	8	48	(84%)
Belo Monte	6	64	(90%)	50	133	(63%)
Total	**14**	**90**	**(84%)**	**61**	**183**	**(67%)**

* Companies not consolidated by Neoenergia. Amounts equivalent to percentages of Neoenergia shareholding in the relevant companies

5.2. Networks

5.2.1. Distribution

In 2020, the capital expenditures – Capex of the distributors amounted to R$ 3.3 billion, of which R$ 2,072 million were used in the expansion of the networks, R$ 501 million in the renewal of assets, R$ 393 million in improvements to the network, and R$ 717 million in anti-loss projects to fight default and other.

INVESTMENTS MADE (amounts in R$ MM)	COELBA	CELPE	COSERN	ELEKTRO	CONSOLIDATED	
	4Q20				4Q20	2020
Network Expansion	**(286)**	**(72)**	**(58)**	**(104)**	**(520)**	**(2,072)**
Program Luz para Todos	(85)	-	-	-	(85)	(464)
New Connections	(109)	(52)	(27)	(52)	(239)	(910)
New SE's and RD's	(92)	(20)	(32)	(52)	(196)	(698)
Assets Renewal	**(54)**	**(28)**	**(16)**	**(35)**	**(134)**	**(501)**
Network Improvement	**(74)**	**(15)**	**(16)**	**(24)**	**(130)**	**(393)**
Losses and Default	**(29)**	**(11)**	**(1)**	**(6)**	**(48)**	**(217)**
Other	**(137)**	**(57)**	**(23)**	**(44)**	**(261)**	**(500)**
Movement of Material (Inventory x Works)	(22)	8	12	43	41	(307)
(=) Gross Investment	**(602)**	**(176)**	**(102)**	**(171)**	**(1,051)**	**(3,991)**
GRANTS	219	6	5	28	257	344
(=) Net Investment	**(383)**	**(170)**	**(98)**	**(143)**	**(794)**	**(3,647)**
Movement of Material (Inventory x Works)	22	(8)	(12)	(43)	(41)	307
(=) CAPEX	**(361)**	**(179)**	**(110)**	**(185)**	**(835)**	**(3,339)**
Regulatory Annuity Basis	(137)	(57)	(23)	(44)	(261)	(500)
Regulatory Remuneration Basis	(443)	(127)	(92)	(170)	(832)	(3,183)

5.2.2. Transmission

In 2020, Capex of the transmission lines amounted to R$ 1,995 million, R$ 1,399 million more than in 2019.

As regards the April 2017 auction lots, 100% of the expected Capex is contracted. Highlight for the start of operation of lots 20, 22 and 27 and 1 section of lot 4, delivered in July 2020, with the beginning of receipt of the Annual Permitted Revenue (Portuguese acronym RAP). For the lots purchased in December 2017, 100% of the expected Capex is contracted, the contractors are already mobilized, and deliveries are in line with the schedule of the construction works. The lots purchased at the December 2018 auction have 100% of the main equipment, cables and towers already contracted, and the environmental licensing is in progress. The lot purchased at the December 2019 auction has 97% of Capex contracted, and is progressing to have environmental licenses granted. The lot purchased at the December 2020 auction is in the initial phase of contracting.

5.3. Renewables

5.3.1. Wind Farms

The investments made in wind farms amounted to R$ 840 million in 2020, and were used in (i) the works of the Chafariz Complex, which already have 100% of the estimated Capex contracted, and currency hedge and connection agreements with the transmission company already entered into; and (ii) the works of the Oitis Complex, whose wind farms had installation licenses granted in November and December 2020, allowing to start mobilizing for construction.

5.3.2. Hydroelectric Plants

Investments in hydroelectric plants amounting to R$ 59 million in 2020, chiefly in sustaining CAPEX, were R$ 136 lower compared to 2019, mainly due to the works carried out at Baixo Iguaçu in 2019.

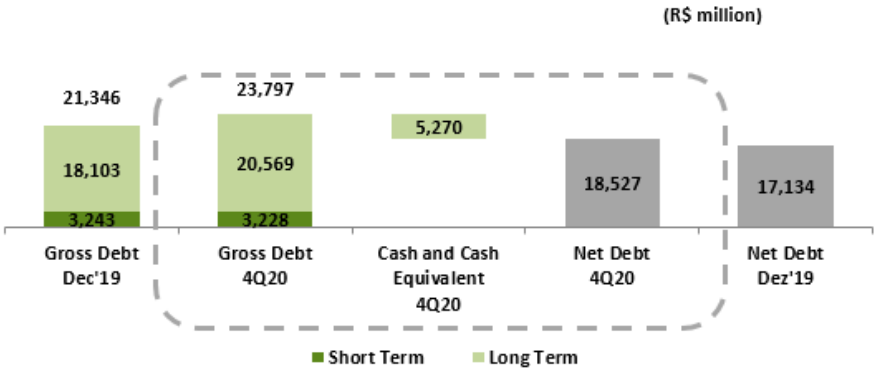
5.4. Liberalized

Termopernambuco made investments in the amount of R$ 14 million in 4Q20, 65% lower than the actual investments of 4Q19, due to the acquisition of materials in 2019. In the year, the plant made R$ 100 million in investments, 26% less than that recorded in 2019, due to the purchase of the low-pressure rotor of the steam engine in 2019.

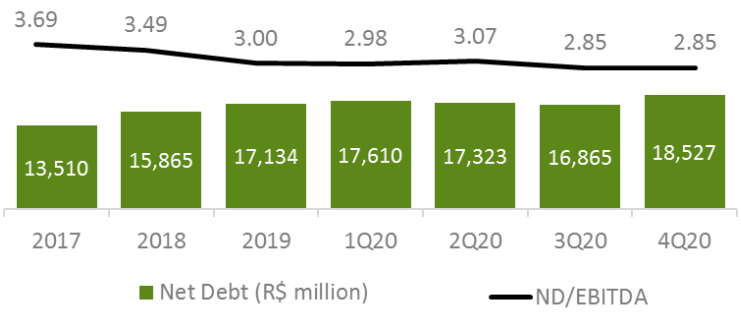
6. INDEBTEDNESS

6.1. Situation of Financial Debt and Leverage

In December 2020, the consolidated gross debt of Neoenergia, including loans, financing, debentures and financial instruments, reached R$ 23,797 million (net debt R$ 18,527 million), showing an increase of 11% (R$ 2,451 million) when compared to December 2019. As regards the segregation of the debt balance, Neoenergia has 86% of the debt recorded in the long term and 14% in the short term.

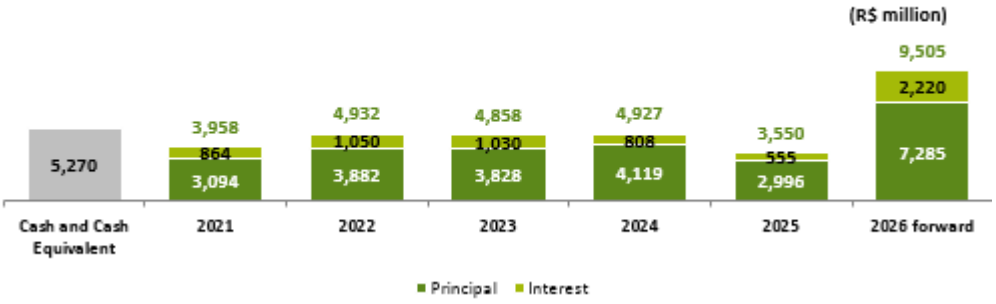


The financial indicator Total Net Debt/EBITDA decreased from 3.0 in December 2019 to 2.85 in December 2020.



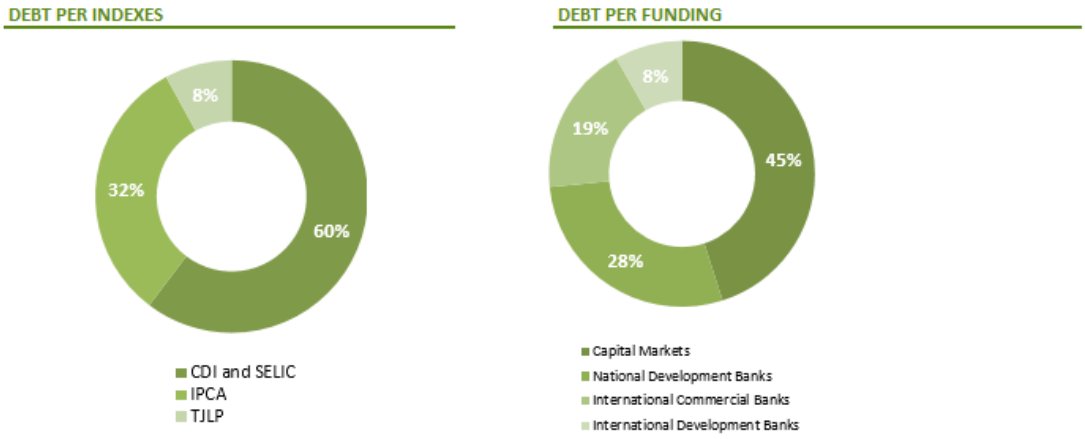
6.2 Debt amortization schedule

The chart below displays the schedule of maturities of the debt principal and interest (in millions of reais) using the forward market curves for the indexes and currencies associated with the Company's indebtedness in effect on December 31, 2020. The average indebtedness term in December 2020 was 4.66 years, representing an extension of the group's debt profile compared to December 2019, which was 4.03 years.



6.3. Debt Profile

The charts below display the balance of the debts segregated by funding source and index. The average 12-month cost of the consolidated debt in 2020 was 4.7% (vs. 6.4% in December 2019).



In 4Q20 we were granted funding in the amount of R$ 2,188 million. We point out the debt lines that follow:

(i) Grant of 2 Bank Credit Notes, with Sumitomo and Mizuho, in the amount of R$ 205 million, for a 3-year term;
(ii) BEI financing to Neoenergia in the amount of R$ 836 million, and a 15-year term;
(iii) Second BNDES grant to Neoenergia Jalapão, in the amount of R$ 250 million, and a 20-year term;

(iv) Grant from FCO to Neoenergia Dourados, in the amount of R$ 30 million in a 15-year term;
(v) Contracting of CCB with Banco do Brasil to Coelba, in the amount of R$ 195 million, and a 3-year term;
(vi) BNB financing to Coelba, in the amount of R$ 91 million, and a 12-year term;
(vii) 4131 outlays to Coelba and Celpe with Santander, in the amount of R$ 200 million, for each company, and a 3-year term;
(viii) Grant from BNDES to Neoenergia Santa Luzia, in the amount of R$ 110 million, and a 24-year term;
(ix) Grant from BNB to Chafariz Complex, in the amount of R$ 72 million, and a 24-year term;

7. RATING

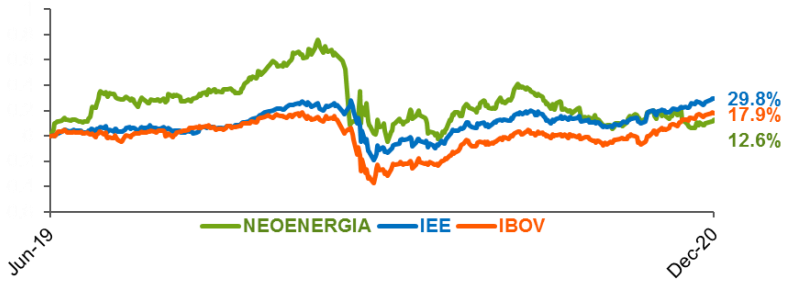
In April 2020, the rating agency Standard & Poor´s - S&P confirmed the corporate credit ratings of Neoenergia and its subsidiaries, Coelba, Celpe, Cosern and Elektro Redes on 'BB-' on the Global Scale and 'brAAA` on the Brazil National Scale. It is worth mentioning that due to the Covid-19 pandemic the agency changed the perspective of the sovereign rating from positive to stable, which also caused the global perspective of Neoenergia and its subsidiaries to be changed to stable.

8. CAPITAL MARKETS

On December 30, 2020, the Company's Market value was R$ 21.4 billion with shares quoted at R$ 17.62, representing an appreciation of 12.56% since the IPO (July/19).

The year 2020 was the first full year that Neoenergia had its shares traded on B3. In January, its shares became a part of the IBrX100 (Brasil 100 Index) and in May they were included in the IEE (Electric Energy Index) portfolio. In January/21, Neoenergia became a part of the ISE (Sustainability Index) and the ICO2 (Carbon Efficient Index) portfolio. The joining of the Company into these indexes confirms our determination and commitment in pursuing sustainable growth with an ethical business conduct, corporate governance and social and environmental responsibility.

SHARES RENTABILITY - SINCE IPO



Capital Markets	IPO	4Q20
Number of shares	1,213,797,248	1,213,797,248
Share value	15.65	17.62
Market value[1] (R$ million)	18,996	21,387

[1]Market value = number of shares x share value

9. OTHER MATTERS

9.1. Adhesion to Covid Account

On July 3, the Coelba, Elektro, Celpe and Cosern joined the Conta-Covid financial operation, under the terms of REN ANEEL nº 885/2020, in the amounts listed below, which are fully backed by constituted tariff assets (CVA and other financial assets). The total amount paid out was R$ 1,664,095 thousand according to the schedule below:

Disbursement Date	Coelba	Celpe	Cosern	Elektro
07/31/2020	407,730	345,147	66,278	470,965
08/12/2020	47,668	52,403	11,928	70,782
09/14/2020	44,208	57,169	17,272	72,544
Total (R$ Thousand)	499,607	454,719	95,479	614,291

9.2. CEB Auction

On December 4, Neoenergia's subsidiary Bahia Geração was the winner in Auction nº 01/2020-CEB-D, with the purpose of privatizing CEB Distribuição for the Equity Amount of R$ 2.5 billion, which represents the acquisition price of 100% of CEB-D shares.

9.3. Favorable Court Decision to Celpe (PIS/COFINS lawsuit)

In December 2020, the Federal Government finalized the decision favorable to Celpe, recognizing the company's right to credit for the amounts unduly paid in regard to the inclusion of ICMS in the PIS/COFINS calculation basis, duly updated by the SELIC Rate. Initially, in 4Q20 Celpe constituted a PIS and COFINS asset to be recovered in the total amount of R$ 2.156 million, and a liability for the same amount, net of legal fees, liabilities amounting to R$ 2.153 million. It is worthy of mention that there is no effect on the result (Income Statement).

9.4. Low-income Consumers

	4Q20					4Q19				
Nº of Residential Customers (thousand)	Consolidated	COELBA	CELPE	COSERN	ELEKTRO	Consolidated	COELBA	CELPE	COSERN	ELEKTRO
Conventional	9,469	3,944	2,385	960	2,180	9,947	4,286	2,475	1,007	2,179
Low Income	3,132	1,545	1,028	347	211	2,406	1,100	862	290	155
Total	**12,602**	**5,490**	**3,414**	**1,308**	**2,390**	**12,353**	**5,385**	**3,337**	**1,297**	**2,334**

9.5. Shareholders Compensation

Neoenergia's Bylaws provide for the payment of a minimum dividend of 25% of net income, according to the Dividend Distribution Policy available on the Company's website (http://ri.neoenergia.com/governanca/codigos-e-politicas/).

In 2020, the Company resolved the following earnings:

(i) Interest on Equity in the amounts of:
- R$ 278,402 thousand, paid on December 10, 2020, resolved at the Board of Directors Meeting held on June 15, 2020;
- R$ 266,648 thousand, with payment scheduled for December 31, 2021, resolved at the Board of Directors Meeting held on December 9, 2020.

The Company informs that the full allocation of the 2020 profits will be approved at the Annual General Meeting to be held in 2021.

10. RECONCILIATION NOTE

Neoenergia S.A. discloses the fourth quarter (4Q20) results based on managerial analyzes that management understands to best translate the company's business, reconciled with the International Financial Reporting Standards (IFRS).

	Current Year		Previous Year		
Calculation Memory (CONSOLIDATED)	**Quarter**	**YTD**	**Quarter**	**YTD**	**Corresponding Explanatory Notes**
(+) Net Revenue	10,487	31,989	7,453	28,461	Income Statement
(-) Estimated Replacement Value of Concession	(404)	(549)	(156)	(556)	Note 5
(-) Other revenues	(95)	(335)	(60)	(311)	Note 5
(+) Gain/Loss on RAP	(4)	(18)	(3)	(5)	Note 5.4
(+) Revenue from Operation and Maintenance	5	33	(9)	23	Note 5.4
(+) Photovoltaic Operations	3	8	(1)	-	Note 5.4
(+) Other revenues - Other revenues	10	10	(9)	10	Note 5.4
= Net Operating REVENUE	**10,002**	**31,138**	**7,215**	**27,622**	-
(+) Costs with electric energy	(5,419)	(15,280)	(3,640)	(14,519)	Income Statement
(+) Fuel for energy production	(142)	(448)	(140)	(442)	Note 7
(+) Construction costs	(1,682)	(5,726)	(1,082)	(4,054)	Income Statement
= Energy costs	**(7,243)**	**(21,454)**	**(4,862)**	**(19,015)**	-
(+) Estimated replacement value of concession	404	549	156	556	Note 5
= GROSS MARGIN	**3,163**	**10,233**	**2,509**	**9,163**	-
(+) Operating costs	(1,030)	(3,609)	(981)	(3,514)	Income Statement
(+) Sales expenses	(80)	(288)	(66)	(270)	Income Statement
(+) Other general and administrative revenues/expenses	(500)	(1,530)	(386)	(1,397)	Income Statement
(-) Fuel for energy production	142	448	140	442	Note 8
(-) Depreciation	388	1,452	317	1,276	Note 8
(+) Gain/Loss on RAP	95	335	60	311	Note 5
(-) Gain/Loss on RAP	4	18	3	5	Note 5.4
(-) Revenue from operation and maintenance	(5)	(33)	9	(23)	Note 5.4
(-) Photovoltaic Operations	(3)	(8)	1	0	Note 5.4
(-) Other revenues - Other revenues	(10)	(10)	9	(10)	Note 5.4
= Operating Expenses (PMSO)	**(999)**	**(3,225)**	**(894)**	**(3,180)**	-
Provision for Doubtful Receivables (PECLD)	(35)	(456)	(108)	(332)	Income Statement
(+) Equity Accounting	(28)	(56)	6	68	Income Statement
EBITDA	**2,101**	**6,496**	**1,513**	**5,719**	-
(+) Depreciation and Amortization	(430)	(1,618)	(359)	(1,446)	Income Statement and Note 8
(+) Financial Income/Loss	(350)	(1,030)	(368)	(1,341)	Income Statement
(+) IR/CS	(292)	(943)	(144)	(623)	Income Statement
(+) Minority shareholders	(33)	(96)	(24)	(80)	Income Statement
NET INCOME	**996**	**2,809**	**618**	**2,229**	Income Statement

ANNEX I – Transmission Assets Under Implementation

The table below displays a list of the Neoenergia Group transmission lines under implementation (base date 12/31/2020):

Under Implementation	State	Neoenergia Share	Start of Operation (Aneel term)	End of concession
Neoenergia Dourados Transmissão de Energia S.A. (Extensão Total 578 Km)				
Transmission Line				
LT 230 KV Campo Grande 2 – Imbirussu LT 230 KV Rio Brilhante Dourados 2 LT 230 KV Dourados 2 - Dourados	MS	100%	8/11/2022	8/11/2047
Basic Grid Substation				
SE Dourados 02	MS	100%	8/11/2022	8/11/2047
Neoenergia Biguaçu Transmissão de Energia S.A.				
Subestações Rede Básica				
LT 500 KV Miracema – Gilbués II LT 500 KV Gilbués II – Barreiras II	TO / PI PI / BA	100%	3/9/2023	3/9/2048
Neoenergia Jalapão Transmissão de Energia S.A. (Extensão Total 729 Km)				
Transmission Line				
LT 500 KV Santa Luzia II – Campina Grande III LT 500 KV Santa Luzia II – Milagres II	PB PB / CE	100%	3/9/2023	3/9/2048
Basic Grid Substation				
SE Santa Luzia II	PB	100%	3/9/2023	3/9/2048
Neoenergia Vale do Itajaí Transmissão de Energia S.A. (Extensão Total 673 Km) (*)				
Transmission Line				
LT 525 kV Areia - Joinville Sul - C1 LT 525 kV Joinville Sul - Itajaí 2 - C1 LT 525 kV Itajaí 2 - Biguaçu - C1 LT 230 kV Itajaí - Itajai 2 - CS - C1 e C2 LT 230 kV Rio do Sul - Indaial - CD - C1 e C2 LT 230 kV Indaial - Gaspar 2 - CD - C1 e C2	PR / SC SC	100%	3/22/2024	3/22/2049
Basic Grid Substation				
SE 525/230/138 kV Joinvile Sul SE 525/230/138 kV Itajaí 2 SE 2301138 KV Jaraguá do Sul SE 230/138 kV Indaial	SC	100%	3/22/2024	3/22/2049
Neoenergia Guanabara Transmissão de Energia S.A. (Extensão Total 328 Km em Circuito Duplo)				
Transmission Line				
LT 500 kV Terminal Rio - Lagos, CD, C1 e C2 LT 500 kV Lagos - Campos 2, CD, C1 e C2	RJ	100%	3/22/2024	3/22/2049
Basic Grid Substation				
SE 500 kV Campos 2	RJ	100%	3/22/2024	3/22/2049
Neoenergia Itabapoana Transmissão de Energia S.A. (Extensão Total 239 Km em Circuito Duplo)				
Transmission Line				
LT 500 kV Campos 2 - Mutum, CD, C1 e C2	RJ/ES /MG	100%	3/22/2024	3/22/2049
Neoenergia Lagoa dos Patos Transmissão de Energia S.A. (Extensão Total 769 Km)				
Transmission Line				
LT 525 kV Capivari do Sul. Siderópolis 2, C1 LT 525 kV Povo Novo - Guaiba 3, C3 LT 230 kV Livramento 3 - Santa Maria 3, C2 LT 230 kV Siderópolis 2 - Forquilhinha, C2	RS / SC RS SC	100%	3/22/2024	3/22/2049
Basic Grid Substation				
SE 525 kV Marmeleiro - Compensaçao Síncrona (COMPARTILHADA) SE 230 kV Livramento 3 - Compensaçao Síncrona (COMPARTILHADA)	RS	100%	3/22/2024	3/22/2049
Dez/19 - Lote 09 - EKTT06 - Rio Formoso (Extensão Total 105 Km)				
Transmission Line				
LT 230KV RIOFO - RIOEG CD (105km)	BA	100%	3/20/2024	3/20/2050
Basic Grid Substation				
SE 230kV Rio Formoso II SE 230kV Rio das Éguas (novo patio 230kV e Transf. 500/230kV)	BA	100%	3/20/2024	3/20/2050
Neoenergia Lote 02 (Extensão Total1.091 Km)				
Transmission Line				
LT 500 kV Morro do Chapéu II - Poções III C1 LT 500 kV Poções III - Medeiros Neto II C1 LT 500 kV Medeiros Neto II - João Neiva 2 C1 LT 230 kV Medeiros Neto II - Teixeira de Freitas II, CD, C1 e C2	BA / ES / MG	100%	2/1/2026	3/1/2051
Basic Grid Substation				
SE 500/230 kV Medeiros Neto II	BA	100%	2/1/2026	3/1/2051

ANNEX II – Renewable Assets Under Construction

The table below displays a list of the Neoenergia Group wind farms under construction 100% owned by Neoenergia (base date 12/31/2020):

Wind Under Implementation	Neoenergia Share (Direct and Indirect)	State	Location	Installed Capacity (MW)	Assured Energy (MW)	Concession Date	End of Concession
						Authorization	
CANOAS 2	100%	PB	São José do Sabugi e Santa Luzia	34.65	16.3	6/26/2018	6/25/2053
CANOAS 4	100%	PB	São José do Sabugi	34.65	16.5	6/26/2018	6/25/2053
CHAFARIZ 1	100%	PB	Santa Luzia	34.65	18.2	6/21/2018	6/20/2053
CHAFARIZ 2	100%	PB	Santa Luzia	34.65	17.4	6/21/2018	6/20/2053
CHAFARIZ 3	100%	PB	Santa Luzia	34.65	18.2	6/21/2018	6/20/2053
CHAFARIZ 6	100%	PB	Santa Luzia	31.19	15.2	6/21/2018	6/20/2053
CHAFARIZ 7	100%	PB	Santa Luzia	34.65	18.3	6/21/2018	6/20/2053
LAGOA 3	100%	PB	São José do Sabugi	34.65	17.2	6/26/2018	6/25/2053
LAGOA 4	100%	PB	São José do Sabugi e Santa Luzia	20.79	10.2	6/26/2018	6/25/2053
CANOAS 3	100%	PB	São José do Sabugi e Santa Luzia	34.65	16.8	2/5/2019	2/4/2054
CHAFARIZ 4	100%	PB	Santa Luzia e Areia de Baraúnas	34.65	17.8	2/5/2019	2/4/2054
CHAFARIZ 5	100%	PB	Santa Luzia	34.65	16.6	2/5/2019	2/4/2054
VENTOS DE ARAPUÁ 1	100%	PB	Areia de Baraúnas	24.26	11.6	2/5/2019	2/4/2054
VENTOS DE ARAPUÁ 2	100%	PB	Areia de Baraúnas, São Mamede e Santa Luzia	34.65	17.2	2/5/2019	2/4/2054
VENTOS DE ARAPUÁ 3	100%	PB	Areia de Baraúnas e São Mamede	13.86	5.8	2/5/2019	2/4/2054
OITIS 1	100%	PI	Dom Inocêncio	49.50	26.1	11/29/2019	11/28/2054
OITIS 8	100%	PI	Dom Inocêncio	49.50	25.5	11/29/2019	11/28/2054
OITIS ACL (10 parques)	100%	PI/BA	Dom Inocêncio e Casa Nova	467.50		12/24/2019	12/23/2054

Oitis ACL, Physical Guarantee (Assured Energy) still not disclosed
The new GF for farms Canoas 2 and 4, Chafariz 1 to 3, 6 and 7, Lagoa 3 and 4, was published pursuant to Ordinance nº 262, of September 10, 2019, in the official gazette.

Photovoltaics under Implementation	Neoenergia Share (Direct and Indirect)	State	Location	Installed Capacity (MW)	Assured Energy (MW)	Concession Date	End of Concession
						Authorization	
LUZIA 2	100%	PB	Santa Luzia	74.64	59.87	5/29/2020	5/28/2055
LUZIA 3	100%	PB	Santa Luzia	74.64	59.87	5/29/2020	5/28/2055

ANNEX III – Managerial Tables by Segment

STATEMENT OF INCOME (R$ MN)	NETWORKS								RENEWABLES							
	4Q20	4Q19	Variation		2020	2019	Variation		4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%			R$	%			R$	%
GROSS MARGIN	2,777	2,207	570	26%	8,849	7,997	852	11%	253	181	72	40%	869	783	86	11%
Operating Expenses (PMSO)	(780)	(703)	(77)	11%	(2,608)	(2,624)	16	-1%	(63)	(63)	-	0%	(218)	(218)	-	0%
(-) Provision for Doubtful Receivables (PECLD)	(33)	(109)	76	-70%	(454)	(348)	(106)	30%	-	2	(2)	-100%	-	1	(1)	-100%
(+)Equity Accounting/Assets Sale			-	-			-	-	(28)	6	(34)	-567%	(56)	68	(124)	-182%
EBITDA	1,964	1,395	569	41%	5,787	5,025	762	15%	162	126	36	29%	595	634	(39)	-6%
Depreciation	(314)	(276)	(38)	14%	(1,189)	(1,062)	(127)	12%	(56)	(33)	(23)	70%	(196)	(168)	(28)	17%
Financial Income (Loss)	(266)	(287)	21	-7%	(806)	(1,149)	343	-30%	(32)	(31)	(1)	3%	(157)	(146)	(11)	8%
IR/CS	(257)	(147)	(110)	75%	(864)	(573)	(291)	51%	(24)	3	(27)	-900%	(40)	(51)	11	-22%
Removals (Minority Shareholdings)			-	-			-	-			-	-			-	-
NET INCOME	1,127	685	442	65%	2,928	2,241	687	31%	50	65	(15)	-23%	202	269	(67)	-25%

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STATEMENT OF INCOME (R$ MN)	LIBERALIZED								OTHER							
	4Q20	4Q19	Variation		2020	2019	Variation		4Q20	4Q19	Variation		2020	2019	Variation	
			R$	%			R$	%			R$	%			R$	%
GROSS MARGIN	138	130	8	6%	535	407	128	31%	(5)	(9)	4	-44%	(20)	(24)	4	-17%
(-) Operating Expenses (PMSO)	(68)	(55)	(13)	24%	(186)	(138)	(48)	35%	(88)	(73)	(15)	21%	(213)	(200)	(13)	6%
(-) Provision for Doubtful Receivables (PECLD)	(2)	(1)	(1)	100%	(2)	(1)	(1)	100%	-	-	-	-	-	16	(16)	-100%
(+) Equity Accounting/Assets Sale			-	-			-	-	-	-	-	-	-	-	-	-
EBITDA	68	74	(6)	-8%	347	268	79	29%	(93)	(82)	(11)	13%	(233)	(208)	(25)	12%
Depreciation	(17)	(7)	(10)	143%	(63)	(45)	(18)	40%	(43)	(43)	-	0%	(170)	(171)	1	-1%
Financial Income (Loss)	(9)	(25)	16	-64%	(65)	(105)	40	-38%	(43)	(25)	(18)	72%	(2)	59	(61)	-103%
IR/CS	(1)	(2)	1	-50%	(25)	1	(26)	-2600%	(10)	2	(12)	-600%	(14)	-	(14)	-
Removals (Minority Shareholdings)			-	-			-	-	(33)	(24)	(9)	38%	(96)	(80)	(16)	20%
NET INCOME	41	40	1	2%	194	119	75	63%	(222)	(172)	(50)	29%	(515)	(400)	(115)	29%

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The information contained in this document reflects current conditions and our view to date, and is subject to change. The document contains statements that represent NEOENERGIA expectations and projections about future events, which the Company cannot guarantee will materialize, since they involve a number of risks and uncertainties and may have results or consequences other than those discussed and anticipated herein.

All relevant information regarding the period and used by the Management in the running of the Company is evidenced in this document and in the Financial Statements.

Further information about the Company can be obtained on the Reference Form available on CVM website and on the Neoenergia Group Investor Relations website (ri.neoenergia.com).