

## Energisa S/A | Results for the 3rd quarter of 2020

**Cataguases, November 12, 2020** - The management of Energisa S/A (“Energisa” or “Company”) hereby presents its results for the third quarter (3Q20) and the first nine months of 2020 (9M20).

### Quick Facts

**With an expressive market growth in the residential and rural segments, cost management discipline and efficient capital allocation, Energisa reaches an all-time record profit for the quarter and YTD**

- ✓ **In 3Q20, consolidated net income was of R\$ 921.7 million**, an increase of R\$ 867.8 million on the R\$ 53.9 million recorded in 3Q19. If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7<sup>th</sup> debentures issuance, the Company reports net income of R\$ 636.9 million in the quarter, 198.6% up on the same quarter the previous year.
- ✓ **In 9M20, consolidated net income was of 2020 of R\$ 1.4 billion**, 714.3% (R\$ 1,241.6 million) more than 9M19 (R\$ 173.8 million). If we disregard non-recurring effects, including the mark-to-market of the subscription bonus for the 7<sup>th</sup> debentures issuance of R\$ 348.7 million, net income would still have grown by 78.9% or R\$ 418.2 million compared with the adjusted net income without non-recurring effects for the first 9 months of 2019 (R\$ 530.2 million);
- ✓ **Consolidated Adjusted EBITDA amounted to R\$ 1.4 billion in 3Q20**, an increase of 38.2% (R\$ 374.7 million) on the same period of 2019. Consolidated Adjusted EBITDA rose by 10.8% (R\$ 301.6 million) in 9M20 compared with the same period the previous year, to R\$ 3,085.4 million;
- ✓ **Cash, cash equivalents and short-term investments grew by R\$ 1.3 billion in the quarter**, to R\$ 5,474.9 million in September, compared with R\$ 4,221.9 million in June 2020;
- ✓ **Consolidated net debt** amounted to R\$ 13,594.4 million in September, compared with R\$ 13,922.3 million in June 2020. This resulted in a ratio between net debt and Adjusted EBITDA of 3.3, 0.4 times lower than the previous quarter;
- ✓ **Consolidated investment** amounted to R\$ 646.5 million in 3Q20, a decrease of 25.7% (R\$ 223.1 million) on the same period of the previous year.

Description	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>Financial Indicators - R\$ million</b>						
Gross Operating Revenue	7,174.7	7,416.0	- 3.3	20,846.1	21,594.5	- 3.5
Net Operating Revenue, without construction revenue	4,323.1	4,124.7	+ 4.8	12,401.9	12,471.2	- 0.6
Manageable costs and expenses	515.2	667.4	- 22.8	2,015.7	2,064.9	- 2.4
<b>EBITDA</b>	<b>1,234.8</b>	<b>885.1</b>	<b>+ 39.5</b>	<b>2,810.8</b>	<b>2,531.8</b>	<b>+ 11.0</b>
<b>Adjusted EBITDA</b>	<b>1,354.6</b>	<b>979.9</b>	<b>+ 38.2</b>	<b>3,085.4</b>	<b>2,783.8</b>	<b>+ 10.8</b>
<b>Net Income</b>	<b>921.7</b>	<b>53.9</b>	<b>+ 1,609.6</b>	<b>1,415.4</b>	<b>173.8</b>	<b>+ 714.3</b>
Net Indebtedness <sup>(1)</sup>	13,594.4	12,867.1	+ 5.7	13,594.4	12,867.1	+ 5.7
Investment	646.5	869.6	- 25.7	2,033.1	2,169.3	- 6.3
<b>Consolidated Operating Indicators</b>						
Billed captive energy sales (GWh)	7,311.4	7,398.3	- 1.2	22,067.0	22,375.0	- 1.4
Captive sales + Billed TUSD (GWh)	8,935.7	8,882.1	+ 0.6	26,577.1	26,726.9	- 0.6
Captive sales + Unbilled TUSD (GWh)	9,132.8	8,892.6	+ 2.7	26,568.7	26,737.6	- 0.6
Total Number of Consumers	8,001,773	7,805,848	+ 2.5	8,001,773	7,805,848	+ 2.5
Number of Own Staff	14,767	14,445	+ 2.2	14,767	14,445	+ 2.2
Work Force (own + outsourced staff) <sup>(2)</sup>	19,578	20,588	- 4.9	19,578	20,588	- 4.9

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

## 1. Corporate structure and profile

Energisa Group completed 115 years of history on February 26, 2020 and is the fifth largest energy distribution group in Brazil, serving approximately 8.0 million consumers in eleven Brazilian states, equal to 10% of Brazil's population.

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

Energisa Group's activities also include the trading of energy and the provision of electricity-related services, operating in the distributed energy generation segment and electricity transmission assets, as acquired at the auctions successfully bid for in 2017 and 2018, i.e. Energisa Goiás Transmissora I, in operation since March 13, 2020, Energisa Pará Transmissora I, in operation since November 2, 2020, and two ventures under construction: Energisa Para Transmissora II and Energisa Tocantins Transmissora, with transmission lines totaling 1,343 km.

### ENERGISA GROUP COVERAGE AREA

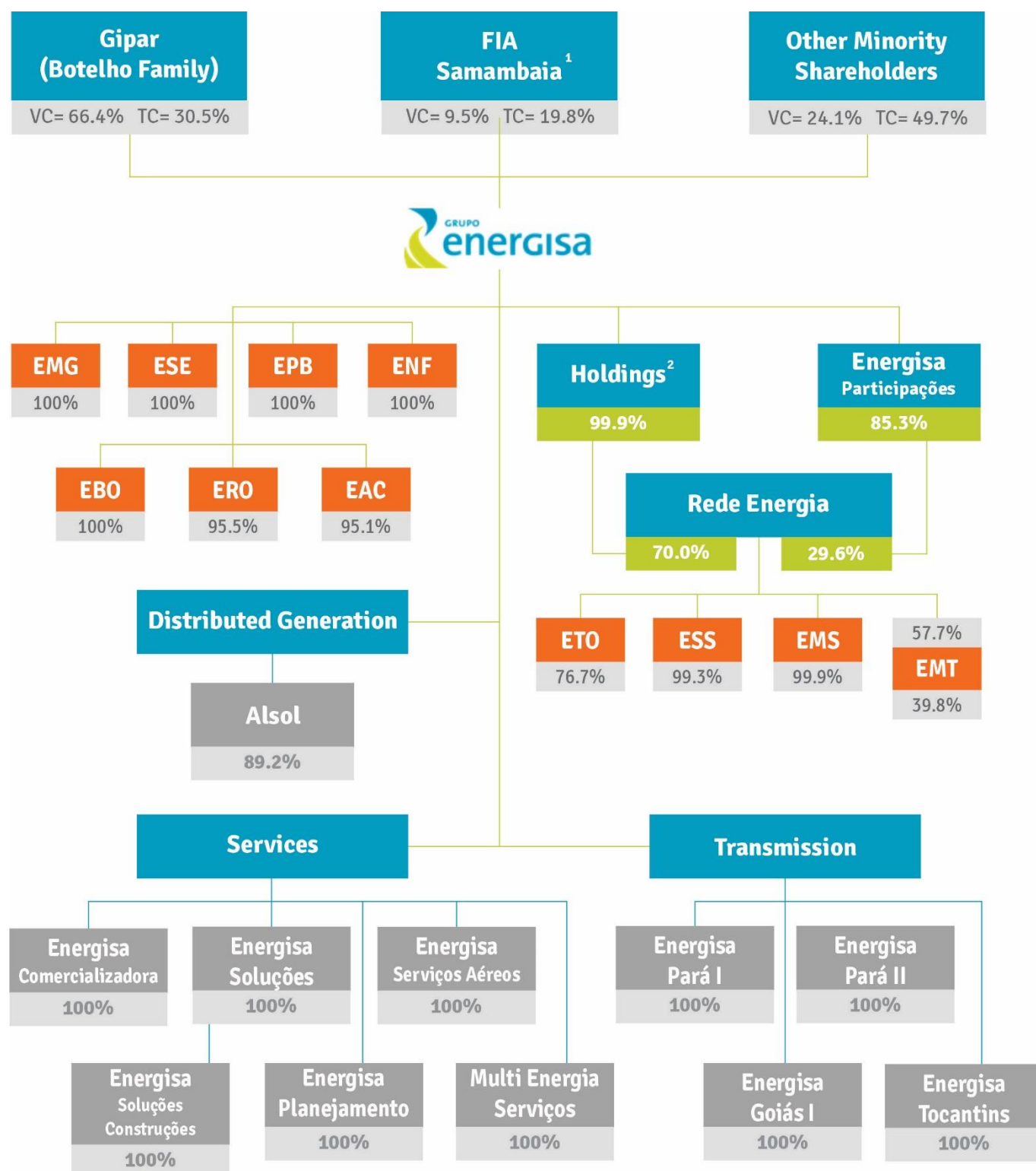


Largest energy distribution group in Brazil

### 1.1. Corporate Structure of Energisa Group

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

See below the simplified ownership structure of Energisa Group:



CV - Voting Capital | CT - Total Capital

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

(2) Directly and by way of holding companies, Energisa owns 95.2% of Rede Energia.

## 2. Operating performance

### 2.1. Continuity of Energisa Group's operations amidst the pandemic in 2020

We continued rolling out our Contingency Plan in response to the pandemic that broke out in March this year, as detailed in the last two quarterly earnings releases. The month of August was marked by the safe resumption of the Group's non-essential activities, and the activation of field teams that were under a contract suspension due to the restrictions of some commercial services as determined by Resolution Number 878 (Aneel).

Energisa Day took place on September 6, where we presented to our investors how we faced this never seen before situation and what was learned. The presentations covered three distinct phases: (i) Resilience; (ii) Resumption; (iii) re-imagining the future. In the Resilience phase, we sought to quickly adjust our operations with the goal of enduring a long period of turbulence and shortage. The Resumption phase began in August with the easing of confinement measures and return to work of field commercial services and agency teams which were away from their positions during the lockdown period. Eligible administrative positions are gradually returning to the office in a hybrid regime (home office and in-person), with all safety measures and respecting public health protocols. The third phase, called Re-imagining the Future, is about applying the learnings derived from the new ways to operate adopted during this crisis, as well as exploring business models and innovations coming from the client's new habits.

Within this context, we believe that the energy transition and sustainability are inevitable in the regulatory agenda and agenda of market agents/stakeholders, facilitated by the technological tools available and under development.

Energisa's footprint covers all of Brazil's regions. We are extremely well positioned in the market and are a group organized as an integrated business platform, with unrivaled expertise to lead the field in the Generation/Transmission/Distribution/Services sectors in Brazil.

### 2.2. Electricity sales

Consolidated free and captive electricity consumption grew by 0.6% in 3Q20 compared with the same period last year, amounting to 8,935.7 GWh. This result turns around the performance witnessed in 2Q20 (-4.9%), the period which bore the brunt of the restrictions introduced because of the pandemic. If unbilled sales are included, the growth was 2.7% in the same comparison basis, amounting to 9,132.8 GWh.

The positive performance in the quarter was chiefly due to higher energy consumption by the residential (+5.9%; 185.7 GWh), rural (+9.7%; 92.7 GWh) and industrial (+4.1; 75.0 GWh) sectors. In addition to driving the Group's energy sales growth, the industrial sector also helped turn around the negative result, recovering from a decrease of 8.6% in 2Q20 to growth of 4.1% in 3Q20. The commercial sector (-11.4%) and government (-25.6%) diminished across all DisCos, but the movement slowed down, especially in commerce, as a result of the economy partly opening back up.

Two distribution companies in the Midwest performed strongly, spurring energy consumption with rises of 3.7% (48.5 GWh) and 0.7% (17.8 GWh) at EMS and EMT, respectively. In both concessions, the residential sector contributed greatly, with consumption driven by warmer drier weather in the period, caused by the La Niña phenomena. However, industrial sector growth in these concession operators made all the difference, reaching 14.6% (44.3 GWh) at EMS and 6.8% (37.1 GWh) at EMT, spurred by the positive impact of the food sector, especially companies raising livestock for export. Rural consumption grew by +9.5% (39.1 GWh) at EMT and 6.6% (9.2 GWh) at EMS, driven by activities related to the soybean and corn harvests. ERO achieved the third largest increase in volume in the quarter of 2.0% (17.3 GWh), a performance driven by the residential sector (+ 10.1%; 34.1 GWh), owing to warmer weather; rural sector (+ 8.6%; 7.8 GWh), propelled by soybean cultivation; and industrial sector (+6.4% 7.5 GWh), driven by the local food industry. In turn, EMG reported growth of + 4.7% (17.0 GWh), primarily due to the rural sector (+ 30.9%; 14.5 GWh), driven by coffee production and consumption, also favored by the all-time record crop.

Free and captive energy consumption contracted by 0.6% (26,577.1 GWh) in the first nine months. This performance was negatively impacted by consumption of the commercial and government sectors, which shrank across all DisCos. In contrast, the residential and rural sectors grew by 5.2% (507.7 GWh) and 7.6% (195.6 GWh), respectively. Energy consumption rose in the free and captive markets in the concessions of EMT (123.2 GWh, +1.8%) and EMS (46.9 GWh, +1.1%), both driven by growth in the residential, rural and industrial sectors, with the latter two buoyed by a vibrant farming sector in the region. The concessions in the North, ERO (42.9 GWh, +1.8%) and EAC (2.7 GWh, +0.3%), also present positive results in the YTD period, especially the industrial sector, driven by the livestock industry.



## DisCo Energy sales

Description (Amounts in GWh)	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
✓ Billed sales to the captive market	7,311.4	7,398.3	- 1.2	22,067.0	22,375.0	- 1.4
✓ Energy transportation to free clients (TUSD)	1,624.4	1,483.8	+ 9.5	4,510.1	4,351.9	+ 3.6
<b>Subtotal (Captive Sales + Billed TUSD)</b>	<b>8,935.7</b>	<b>8,882.1</b>	<b>+ 0.6</b>	<b>26,577.1</b>	<b>26,726.9</b>	<b>- 0.6</b>
✓ Unbilled consumption	197.0	10.4	+ 1,790.4	(8.4)	10.7	-
<b>Subtotal (Captive Sales + Unbilled TUSD)</b>	<b>9,132.8</b>	<b>8,892.6</b>	<b>+ 2.7</b>	<b>26,568.7</b>	<b>26,737.6</b>	<b>- 0.6</b>

### 3. Financial performance

#### 3.1. Gross and net operating revenue

In 3Q20, consolidated net operating revenue excluding construction revenue amounted to R\$ 4,323.1 million, a decrease of 4.8% (R\$ 198.5 million) on 3Q19. This amounted to R\$ 12,401.9 million in 9M20, a decrease of 0.6% (R\$ 69.4 million).

See below the net operating revenue by segment:

Operating revenue by segment Description (R\$ million)	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>(+) Electricity revenue (captive market)</b>	<b>5,194.1</b>	<b>5,363.3</b>	<b>- 3.2</b>	<b>15,413.5</b>	<b>15,674.3</b>	<b>- 1.7</b>
✓ Residential	2,567.2	2,481.3	+ 3.5	7,638.0	7,446.3	+ 2.6
➤ Low income	206.4	182.1	+ 13.4	447.2	510.9	- 12.5
✓ Industrial	403.3	433.6	- 7.0	1,134.8	1,241.4	- 8.6
✓ Commercial	1,041.0	1,240.3	- 16.1	3,279.6	3,681.4	- 10.9
✓ Rural	596.2	531.7	+ 12.1	1,579.1	1,392.8	+ 13.4
✓ Other sectors	586.3	676.4	- 13.3	1,782.0	1,912.4	- 6.8
(+) Electricity sales to distributors	105.8	160.9	- 34.3	379.6	918.0	- 58.7
(+) Net unbilled sales	201.5	73.4	+ 174.5	179.9	168.1	+ 7.0
(+) Sales by trading company (ECOM)	205.2	236.0	- 13.1	727.4	645.2	+ 12.7
(+) Electricity network usage charges (TUSD)	419.0	359.8	+ 16.5	1,151.6	1,002.6	+ 14.9
(+) Construction revenue	574.9	945.7	- 39.2	1,677.2	2,066.3	- 18.8
(+) Creation and amortization - CVA	35.9	(148.7)	-	(40.6)	(129.6)	- 68.6
(+) Subsidies for services awarded under concession	339.2	342.7	- 1.0	1,126.7	954.7	+ 18.0
(+) Restatement of the concession financial asset (VNR)	53.2	25.8	+ 106.5	62.8	143.6	- 56.2
(+) Other revenue	45.9	57.1	- 19.7	168.0	151.3	+ 11.0
<b>Gross Revenue</b>	<b>7,174.7</b>	<b>7,416.0</b>	<b>- 3.3</b>	<b>20,846.1</b>	<b>21,594.5</b>	<b>- 3.5</b>
(-) Sales taxes	1,874.8	1,886.7	- 0.6	5,545.9	5,545.3	+ 0.0
(-) Rate flag deductions	(15.7)	(15.9)	- 1.3	(24.8)	(12.9)	+ 93.3
(-) Sector charges	417.5	474.8	- 12.1	1,246.0	1,524.6	- 18.3
<b>(=) Net revenue</b>	<b>4,898.0</b>	<b>5,070.4</b>	<b>- 3.4</b>	<b>14,079.1</b>	<b>14,537.5</b>	<b>- 3.2</b>
(-) Construction revenue	574.9	945.7	- 39.2	1,677.2	2,066.3	- 18.8
<b>(=) Net revenue, without construction revenue</b>	<b>4,323.1</b>	<b>4,124.7</b>	<b>+ 4.8</b>	<b>12,401.9</b>	<b>12,471.2</b>	<b>- 0.6</b>

See below the net operating revenue by company:

Net revenue by segment Amounts in R\$ million	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>I - Distribution of electricity</b>	<b>4,592.8</b>	<b>4,664.6</b>	<b>- 1.5</b>	<b>13,046.0</b>	<b>13,508.4</b>	<b>- 3.4</b>
✓ EMG	205.3	181.8	+ 12.9	584.1	549.8	+ 6.2
✓ ENF	46.5	43.5	+ 7.1	133.5	128.4	+ 4.0
✓ ESE	321.7	324.9	- 1.0	943.7	1,060.8	- 11.0
✓ EBO	65.1	68.7	- 5.3	190.9	212.8	- 10.3
✓ EPB	508.2	489.6	+ 3.8	1,498.0	1,582.6	- 5.4
✓ EMT	1,283.8	1,334.2	- 3.8	3,490.1	3,626.1	- 3.7
✓ EMS	706.2	674.5	+ 4.7	1,997.2	2,068.6	- 3.5
✓ ETO	362.8	433.9	- 16.4	1,024.2	1,256.2	- 18.5
✓ ESS	450.3	450.2	+ 0.0	1,280.7	1,289.7	- 0.7
✓ ERO	486.9	473.1	+ 2.9	1,410.2	1,217.0	+ 15.9
✓ EAC	155.9	190.2	- 18.0	493.3	516.4	- 4.5
<b>II - Electricity sales and services</b>	<b>429.6</b>	<b>537.3</b>	<b>- 20.1</b>	<b>1,406.2</b>	<b>1,307.3</b>	<b>+ 7.6</b>
✓ Energisa Comercializadora (ECOM)	186.5	214.5	- 13.0	661.0	586.6	+ 12.7
✓ Energisa Soluções Consolidated (ESOL Consol.)	46.5	59.0	- 21.3	154.4	149.6	+ 3.2
✓ Energisa S/A (ESA)	54.0	54.7	- 1.2	166.0	157.1	+ 5.7
✓ Multi Energisa	10.9	9.9	+ 9.9	31.3	28.2	+ 10.9
✓ Energisa Goiás Transmissora I (EGO I)	13.0	79.6	- 83.7	65.3	160.5	- 59.3
✓ Energisa Pará Transmissora I (EPA I)	53.4	85.3	- 37.3	132.6	166.1	- 20.2
✓ Energisa Pará Transmissora II (EPA II)	44.2	26.5	+ 67.1	137.8	46.6	+ 195.5
✓ Energisa Tocantins Transmissora (ETT)	10.8	5.3	+ 102.0	26.0	5.3	+ 388.3
✓ Others	10.3	2.5	+ 315.2	31.6	7.1	+ 346.4
<b>(=) Total (I+II)</b>	<b>5,022.3</b>	<b>5,201.9</b>	<b>- 3.5</b>	<b>14,452.1</b>	<b>14,815.7</b>	<b>- 2.5</b>
<i>Intercompany eliminations</i>	<i>(124.3)</i>	<i>(131.5)</i>	<i>- 5.5</i>	<i>(373.1)</i>	<i>(278.2)</i>	<i>+ 34.1</i>
<b>(=) Energisa Consolidated</b>	<b>4,898.0</b>	<b>5,070.4</b>	<b>- 3.4</b>	<b>14,079.1</b>	<b>14,537.5</b>	<b>- 3.2</b>
(-) Construction revenue	574.9	945.7	- 39.2	1,677.2	2,066.3	- 18.8
<b>(=) Energisa Consol. without construction revenue</b>	<b>4,323.1</b>	<b>4,124.7</b>	<b>+ 4.8</b>	<b>12,401.9</b>	<b>12,471.2</b>	<b>- 0.6</b>

### 3.2. EBITDA

See below the quarterly EBITDA and Adjusted EBITDA figures by subsidiary in the periods:

Description Amounts in R\$ million	EBITDA			Adjusted EBITDA		
	3Q20	3Q19	Change %	3Q20	3Q19	Change %
<b>Electricity distribution</b>	<b>1,141.6</b>	<b>780.3</b>	<b>+ 46.3</b>	<b>1,261.4</b>	<b>875.1</b>	<b>+ 44.1</b>
EMG	36.2	25.8	+ 40.4	39.6	29.0	+ 36.6
ENF	8.2	8.2	+ 0.9	8.6	8.9	- 4.1
ESE	80.8	66.9	+ 20.8	87.9	73.2	+ 20.1
EBO	13.1	14.6	- 10.0	14.7	15.9	- 7.5
EPB	140.6	108.7	+ 29.4	154.1	120.2	+ 28.2
EMT	383.8	310.7	+ 23.5	420.1	337.4	+ 24.5
EMS	221.8	141.4	+ 56.8	238.9	152.4	+ 56.7
ETO	123.3	93.8	+ 31.4	131.3	100.4	+ 30.7
ESS	66.5	69.7	- 4.7	72.4	74.9	- 3.2
ERO	23.5	(58.3)	-	47.9	(35.3)	-
EAC	43.8	(1.2)	-	45.8	(1.9)	-
<b>Sales, energy services and other</b>	<b>82.7</b>	<b>89.7</b>	<b>- 7.8</b>	<b>82.7</b>	<b>89.7</b>	<b>- 7.8</b>
ECOM	23.5	4.4	+ 431.8	23.5	4.4	+ 431.8
ESOL Consol.	3.3	11.1	- 70.3	3.3	11.1	- 70.3
MULTI	3.3	3.2	+ 2.5	3.3	3.2	+ 2.5
EGO	2.8	36.4	- 92.4	2.8	36.4	- 92.4
EPA I	31.0	31.0	- 0.0	31.0	31.0	- 0.0
EPA II	11.1	4.6	+ 139.0	11.1	4.6	+ 139.0
ETT	3.7	1.6	+ 135.3	3.7	1.6	+ 135.3
Others	4.0	(2.7)	-	4.0	(2.7)	-
<b>Holding companies (without equity income)</b>	<b>9.6</b>	<b>15.0</b>	<b>- 36.2</b>	<b>9.6</b>	<b>15.0</b>	<b>- 36.2</b>
ESA Parent company	10.4	15.4	- 32.4	10.4	15.4	- 32.4
Rede parent company	(0.4)	(0.2)	+ 95.7	(0.4)	(0.2)	+ 95.7
DENERGE	(0.0)	0.0	-	(0.0)	0.0	-
Other holding companies	(0.5)	(0.2)	+ 125.2	(0.5)	(0.2)	+ 125.2
<b>Business combination</b>	<b>0.9</b>	<b>0.1</b>	<b>+ 1,018.9</b>	<b>0.9</b>	<b>0.1</b>	<b>+ 1,005.1</b>
<b>Energisa Consolidated</b>	<b>1,234.8</b>	<b>885.1</b>	<b>+ 39.5</b>	<b>1,354.6</b>	<b>979.9</b>	<b>+ 38.2</b>
EBITDA Margin (%)	25.2	17.5	+ 7.8 p.p.	27.7	19.3	+ 8.3 p.p.

See below the accumulated EBITDA and Adjusted EBITDA figures by subsidiary in the periods:

Description Amounts in R\$ million	EBITDA			Adjusted EBITDA		
	9M20	9M19	Change %	9M20	9M19	Change %
<b>Electricity distribution</b>	<b>2,585.8</b>	<b>2,220.4</b>	<b>+ 16.5</b>	<b>2,860.4</b>	<b>2,472.4</b>	<b>+ 15.7</b>
EMG	100.2	91.2	+ 9.9	109.3	100.3	+ 8.9
ENF	22.4	24.6	- 9.0	24.0	26.6	- 9.7
ESE	209.7	208.7	+ 0.5	228.5	226.1	+ 1.1
EBO	33.4	38.3	- 12.8	37.3	42.0	- 11.2
EPB	359.8	339.7	+ 5.9	394.3	373.1	+ 5.7
EMT	743.9	795.5	- 6.5	825.4	863.2	- 4.4
EMS	467.9	459.7	+ 1.8	510.3	493.2	+ 3.5
ETO	265.3	277.8	- 4.5	284.6	295.7	- 3.7
ESS	189.3	180.5	+ 4.9	206.1	196.5	+ 4.9
ERO	92.6	(192.8)	-	132.1	(145.4)	-
EAC	101.3	(2.8)	-	108.4	1.1	+ 9,699.5
<b>Sales, energy services and other</b>	<b>181.0</b>	<b>151.2</b>	<b>+ 19.7</b>	<b>181.0</b>	<b>151.2</b>	<b>+ 19.7</b>
ECOM	11.4	(7.7)	-	11.4	(7.7)	-
ESOL Consol.	12.3	20.0	- 38.7	12.3	20.0	- 38.7
MULTI	8.8	9.9	- 11.1	8.8	9.9	- 11.1
EGO	29.0	66.6	- 56.5	29.0	66.6	- 56.5
EPA I	76.3	58.4	+ 30.7	76.3	58.4	+ 30.7
EPA II	29.7	8.2	+ 263.0	29.7	8.2	+ 263.0
ETT	8.7	1.6	+ 457.5	8.7	1.6	+ 457.5
Others	4.9	(5.7)	-	4.9	(5.7)	-
<b>Holding companies (without equity income)</b>	<b>41.2</b>	<b>43.1</b>	<b>- 4.5</b>	<b>41.2</b>	<b>43.1</b>	<b>- 4.5</b>
ESA Parent company	42.6	40.3	+ 5.9	42.6	40.3	+ 5.9
Rede parent company	(0.4)	(0.8)	- 47.5	(0.4)	(0.8)	- 47.5
DENERGE	(0.1)	(0.0)	+ 82.7	(0.1)	(0.0)	+ 82.7
Other holding companies	(0.9)	3.7	-	(0.9)	3.7	-
<b>Business combination</b>	<b>2.8</b>	<b>117.0</b>	<b>- 97.6</b>	<b>2.8</b>	<b>117.0</b>	<b>- 97.6</b>
<b>Energisa Consolidated</b>	<b>2,810.8</b>	<b>2,531.8</b>	<b>+ 11.0</b>	<b>3,085.4</b>	<b>2,783.8</b>	<b>+ 10.8</b>
EBITDA Margin (%)	20.0	17.4	+ 2.5 p.p.	21.9	19.1	+ 2.8 p.p.

### 3.3. Financial income

In the quarter the net financial income reflected net financial expenses of R\$ 157.8 million, compared with net financial expenses of R\$ 427.3 million in the same period of the previous year, an improvement of R\$ 585.1 million. The YTD net financial result reflected net financial expenses of R\$ 160.1 million, compared with net financial expenses of R\$ 1,129.0 million in the same period last year, an improvement of 85.8% (R\$ 968.9 million).

Finance Income Amounts in R\$ million	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>Finance revenue</b>	<b>184.9</b>	<b>231.5</b>	<b>- 20.1</b>	<b>524.5</b>	<b>688.6</b>	<b>- 23.8</b>
Revenue on short-term investments	23.6	47.2	- 49.9	66.3	140.6	- 52.8
Interest on overdue energy bills	119.8	94.8	+ 26.3	274.6	252.0	+ 9.0
Financial restatement of regulatory assets (CVA)	13.3	20.7	- 35.8	32.6	59.0	- 44.8
Restatement of recoverable tax credits	11.3	16.6	- 31.9	24.7	23.8	+ 3.7
Monetary restatement of judicial bonds	6.8	10.3	- 34.7	20.9	17.4	+ 20.1
(-) Pis/Cofins on finance income	(15.7)	(11.4)	+ 37.5	(36.3)	(42.2)	- 14.0
Other financial revenue	25.7	53.3	- 51.7	141.7	238.0	- 40.5
<b>Finance costs</b>	<b>(27.1)</b>	<b>(658.8)</b>	<b>- 95.9</b>	<b>(684.6)</b>	<b>(1,817.6)</b>	<b>- 62.3</b>
Debt charges - Interest	(196.9)	(262.5)	- 25.0	(648.4)	(829.2)	- 21.8
Debt charges - Monetary and exchange variance	(216.8)	(285.3)	- 24.0	(1,519.2)	(314.3)	+ 383.3
Derivative financial instruments	238.8	209.0	+ 14.3	1,496.0	203.4	+ 635.4
Adjustment to present value	(1.0)	(9.5)	- 89.8	14.0	(10.8)	-
Mark-to-market of derivatives	152.1	(89.5)	-	324.8	(307.3)	-
Mark-to-market of debt securities	57.4	(82.0)	-	24.3	(174.9)	-
Financial restatement of regulatory liabilities	0.9	(7.3)	-	(8.2)	(23.3)	- 64.8
Monetary restatement of R&D and energy efficiency	(1.2)	(4.8)	- 73.9	(5.3)	(13.6)	- 60.8
(-) Transfer of capitalized interest to orders in progress	5.3	1.6	+ 233.4	14.2	4.1	+ 244.2
Bank expenses	(3.4)	(3.7)	- 7.8	(10.3)	(10.2)	+ 0.9
Incorporation of grids	(8.6)	45.8	-	(24.6)	25.9	-
Endorsement expense	(2.8)	(3.1)	- 8.9	(9.1)	(9.2)	- 1.2
Other financial expenses	(50.8)	(167.5)	- 69.6	(332.7)	(358.2)	- 7.1



Financial income	157.8	(427.3)	-	(160.1)	(1,129.0)	- 85.8
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### 3.4. Net income (loss) for the Period

In the quarter the consolidated result was R\$ 921.7 million, R\$ 867.8 million better than in the same period last year. The consolidated YTD result was net income of R\$ 1,415.4 million, 714.3% (R\$ 1,241.6 million) more than in the same period last year. This result was affected by the aforesaid mark-to-market, with a positive impact of R\$ 348.7 million.

See below nonrecurrent effects net of tax:

Description (R\$ million)	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>(=) Net income (loss) for the Period</b>	<b>921.7</b>	<b>53.9</b>	<b>+ 1,609.6</b>	<b>1,415.4</b>	<b>173.8</b>	<b>+ 714.3</b>
(+) Rescission costs	4.0	13.5	- 70.2	12.9	57.5	- 77.6
(+) Mark-to-market of 7 <sup>th</sup> issuance debentures	(209.4)	171.7	-	(348.7)	483.7	-
(+) Mark-to-market of the trading company (CPC 48)	(15.9)	(6.1)	+ 158.4	(3.6)	5.1	-
(+) Extraordinary PPECLD due to Covid-19 pandemic	(19.5)	-	-	103.9	-	-
(+) CVA adjustment after Aneel audit on CCC (EMT)	-	-	-	34.8	-	-
(+) Reversal of Contingency (ERO and EAC)	-	-	-	-	12.3	-
(+) CCC Fuel (ERO)	-	29.0	-	-	29.0	-
(-) Reversing the provision to adjust to present value credits receivable from Tocantins state	-	-	-	-	26.4	-
(-) Over-purchased electricity (EMS)	-	-	-	-	5.9	-
(-) Adoption of IFRS 15 for transmission segment	44.0	48.6	- 9.6	127.1	89.1	+ 42.6
(-) Retrospective adoption of IFRS 15 for transmission segment	-	-	-	-	49.4	-
(-) PIS/COFINS CCC Credit (ERO and EAC)	-	-	-	62.7	-	-
(-) Recognition / ICMS financing (ERO)	-	-	-	(27.9)	-	-
(-) Reversal of Tax Contingency (ETO)	-	-	-	-	8.0	-
(-) REFIS (EAC)	-	-	-	-	27.7	-
(-) Realization of Appreciation on Contingencies (ERO and EAC)	-	-	-	-	24.7	-
(-) PIS/COFINS CVA credit	-	-	-	57.7	-	-
(-) CCC Subsidy Addition (ERO)	-	-	-	46.7	-	-
<b>(=) Net income (loss) on noncash / nonrecurring adjustments</b>	<b>636.9</b>	<b>213.3</b>	<b>+ 198.6</b>	<b>948.4</b>	<b>530.2</b>	<b>+ 78.9</b>

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

Net income by Company Amounts in R\$ million	Quarter			Accumulated		
	3Q20	3Q19	Change %	9M20	9M19	Change %
<b>Electricity distribution</b>	<b>739.3</b>	<b>279.7</b>	<b>+ 164.4</b>	<b>1,196.8</b>	<b>821.4</b>	<b>+ 45.7</b>
EMG	16.9	5.5	+ 205.5	35.3	30.6	+ 15.6
ENF	3.7	3.1	+ 17.8	8.4	10.1	- 16.7
ESE	52.3	31.8	+ 64.4	117.8	107.6	+ 9.5
EBO	9.5	10.7	- 11.6	23.8	27.7	- 13.9
EPB	106.7	72.5	+ 47.2	258.9	228.9	+ 13.1
EMT	297.4	176.6	+ 68.4	409.2	423.2	- 3.3
EMS	128.5	67.3	+ 90.9	245.1	231.8	+ 5.8
ETO	76.8	42.6	+ 80.3	126.6	145.9	- 13.2
ESS	36.5	29.7	+ 23.1	83.3	82.2	+ 1.3
ERO	(15.2)	(132.8)	- 88.5	(152.1)	(418.8)	- 63.7
EAC	26.3	(27.3)	-	40.4	(47.8)	-
<b>Sales, energy services and other</b>	<b>59.1</b>	<b>60.8</b>	<b>- 2.8</b>	<b>123.3</b>	<b>92.8</b>	<b>+ 32.9</b>
ECOM	15.0	2.3	+ 552.7	6.2	(5.7)	-
ESOL Consolidated	0.1	4.8	- 98.7	1.8	5.8	- 69.2
MULTI	1.9	1.8	+ 5.1	4.9	5.6	- 11.3
EGO	1.2	24.0	- 95.0	24.2	44.0	- 45.1
EPAI	29.4	20.5	+ 43.8	71.6	38.5	+ 86.1
EPAII	9.7	3.1	+ 217.9	24.4	5.4	+ 350.2
ETT	2.4	1.0	+ 134.0	5.7	1.0	+ 451.2
Others	(0.6)	3.3	-	(15.6)	(1.9)	+ 734.9
<b>Holding companies (without equity income)</b>	<b>171.3</b>	<b>(218.2)</b>	<b>-</b>	<b>261.8</b>	<b>(641.8)</b>	<b>-</b>
ESA Parent company	183.5	(195.7)	-	294.0	(603.9)	-
Rede parent company	(5.0)	(8.3)	- 40.0	(11.7)	(4.8)	+ 141.9
DENERGE	(11.4)	(9.7)	+ 17.6	(28.8)	(29.0)	- 1.0
Other holding companies	4.2	(4.6)	-	8.3	(4.0)	-
<b>Business combination - Pro forma adjustments</b>	<b>(48.1)</b>	<b>(68.4)</b>	<b>- 29.6</b>	<b>(166.5)</b>	<b>(98.5)</b>	<b>+ 68.9</b>
<b>Energisa Consolidated</b>	<b>921.7</b>	<b>53.9</b>	<b>+ 1,609.6</b>	<b>1,415.4</b>	<b>173.8</b>	<b>+ 714.3</b>

## 4. Capital structure

### 4.1. Cash and debt

The consolidated position of cash, cash equivalents, short-term investments and sector credits amounted to R\$ 5,527.5 million as of September 30, against R\$ 5,422.2 million as of June 30. We emphasize that these balances include credits relating to the Energy Development Account (CDE), Fossil Fuel Consumption Account (CCC) and the memorandum account for amounts of the A parcel (CVA), in the amount of R\$ 52.6 million as of September 30 and R\$ 1,200.3 million as of June 30.

The net debt as of September 30, 2020 less sector credits amounted to R\$ 13,594.4 million, compared with R\$ 13,922.3 million in June and R\$ 13,699.5 million in March 2020.

## 5. Investments

In 3Q20 Energisa and its subsidiaries made investments of R\$ 646.5 million, 25.7% less than in the same period of the previous year. If we only consider the DisCos, this amount was R\$ 543.8 million, a decrease of 25.3%.

The following investments were made:

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	3Q20	3Q19	Change %	3Q20	3Q19	Change %	3Q20	3Q19	Change %	3Q20	3Q19	Change %
EMG	26.4	15.9	+ 66.2	3.7	0.3	+ 1,132.3	2.9	2.5	+ 14.2	33.0	18.7	+ 76.3
ENF	3.9	2.2	+ 79.5	0.1	0.1	- 12.0	0.5	-	-	4.5	2.3	+ 95.3
ESE	22.0	16.7	+ 31.5	0.7	0.9	- 22.6	0.6	3.4	- 81.1	23.3	21.0	+ 10.9
EBO	3.9	4.8	- 17.9	0.3	-	-	0.2	0.5	- 64.0	4.4	5.3	- 16.9
EPB	42.5	49.1	- 13.4	1.8	2.4	- 26.5	2.2	-	-	46.4	51.5	- 9.8
EMT	89.6	215.5	- 58.4	2.0	7.1	- 71.5	5.2	10.3	- 49.6	96.8	232.9	- 58.4
EMS	44.9	55.3	- 18.8	6.9	4.7	+ 46.7	3.5	7.1	- 51.2	55.3	67.1	- 17.6
ETO	0.3	108.0	- 99.7	37.2	(27.7)	-	2.5	6.2	- 59.4	40.0	86.5	- 53.8
ESS	43.7	37.5	+ 16.7	3.3	3.8	- 14.3	4.2	3.5	+ 19.2	51.2	44.8	+ 14.2
ERO	153.9	176.0	- 12.6	1.8	(40.2)	-	4.9	10.6	- 53.6	160.7	146.4	+ 9.7
EAC	9.4	47.5	- 80.2	14.9	2.6	+ 472.7	4.0	1.6	+ 149.5	28.3	51.7	- 45.3
<b>Total DisCos</b>	<b>440.6</b>	<b>728.5</b>	<b>- 39.5</b>	<b>72.6</b>	<b>(46.0)</b>	<b>-</b>	<b>30.6</b>	<b>45.7</b>	<b>- 33.1</b>	<b>543.8</b>	<b>728.2</b>	<b>- 25.3</b>
EPA I	22.2	53.8	- 58.7	-	-	-	0.04	-	-	22.2	53.8	- 58.6
EPA II	33.1	21.7	+ 52.4	-	-	-	-	-	-	33.1	21.7	+ 52.4
EGO I	1.0	42.6	- 97.7	-	-	-	-	0.1	-	1.0	42.7	- 97.7
ETT	7.1	2.6	+ 172.7	-	-	-	-	-	-	7.1	2.6	+ 172.7
ESOL Consolidated	0.0	3.8	-	-	-	-	3.2	-	-	3.2	3.8	- 15.0
Others	0.01	8.0	- 99.9	-	-	-	36.1	8.8	+ 309.9	36.1	16.8	+ 114.8
<b>Total</b>	<b>504.0</b>	<b>861.0</b>	<b>- 41.5</b>	<b>72.6</b>	<b>(46.0)</b>	<b>-</b>	<b>69.9</b>	<b>54.6</b>	<b>+ 28.1</b>	<b>646.5</b>	<b>869.6</b>	<b>- 25.7</b>

Investment Amounts in R\$ million	Electric Assets			Special Obligations			Non-electric assets			Total Investment		
	9M20	9M19	Change %	9M20	9M19	Change %	9M20	9M19	Change %	9M20	9M19	Change %
EMG	63.1	41.7	+ 51.4	3.6	8.7	- 58.8	6.1	12.6	- 51.7	72.8	63.0	+ 15.6
ENF	11.1	7.6	+ 45.9	0.3	0.2	+ 52.5	0.8	0.6	+ 34.6	12.2	8.4	+ 45.2
ESE	60.8	50.9	+ 19.4	2.3	4.0	- 41.5	5.1	6.2	- 17.7	68.2	61.2	+ 11.5
EBO	12.5	9.9	+ 26.5	0.6	1.2	- 52.3	0.5	2.1	- 77.3	13.6	13.2	+ 2.9
EPB	131.0	123.3	+ 6.2	3.2	10.8	- 70.5	8.0	5.4	+ 48.2	142.1	139.4	+ 2.0
EMT	245.1	542.0	- 54.8	116.6	5.0	+ 2,232.3	13.0	20.0	- 35.2	374.7	567.0	- 33.9
EMS	133.1	161.4	- 17.5	16.6	11.9	+ 39.1	8.8	12.6	- 30.1	158.5	185.9	- 14.8
ETO	90.3	237.5	- 62.0	40.8	(22.5)	-	7.1	11.2	- 36.6	138.2	226.2	- 38.9
ESS	127.6	96.6	+ 32.1	9.4	10.7	- 12.5	8.5	9.5	- 10.4	145.5	116.8	+ 24.6
ERO	423.5	337.4	+ 25.5	45.5	22.9	+ 98.8	14.4	23.8	- 39.7	483.4	384.1	+ 25.8
EAC	102.9	106.8	- 3.7	18.1	11.6	+ 55.8	15.0	4.9	+ 205.5	135.9	123.3	+ 10.2
<b>Total DisCos</b>	<b>1,400.9</b>	<b>1,715.1</b>	<b>- 18.3</b>	<b>256.9</b>	<b>64.5</b>	<b>+ 298.3</b>	<b>87.2</b>	<b>108.9</b>	<b>- 19.9</b>	<b>1,745.0</b>	<b>1,888.5</b>	<b>- 7.6</b>
EPA I	55.8	106.6	- 47.7	-	-	-	0.0	-	-	55.8	106.6	- 47.6
EPA II	108.0	38.3	+ 182.0	-	-	-	-	-	-	108.0	38.3	+ 182.0
EGO I	33.8	92.2	- 63.3	-	-	-	-	0.1	-	33.8	92.3	- 63.4
ETT	17.3	3.8	+ 355.1	-	-	-	-	-	-	17.3	3.8	+ 355.1
ESOL Consolidated	-	4.8	-	-	-	-	7.0	4.1	+ 70.9	7.0	8.9	- 21.3
Others	0.2	8.0	- 98.1	-	-	-	66.1	22.9	+ 188.4	66.2	30.9	+ 114.3
<b>Total</b>	<b>1,615.9</b>	<b>1,968.8</b>	<b>- 17.9</b>	<b>256.9</b>	<b>64.5</b>	<b>+ 298.3</b>	<b>160.3</b>	<b>136.0</b>	<b>+ 17.9</b>	<b>2,033.1</b>	<b>2,169.3</b>	<b>- 6.3</b>

## 6. Capital market

### 6.1. Stock performance

Traded on B3, the Energisa shares with the greatest liquidity ENG11 - Units (consisting of 1 common share and 4 preferred shares) yielded -16.5% in the first nine months of 2020, and closed the period quoted at R\$ 41.12 per Unit. Over the same period, the main stock exchange index, Ibovespa, dropped 9.7%, while the IEE index gained 0.7%.

See below the market indicators of Energisa's shares at the end of the third quarter:

	September/20	September/19	Change %
<b>Market indexes</b>			
Enterprise value (EV - R\$ million) <sup>(1)</sup>	28,391.06	30,994.60	- 8.4
Market value at the end of the year (R\$ million)	14,923.0	18,127.5	- 17.7
Average daily volume traded in the year - Units (R\$ million)	83.0	60.00	+ 38.3
<b>Share prices</b>			
ENG11 (Unit) closing price at the end of the year (R\$ /Unit)	41.12	49.95	- 17.7
ENG13 (ON) closing price at the end of the year (R\$ /share)	12.43	11.1	12.0
ENG14 (PN) closing price at the end of the year (R\$ /share)	7.26	9.6	- 24.4
<b>Relative indicators</b>			
Dividend yield of ENG11 (Units) - % <sup>(2)</sup>	1.2	2.5	- 1.3 p.p.
Total return to Units shareholder (TSR) - %	- 16.5	+ 65.7	- 82.2 p.p.
Market Value / Shareholders' Equity (times)	2.2	3.3	- 33.3

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

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

### 6.2. Distribution of dividends

Energisa S.A. did not pay out any dividends on the results for the third quarter of 2020.

## Financial Statements

### ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 9/30/2020	Previous Year 12/31/2019
1	Total Assets	12,597,771	11,772,144
1.01	Current Assets	671,207	985,232
1.01.01	Cash and Cash Equivalents	70,388	68,423
1.01.02	Short-Term Investments	387,606	710,030
1.01.02.01	Short-term investments valued at Fair Value through profit or loss	387,606	710,030
1.01.02.01.03	Money market and secured funds	387,606	710,030
1.01.03	Accounts Receivable	23,560	40,640
1.01.03.01	Trade receivables	23,560	40,640
1.01.04	Inventory	298	183
1.01.06	Recoverable taxes	61,104	99,837
1.01.06.01	Recoverable current taxes	61,104	99,837
1.01.08	Other Current Assets	128,251	66,119
1.01.08.03	Other	128,251	66,119
1.01.08.03.01	Dividends receivable	-	10,614
1.01.08.03.02	Derivative financial instruments	86,740	15,756
1.01.08.03.04	Credit receivables	25	76
1.01.08.03.05	Other accounts receivable	41,486	39,673
1.02	Noncurrent Assets	11,926,564	10,786,912
1.02.01	Long-Term Assets	3,111,495	2,562,022
1.02.01.01	Short-term investments valued at Fair Value through profit or loss	1,803,638	1,776,332
1.02.01.01.01	Designated to fair value	1,803,638	1,776,332
1.02.01.09	Related-party credits	1,145,599	668,380
1.02.01.09.02	Credit with Subsidiaries	1,145,599	668,380
1.02.01.10	Other Noncurrent Assets	162,258	117,310
1.02.01.10.04	Escrows and secured bonds	588	382
1.02.01.10.06	Recoverable taxes	99,650	35,427
1.02.01.10.07	Derivative Financial Instruments	-	19,481
1.02.01.10.08	Other accounts receivable	62,020	62,020
1.02.02	Investments	8,715,042	8,134,958
1.02.02.01	Equity Interests	8,715,042	8,134,958
1.02.02.01.02	Interests in Subsidiaries	8,650,001	8,061,348
1.02.02.02	Property for Investment	-	-
1.02.03	Property, plant and equipment	69,136	63,922
1.02.03.01	Property, plant and equipment in operation	69,136	63,922
1.02.04	Intangible assets	30,891	26,010
1.02.04.01	Intangible assets	30,891	26,010



## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 9/30/2020	Previous Year 12/31/2019
2	Total Liabilities	12,597,771	11,772,144
2.01	Current Liabilities	2,198,106	1,693,066
2.01.02	Trade payables	2,355	17,462
2.01.02.01	Domestic Trade Payables	2,355	17,462
2.01.04	Loans and Financing	1,719,811	1,132,641
2.01.04.01	Loans and Financing	776,064	163,257
2.01.04.01.01	In local currency	546,213	-
2.01.04.01.02	In foreign currency	229,851	163,257
2.01.04.02	Debentures	943,747	969,384
2.01.04.03	Financing through Lease	-	-
2.01.05	Other Liabilities	475,940	542,963
2.01.05.02	Other	475,940	542,963
2.01.05.02.01	Dividends and interest on equity payable	1,483	78,839
2.01.05.02.04	Debt charges	27,590	11,933
2.01.05.02.05	Estimated obligations	14,649	9,949
2.01.05.02.06	Post-employment benefits	2,127	2,127
2.01.05.02.07	Taxes and social contributions recoverable	16,208	13,021
2.01.05.02.08	Derivative financial instruments	351,018	350,243
2.01.05.02.10	Operating leases	63	112
2.01.05.02.11	Other liabilities	62,802	76,739
2.02	Noncurrent Liabilities	3,545,301	4,380,820
2.02.01	Loans and Financing	2,676,310	3,178,764
2.02.01.01	Loans and Financing	150,000	613,133
2.02.01.01.01	In local currency	150,000	449,875
2.02.01.01.02	In foreign currency	-	163,258
2.02.01.02	Debentures	2,526,310	2,565,631
2.02.02	Other Liabilities	551,638	883,421
2.02.02.02	Other	551,638	883,421
2.02.02.02.04	Provisions for labor, civil and tax risks	105	3,164
2.02.02.02.05	Post-employment benefits	10,281	8,686
2.02.02.02.06	Derivative financial instruments	352,176	701,541
2.02.02.02.10	Operating Leases	658	607
2.02.02.02.11	Taxes and social contributions recoverable	859	564
2.02.02.02.12	Other Liabilities	187,559	168,859
2.02.03	Deferred Taxes	317,353	318,635
2.02.03.01	Deferred Income and Social Contribution Taxes	317,353	318,635
2.03	Equity	6,854,364	5,698,258
2.03.01	Realized Capital	3,363,685	3,363,685
2.03.02	Capital Reserves	313,399	347,523
2.03.02.07	Stock issuance cost	(65,723)	(65,723)
2.03.02.09	Other Capital Reserves	379,122	413,246
2.03.04	Profit Reserves	2,290,754	2,332,052
2.03.04.01	Legal Reserve	229,611	229,611
2.03.04.05	Profit Retention Reserve	2,061,143	2,061,143
2.03.04.08	Additional dividend proposed	-	41,298
2.03.05	Retained earnings/Accumulated losses	1,231,528	-
2.03.08	Other Comprehensive Income	(345,002)	(345,002)

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 7/1/2020 to 9/30/2020	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Same Quarter of the Prior Year 7/1/2019 to 9/30/2019	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
3.01	Revenue from Goods and/or Services Sold	54,024	166,035	54,707	157,125
3.02	Cost of Goods and/or Services Sold	(29,740)	(87,963)	(55,536)	(82,762)
3.02.01	Personnel and management	(25,401)	(75,286)	(46,350)	(68,358)
3.02.02	Post-employment benefits	(445)	(1,262)	(360)	(1,078)
3.02.03	Material	(135)	(584)	(539)	(782)
3.02.04	Outsourced Services	(2,470)	(7,661)	(5,117)	(7,723)
3.02.05	Amortization and Depreciation	(578)	(1,693)	(3,091)	(4,645)
3.02.06	Other Expenses	(711)	(1,477)	(79)	(176)
3.03	Gross Profit	24,284	78,072	(829)	74,363
3.04	Operating Income/Expenses	660,563	990,819	243,880	679,584
3.04.02	General and Administrative Expenses	(17,550)	(45,166)	13,721	(41,497)
3.04.02.02	Personnel and management	(2,800)	(11,574)	19,636	(8,555)
3.04.02.03	Post-employment benefits	(581)	273	(533)	(1,418)
3.04.02.04	Material	(349)	(1,154)	80	(582)
3.04.02.05	Outsourced Services	(11,755)	(26,082)	(4,754)	(25,475)
3.04.02.06	Amortization and Depreciation	(2,498)	(7,448)	637	(2,621)
3.04.02.07	Provisions for labor, civil and tax risks	15	3,078	(145)	(230)
3.04.02.08	Other	418	(2,259)	(1,200)	(2,616)
3.04.04	Other Operating Income	586	586	29	117
3.04.04.02	Other	586	586	29	117
3.04.05	Other Operating Expenses	5	(24)	-	-
3.04.05.02	Other expenses	5	(24)	-	-
3.04.06	Equity in Net Income of Subsidiaries	677,522	1,035,423	230,130	720,964
3.05	Earnings before financial income/loss and tax	684,847	1,068,891	243,051	753,947
3.06	Finance Income/Loss	176,322	259,249	(207,624)	(639,941)
3.06.01	Financial Revenue	53,213	148,823	53,852	161,315
3.06.01.01	Revenue from short-term investments	32,878	86,557	39,314	121,453
3.06.01.02	Revenue from loan restatement	15,411	46,610	9,639	25,341
3.06.01.03	Endorsement revenue	7,090	21,618	6,637	19,640
3.06.01.04	Taxes on finance revenue	(2,693)	(7,604)	(2,701)	(8,101)
3.06.01.05	Other financial revenue	527	1,642	963	2,982
3.06.02	Financial Expenses	123,109	110,426	(261,476)	(801,256)
3.06.02.01	Charges and debts - interest	(56,581)	(187,833)	(71,849)	(295,220)
3.06.02.02	Mark-to-market of derivatives	207,228	348,859	(169,950)	(478,393)
3.06.02.03	Derivative financial instruments	9,997	127,908	22,162	23,570
3.06.02.04	Debt charges - monetary and exchange variance	(31,742)	(160,136)	(36,571)	(36,571)
3.06.02.05	Bank expenses	(357)	(599)	(162)	(435)
3.06.02.06	IOF	-	-	(24)	(74)
3.06.02.07	Endorsement expenses	(2,803)	(9,064)	(3,077)	(9,176)
3.06.02.08	Restatement of loans	(3,875)	(6,658)	(112)	(338)
3.06.02.09	Mark-to-market of debt securities	2,215	(166)	(1,725)	(4,338)
3.06.02.10	Restatement of provisions for contingencies	(19)	(19)	-	-
3.06.02.11	Other financial expenses	(954)	(1,866)	(168)	(281)
3.07	Earnings before tax on net income	861,169	1,328,140	35,427	114,006
3.08	Income and Social Contribution Taxes on Profit	(189)	1,282	(959)	3,031
3.08.01	Current	-	-	42,279	42,279
3.08.02	Deferred	(189)	1,282	(43,238)	(39,248)
3.09	Net Income from Continued Operations	860,980	1,329,422	34,468	117,037
3.11	Net Income/Loss for the Period	860,980	1,329,422	34,468	117,037
3.99	Earnings per share - (Reais / Share)	-	-	-	-
3.99.01	Basic Earnings per Share	-	-	-	-
3.99.01.01	Common	0.47	0.73	0.02	0.06
3.99.01.02	Preferred	0.47	0.73	0.02	0.06
3.99.02	Diluted Earnings per Share	-	-	-	-
3.99.02.01	Common	0.47	0.73	0.02	0.06
3.99.02.02	Preferred	0.47	0.73	0.02	0.06

**ITR - Quarterly Information - 9/30/2020**

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

Account Code	Account Description	Current Quarter 7/1/2020 to 9/30/2020	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Same Quarter of the Prior Year 7/1/2019 to 9/30/2019	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
4.01	Net Income for the Period	860,980	1,329,422	34,468	117,037
4.03	Comprehensive Income for the Period	860,980	1,329,422	34,468	117,037

**ITR - Quarterly Information - 9/30/2020**

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

Account Code	Account Description	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
6.01	Net Cash from Operating Activities	26,618	27
6.01.01	Cash Provided by Operating Activities	25,791	27,761
6.01.01.01	Net Income for the Period	1,329,422	117,037
6.01.01.03	Expenses on interest and monetary and exchange variance - net	199,870	165,790
6.01.01.04	Equity in income of associates	(1,035,423)	(720,964)
6.01.01.05	Amortization and Depreciation	9,141	7,266
6.01.01.08	Income and social contribution taxes	(1,282)	(3,031)
6.01.01.09	Provision for labor, civil and tax risks:	497	230
6.01.01.10	Derivative financial instruments	(127,908)	(23,570)
6.01.01.11	Mark-to-market of derivatives	(348,859)	478,393
6.01.01.12	Mark-to-market of debts	166	4,338
6.01.01.13	(Gain) on generating asset sale	(562)	(117)
6.01.01.14	Variable compensation program (ILP)	729	2,389
6.01.02	Changes in Assets and Liabilities	827	(27,734)
6.01.02.01	Decrease (increase) in receivables	17,080	(4,255)
6.01.02.02	(Increase) in escrow deposits	(206)	(218)
6.01.02.03	(Increase) decrease in inventories	(115)	14
6.01.02.04	(Increase) in recoverable taxes	(14,005)	(21,628)
6.01.02.05	Decrease in credit receivables	51	108
6.01.02.07	Decrease in other accounts receivable	20,367	1,090
6.01.02.08	(Decrease) Increase in suppliers payable	(15,107)	2,219
6.01.02.10	Increase in taxes and social contributions	50,076	846
6.01.02.11	Increase in estimated obligations	4,700	4,705
6.01.02.12	Income and social contribution taxes paid	(3,575)	-
6.01.02.13	(Decrease) in other accounts payable	(58,439)	(10,615)
6.01.03	Other	-	-
6.02	Net Cash from Investment Activities	812,767	316,240
6.02.01	Capital increase and acquisition of shares in subsidiaries and other investments	(4,417)	(695,804)
6.02.02	Goodwill paid in the acquisition of subsidiaries	(1,501)	(17,308)
6.02.03	Acquisition of property, plant and equipment	(9,565)	-
6.02.04	Additions to Intangible assets	(9,592)	-
6.02.05	Receipt of dividends	456,167	931,698
6.02.06	Short-term investments and secured funds	381,675	97,512
6.02.07	Sale of PP&E and intangible assets	-	186
6.02.08	Related parties	-	(44)
6.03	Net Cash from Financing Activities	(837,420)	(612,718)
6.03.01	New loans and financing obtained	882,476	799,421
6.03.03	Payment of loans, debentures - principal	(940,953)	(590,971)
6.03.04	Payment of loans, debentures - interest	(189,285)	(211,977)
6.03.05	Settlement of derivative financial instruments	65,086	10,735
6.03.06	Payment of dividends	(217,391)	(391,404)
6.03.09	Acquisition of additional NCI	-	(63,099)
6.03.10	Payment under Financial Lease	(86)	(99)
6.03.11	Related parties	(437,267)	(165,324)
6.05	Increase (Decrease) in Cash and Cash Equivalents	1,965	(296,451)
6.05.01	Opening Balance of Cash and Cash Equivalents	68,423	313,687
6.05.02	Closing Balance of Cash and Cash Equivalents	70,388	17,236

**ITR - Quarterly Information - 9/30/2020**

Individual Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2020 to 9/30/2020 - (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258
5.03	Adjusted opening balance	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258
5.04	Capital transactions with shareholders	-	(34,124)	(41,298)	(97,894)	-	(173,316)
5.04.08	New acquisition of subsidiary shares	-	(28,508)	-	-	-	(28,508)
5.04.10	Payment of Additional Dividends	-	-	(41,298)	-	-	(41,298)
5.04.11	PUT investment amount	-	(8,672)	-	-	-	(8,672)
5.04.12	Variable compensation program - ILP	-	3,056	-	-	-	3,056
5.04.15	Interim Dividends	-	-	-	(101,615)	-	(101,615)
5.04.16	Expired Dividends	-	-	-	3,721	-	3,721
5.05	Total Comprehensive Income	-	-	-	1,329,422	-	1,329,422
5.05.01	Net Income for the Period	-	-	-	1,329,422	-	1,329,422
5.07	Closing Balances	3,363,685	313,399	2,290,754	1,231,528	(345,002)	6,854,364

**ITR - Quarterly Information - 9/30/2020**

Individual Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2019 to 9/30/2019- (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity
5.01	Opening Balances	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141
5.03	Adjusted opening balance	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141
5.04	Capital transactions with shareholders	-	89,869	(5,346)	(101,615)	-	(17,092)
5.04.08	New acquisition of subsidiary shares	-	22,165	-	-	-	22,165
5.04.09	Capital transactions - MTM financial instrument - reflection	-	(6,362)	-	-	-	(6,362)
5.04.10	Payment of Additional Dividends	-	-	(5,346)	-	-	(5,346)
5.04.11	PUT investment amount	-	68,626	-	-	-	68,626
5.04.12	Variable compensation program - ILP	-	2,389	-	-	-	2,389
5.04.13	Tax Incentive Reserves-Reinvestment	-	3,051	-	-	-	3,051
5.04.15	Dividends Reserve	-	-	-	(23,226)	-	(23,226)
5.04.16	Payment of Dividends	-	-	-	(78,389)	-	(78,389)
5.05	Total Comprehensive Income	-	-	-	117,037	-	117,037
5.05.01	Net Income for the Period	-	-	-	117,037	-	117,037
5.07	Closing Balances	3,363,685	284,598	2,047,953	15,422	(223,572)	5,488,086

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
7.01	Revenue	188,400	178,069
7.01.01	Sales of Goods, Products and Services	187,838	177,952
7.01.02	Other Revenue	562	117
7.02	Consumables acquired from third parties	(32,981)	(36,098)
7.02.02	Material, Energy, Outsourced Services and Other	(35,481)	(34,563)
7.02.04	Other	2,500	(1,535)
7.03	Gross Added Value	155,419	141,971
7.04	Retentions	(9,141)	(7,266)
7.04.01	Depreciation, Amortization and Depletion	(9,141)	(7,266)
7.05	Net Added Value Produced	146,278	134,705
7.06	Transferred Added Value	1,191,850	890,380
7.06.01	Equity in Net Income of Subsidiaries	1,035,423	720,964
7.06.02	Financial Revenue	156,427	169,416
7.07	Total Added Value to be Distributed	1,338,128	1,025,085
7.08	Distribution of Added Value	1,338,128	1,025,085
7.08.01	Personnel	75,652	68,035
7.08.01.01	Direct Remuneration	56,562	50,765
7.08.01.02	Benefits	14,862	13,184
7.08.01.03	F.G.T.S.	4,228	4,086
7.08.02	Taxes, Duties and Contributions	40,718	37,447
7.08.02.01	Federal	35,895	32,906
7.08.02.02	State	217	-
7.08.02.03	Municipal	4,606	4,541
7.08.03	Interest expenses	(107,664)	802,566
7.08.03.01	Interest	(110,426)	801,256
7.08.03.02	Rent	2,762	1,310
7.08.04	Interest earnings	1,329,422	117,037
7.08.04.02	Dividends	101,615	78,389
7.08.04.03	Retained Earnings/Loss for the Period	1,227,807	38,648



## ITR - Quarterly Information - 9/30/2020

## Consolidated Financial Statements - Statement of Financial Position - Assets - (Thousands of Reais)

Account Code	Account Description	Current Quarter 9/30/2020	Previous Year 12/31/2019
1	Total Assets	43,286,659	39,319,814
1.01	Current Assets	11,841,605	9,858,353
1.01.01	Cash and Cash Equivalents	1,330,020	663,103
1.01.02	Short-Term Investments	3,775,578	2,016,399
1.01.02.01	Short-term investments valued at Fair Value through profit or loss	3,775,578	2,016,399
1.01.02.01.03	Money market and secured funds	3,775,578	2,016,399
1.01.03	Accounts Receivable	3,854,817	3,783,469
1.01.03.01	Trade receivables	3,854,817	3,783,469
1.01.03.01.01	Clients, Consumers and Concession Operators	3,854,817	3,783,469
1.01.04	Inventory	146,252	122,975
1.01.06	Recoverable taxes	764,649	1,021,209
1.01.06.01	Recoverable current taxes	764,649	1,021,209
1.01.08	Other Current Assets	1,970,289	2,251,198
1.01.08.03	Other	1,970,289	2,251,198
1.01.08.03.01	Credit receivables	15,141	16,116
1.01.08.03.02	Derivative financial instruments	758,444	186,303
1.01.08.03.03	Sector financial assets	301,040	1,175,623
1.01.08.03.04	Public service concession- contract asset	35,661	-
1.01.08.03.06	Other accounts receivable	860,003	873,156
1.02	Noncurrent Assets	31,445,054	29,461,461
1.02.01	Long-Term Assets	14,586,232	12,780,327
1.02.01.01	Short-term investments valued at Fair Value through profit or loss	369,342	356,795
1.02.01.01.01	Designated to fair value	369,342	356,795
1.02.01.04	Accounts Receivable	1,168,009	1,050,572
1.02.01.04.01	Clients, Consumers and Concession Operators	1,168,009	1,050,572
1.02.01.10	Other Noncurrent Assets	13,048,881	11,372,960
1.02.01.10.03	Credit receivables	13,835	10,457
1.02.01.10.04	Recoverable taxes	1,449,194	1,022,230
1.02.01.10.05	Tax credits	1,506,014	1,449,351
1.02.01.10.06	Escrows and secured bonds	633,851	576,694
1.02.01.10.07	Derivative financial instruments	1,357,415	1,004,467
1.02.01.10.08	Concession financial asset	5,596,979	5,130,960
1.02.01.10.09	Sector financial assets	880,364	913,347
1.02.01.10.10	Public service concession- contract asset	1,275,832	957,074
1.02.01.10.11	Other accounts receivable	335,397	308,380
1.02.02	Investments	76,547	86,730
1.02.02.01	Equity Interests	76,547	86,730
1.02.02.01.05	Other Investments	76,547	86,730
1.02.03	Property, plant and equipment	354,600	284,567
1.02.03.01	Property, plant and equipment in operation	354,600	284,567
1.02.04	Intangible assets	16,427,675	16,309,837
1.02.04.01	Intangible assets	16,427,675	16,309,837
1.02.04.01.01	Concession agreement	14,462,787	14,635,288
1.02.04.01.03	Contractual asset - Infrastructure under construction	1,721,928	1,468,913
1.02.04.01.04	Other Intangible Assets	242,960	205,636

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 9/30/2020	Previous Year 12/31/2019
2	Total Liabilities	43,286,659	39,319,814
2.01	Current Liabilities	10,575,966	7,534,377
2.01.02	Trade payables	1,660,679	1,988,149
2.01.04	Loans and Financing	5,332,130	2,510,045
2.01.04.01	Loans and Financing	3,641,022	1,342,978
2.01.04.01.01	In local currency	1,853,277	730,430
2.01.04.01.02	In foreign currency	1,787,745	612,548
2.01.04.02	Debentures	1,691,108	1,167,067
2.01.05	Other Liabilities	3,583,157	3,036,183
2.01.05.02	Other	3,583,157	3,036,183
2.01.05.02.01	Dividends and interest on equity payable	3,218	127,582
2.01.05.02.04	Financing of taxes	23,425	17,555
2.01.05.02.05	Estimated obligations	141,506	106,114
2.01.05.02.07	Public lighting fee	102,161	105,010
2.01.05.02.08	Post-employment benefits	72,416	72,416
2.01.05.02.09	Debt charges	134,422	70,813
2.01.05.02.10	Sector charges	218,468	245,903
2.01.05.02.11	Taxes and social contributions recoverable	965,019	640,023
2.01.05.02.12	Sector financial liabilities	1,122,659	659,380
2.01.05.02.16	Incorporation of grids	78,580	48,239
2.01.05.02.18	Derivative financial instruments	378,265	466,128
2.01.05.02.19	Operating leases	13,124	22,407
2.01.05.02.20	Other liabilities	329,894	454,613
2.02	Noncurrent Liabilities	25,021,039	25,323,217
2.02.01	Loans and Financing	13,955,107	14,607,749
2.02.01.01	Loans and Financing	6,165,426	6,836,190
2.02.01.01.01	In local currency	4,327,634	4,102,108
2.02.01.01.02	In foreign currency	1,837,792	2,734,082
2.02.01.02	Debentures	7,789,681	7,771,559
2.02.02	Other Liabilities	6,438,903	6,252,361
2.02.02.02	Other	6,438,903	6,252,361
2.02.02.02.03	Trade accounts payable	108,474	100,025
2.02.02.02.04	Derivative financial instruments	570,937	906,341
2.02.02.02.05	Taxes and social contributions recoverable	584,873	472,923
2.02.02.02.06	Payments of taxes in installments	58,066	33,412
2.02.02.02.07	Post-employment benefits	712,985	678,297
2.02.02.02.08	Provisions for labor, civil, tax and regulatory risks	2,134,006	2,169,725
2.02.02.02.11	Sector financial liabilities	326,058	360,048
2.02.02.02.13	Sector charges	269,364	240,741
2.02.02.02.14	Incorporation of grids	147,562	150,283
2.02.02.02.15	Operating leases	32,852	30,061
2.02.02.02.16	Effects of reducing ICMS on the PIS and Cofins calculation base	1,030,378	658,796
2.02.02.02.17	Other Liabilities	463,348	451,709
2.02.03	Deferred Taxes	4,627,029	4,463,107
2.02.03.01	Deferred Income and Social Contribution Taxes	4,627,029	4,463,107
2.03	Consolidated Equity	7,689,654	6,462,220
2.03.01	Realized Capital	3,363,685	3,363,685
2.03.02	Capital Reserves	313,399	347,523
2.03.02.07	Stock issuance cost	(65,723)	(65,723)
2.03.02.09	Other Capital Reserves	379,122	413,246
2.03.04	Profit Reserves	2,290,754	2,332,052
2.03.04.01	Legal Reserve	229,611	229,611
2.03.04.05	Profit Retention Reserve	2,061,143	2,061,143
2.03.04.08	Additional dividend proposed	-	41,298
2.03.05	Retained earnings/Accumulated losses	1,231,528	-
2.03.08	Other Comprehensive Income	(345,002)	(345,002)
2.03.09	NCI	835,290	763,962

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 7/1/2020 to 9/30/2020	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Same Quarter of the Prior Year 7/1/2019 to 9/30/2019	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
3.01	Revenue from Goods and/or Services Sold	4,898,036	14,079,062	5,070,403	14,537,472
3.02	Cost of Goods and/or Services Sold	(3,788,908)	(11,634,302)	(4,321,846)	(12,213,841)
3.02.01	Electricity purchased for resale	(2,224,899)	(6,663,144)	(2,375,708)	(7,277,375)
3.02.02	Charge for using transmission and distribution system	(419,644)	(1,031,322)	(302,161)	(830,316)
3.02.03	Personnel and management	(235,427)	(719,133)	(290,659)	(765,976)
3.02.04	Post-employment benefits	(3,201)	(10,125)	(7,298)	(21,224)
3.02.05	Material	(33,225)	(98,812)	(39,383)	(99,947)
3.02.06	Outsourced services	(116,187)	(415,294)	(157,309)	(429,983)
3.02.07	Amortization and depreciation	(268,585)	(805,885)	(276,020)	(782,625)
3.02.08	Provisions for labor, civil, tax and regulatory risks	903	2,856	996	38,728
3.02.09	Construction cost	(521,089)	(1,518,585)	(839,961)	(1,796,506)
3.02.11	Allowance for doubtful accounts	37,982	(332,944)	(13,282)	(186,847)
3.02.12	Others	(5,536)	(41,914)	(21,061)	(61,770)
3.03	Gross Profit	1,109,128	2,444,760	748,557	2,323,631
3.04	Operating Income/Expenses	(175,067)	(535,922)	(168,320)	(665,687)
3.04.02	General and Administrative Expenses	(192,618)	(496,425)	(168,161)	(629,216)
3.04.02.01	Personnel	(44,842)	(157,093)	(43,514)	(239,526)
3.04.02.02	Post-employment benefits	(10,486)	(25,903)	(9,880)	(30,396)
3.04.02.03	Material	(11,889)	(36,851)	(11,550)	(33,787)
3.04.02.04	Outsourced services	(53,583)	(126,690)	(59,903)	(171,810)
3.04.02.05	Provisions for labor, civil, tax and regulatory risks	(4,239)	66,123	39,240	63,374
3.04.02.06	Amortization and depreciation	(32,140)	(96,061)	(28,815)	(91,225)
3.04.02.07	Other	(35,439)	(119,950)	(53,739)	(125,846)
3.04.04	Other Operating Income	37,504	47,484	11,758	83,482
3.04.04.01	Gain/Loss on Sale	37,504	47,484	11,758	50,149
3.04.04.02	Sale of Shares	-	-	-	33,333
3.04.05	Other Operating Expenses	(19,953)	(86,981)	(11,917)	(119,953)
3.04.05.01	Gain/Loss on Sale	(43,933)	(83,488)	(18,465)	(79,338)
3.04.05.02	Cost of shares sold	-	-	-	(24,993)
3.04.05.03	MTM of energy sales	27,500	5,444	9,293	(7,695)
3.04.05.04	Others	(3,520)	(8,937)	(2,745)	(7,927)
3.05	Earnings before Financial Income and Tax	934,061	1,908,838	580,237	1,657,944
3.06	Finance Income/Loss	157,786	(160,101)	(427,269)	(1,129,043)
3.06.01	Financial Revenue	184,910	524,531	231,593	688,635
3.06.01.01	Revenue from short-term investments	23,643	66,344	47,204	140,624
3.06.01.02	Monetary variation and arrears surcharge on energy	119,792	274,583	94,834	251,992
3.06.01.04	Interest earned - Selic base interest rate	11,316	24,686	16,608	23,796
3.06.01.05	Restatement of judicial deposits	6,752	20,906	10,341	17,402
3.06.01.08	Financial restatement of sector assets	13,322	32,595	20,741	59,020
3.06.01.09	Taxes on finance revenue	(15,653)	(36,305)	(11,387)	(42,201)
3.06.01.10	Restatement of effects of reducing ICMS on the Pis and Cofins calculation base	4,296	80,136	41,098	131,976
3.06.01.11	Other revenue	21,442	61,586	12,154	106,026
3.06.02	Financial Expenses	(27,124)	(684,632)	(658,862)	(1,817,678)
3.06.02.01	Debt charges - interest	(196,901)	(648,416)	(262,496)	(829,215)
3.06.02.02	Debt charges - monetary and exchange variance	(216,841)	(1,519,205)	(285,256)	(314,315)
3.06.02.03	(-) Transfer to orders in progress	5,275	14,224	1,582	4,133
3.06.02.04	Restatement of assets	(977)	13,954	(9,537)	(10,770)
3.06.02.05	Mark-to-market of derivatives	152,079	324,778	(89,545)	(307,336)
3.06.02.06	Derivative financial instruments	238,807	1,495,983	208,958	203,428
3.06.02.07	Restatement PEE and R&D	(1,249)	(5,346)	(4,778)	(13,626)
3.06.02.08	Bank expenses	(3,423)	(10,257)	(3,712)	(10,165)
3.06.02.09	Interest / fines	-	-	(7)	(58)
3.06.02.10	Restatement of contingencies	(10,872)	(22,876)	26,166	(11,310)
3.06.02.11	Mark-to-market of debt securities	57,359	24,251	(82,014)	(174,927)
3.06.02.12	Financial restatement of sector liabilities	944	(8,200)	(7,330)	(23,281)
3.06.02.13	Endorsement expense	(2,803)	(9,064)	(3,077)	(9,176)
3.06.02.14	Restatement of effects of reducing ICMS on the Pis and Cofins calculation base	(4,296)	(80,136)	(41,098)	(131,976)
3.06.02.15	Other financial expenses	(44,226.00)	(254,322.00)	(106,718.00)	(189,084.00)
3.07	Earnings before tax on net income	1,091,847.00	1,748,737.00	152,968.00	528,901.00
3.08	Income and Social Contribution Taxes on Profit	(170,153.00)	(333,311.00)	(99,056.00)	(355,075.00)
3.08.01	Current	(75,085.00)	(226,052.00)	7,008.00	(235,285.00)
3.08.02	Deferred charges	(95,068)	(107,259)	(106,064)	(119,790)
3.09	Net Income from Continued Operations	921,694	1,415,426	53,912	173,826
3.11	Consolidated Net Income/Loss for the Period	921,694	1,415,426	53,912	173,826
3.11.01	Attributed to Partners of the Parent Company	860,980	1,329,422	34,468	117,037
3.11.02	Attributed to Noncontrolling Partners	60,714	86,004	19,444	56,789
3.99	Earnings per share - (Reais / Share)	-	-	-	-
3.99.01	Basic Earnings per Share	-	-	-	-
3.99.01.01	Common	0.475	0.733	0.019	0.065
3.99.01.02	Preferred	0.475	0.733	0.019	0.065
3.99.02	Diluted Earnings per Share	-	-	-	-
3.99.02.01	Common	0.475	0.733	0.019	0.065
3.99.02.02	Preferred	0.475	0.733	0.019	0.065

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Current Quarter 7/1/2020 to 9/30/2020	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Same Quarter of the Prior Year 7/1/2019 to 9/30/2019	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
4.01	Consolidated Net Income for the Period	921,694	1,415,426	53,912	173,826
4.03	Consolidated Comprehensive Income for the Period	921,694	1,415,426	53,912	173,826
4.03.01	Attributed to Partners of the Parent Company	860,980	1,329,422	34,468	117,037
4.03.02	Attributed to Noncontrolling Partners	60,714	86,004	19,444	56,789

**ITR - Quarterly Information - 9/30/2020**

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

Account Code	Account Description	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
6.01	Net Cash from Operating Activities	3,977,168	1,753,827
6.01.01	Cash Provided by Operating Activities	3,107,663	2,400,895
6.01.01.01	Net Income for the Period	1,415,426	173,826
6.01.01.02	Current and deferred income and social contribution taxes	333,311	355,075
6.01.01.03	Expenses on interest and monetary and exchange variance - net	2,124,214	1,024,011
6.01.01.04	Amortization and depreciation	901,946	873,850
6.01.01.05	Allowance for doubtful accounts	332,944	186,847
6.01.01.06	Provisions for labor, civil, tax and regulatory risks	23,232	(102,102)
6.01.01.07	Residual value of retired permanent assets	36,004	29,189
6.01.01.08	Mark-to-market of debts	(24,251)	174,927
6.01.01.09	Mark-to-market of derivatives	(324,778)	307,336
6.01.01.10	Derivative financial instruments	(1,495,983)	(203,428)
6.01.01.11	Adjustment to fair value of concession financial asset	(149,163)	(143,577)
6.01.01.12	Variable compensation program (ILP)	3,232	2,511
6.01.01.13	Mark-to-market of traded energy purchase/sale contracts	(5,444)	7,695
6.01.01.14	Compensation of contract asset	(63,027)	(245,265)
6.01.01.16	Provision for adjustment to realizable value of credits receivable	-	(40,000)
6.01.02	Changes in Assets and Liabilities	869,505	(647,068)
6.01.02.01	(Increase) in consumers and concessionaires	(485,627)	(820,130)
6.01.02.02	Decrease in sector financial assets	367,588	379,820
6.01.02.03	Decrease in credit receivables	1,853	2,557
6.01.02.04	(Increase) in inventories	(23,277)	(28,142)
6.01.02.05	Decrease (increase) in recoverable taxes	279,876	(210,060)
6.01.02.06	(Increase) in escrow and secured bonds	(36,251)	(63,145)
6.01.02.07	ANEEL Dispatch Receipts - COVID ACCOUNT	1,171,873	-
6.01.02.08	(Increase) Decrease in other accounts receivable	(116,026)	(88,686)
6.01.02.10	(Decrease) increase in suppliers payable	(190,261)	296,472
6.01.02.12	Increase in taxes and social contributions	427,658	321,549
6.01.02.13	Income and social contribution taxes paid	(196,958)	(263,656)
6.01.02.15	Increase in estimated obligations	35,392	34,014
6.01.02.17	(Decrease) in financial sector liabilities	(178,211)	(247,750)
6.01.02.18	Labor, civil and tax claims paid	(98,657)	-
6.01.02.19	(Decrease) increase in other accounts payable	(89,467)	40,089
6.02	Net Cash from Investment Activities	(3,519,871)	(36,584)
6.02.01	Increase in other investments	(1,501)	-
6.02.02	Additions to property, plant and equipment	(117,343)	-
6.02.03	Additions to contract asset, financial assets and concession intangible assets and property, plant and equipment	(1,558,110)	(1,796,250)
6.02.04	Applications to electricity transmission lines	(203,198)	(265,539)
6.02.05	Short-term investments and secured funds	(1,705,382)	1,963,931
6.02.06	Sale of PP&E and intangible assets	65,663	61,081
6.02.09	Payments under business combination	-	(11,546)
6.02.10	Cash and cash equivalents acquired under the business combination	-	11,739
6.03	Net Cash from Financing Activities	209,620	(1,600,524)
6.03.01	New loans and financing obtained	4,588,348	2,546,571
6.03.02	Payment of loans, debentures - principal	(3,917,052)	(2,161,470)
6.03.03	Payment of loans, debentures - interest	(581,614)	(718,171)
6.03.04	Financing of taxes	(14,390)	(23,249)
6.03.05	Payment of financed payables	-	(80,131)
6.03.07	Payment of dividends	(280,327)	(365,051)
6.03.08	Payment of grid incorporation	(17,494)	(78,000)
6.03.09	Financing of sector charges	-	(38,282)
6.03.10	Settlement of derivative financial instruments	397,484	8,188
6.03.11	New tax financing	44,914	-
6.03.13	Acquisition of additional NCI	-	(63,099)
6.03.14	Settlement of share put option (Rede Energia Participações)	-	(614,296)
6.03.15	Payment under Financial Lease	(10,249)	(13,534)
6.05	Increase (Decrease) in Cash and Cash Equivalents	666,917	116,719
6.05.01	Opening Balance of Cash and Cash Equivalents	663,103	706,738
6.05.02	Closing Balance of Cash and Cash Equivalents	1,330,020	823,457



## Results for the 3<sup>rd</sup> quarter of 2020



### ITR - Quarterly Information - 9/30/2020

Consolidated Financial Statements - Statements of Changes in Shareholders' Equity - 1/1/2020 to 9/30/2020 - (Thousands of Reais)

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	NCI	Consolidated Equity
5.01	Opening Balances	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258	763,962	6,462,220
5.03	Adjusted opening balance	3,363,685	347,523	2,332,052	-	(345,002)	5,698,258	763,962	6,462,220
5.04	Capital transactions with shareholders	-	(34,124)	(41,298)	(97,894)	-	(173,316)	(14,676)	(187,992)
5.04.08	New acquisition of subsidiary shares	-	(28,508)	-	-	-	(28,508)	1,919	(26,589)
5.04.10	Payment of Additional Dividends	-	-	(41,298)	-	-	(41,298)	-	(41,298)
5.04.11	PUT investment amount	-	(8,672)	-	-	-	(8,672)	-	(8,672)
5.04.12	Variable compensation program - ILP	-	3,056	-	-	-	3,056	176	3,232
5.04.15	Interim Dividends	-	-	-	(101,615)	-	(101,615)	(16,809)	(118,424)
5.04.16	Expired Dividends	-	-	-	3,721	-	3,721	38	3,759
5.05	Total Comprehensive Income	-	-	-	1,329,422	-	1,329,422	86,004	1,415,426
5.05.01	Net Income for the Period	-	-	-	1,329,422	-	1,329,422	86,004	1,415,426
5.07	Closing Balances	3,363,685	313,399	2,290,754	1,231,528	(345,002)	6,854,364	835,290	7,689,654

### ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Paid-in share capital	Capital Reserves, Options Awarded and Treasury Stock	Profit Reserves	Retained Earnings or Accumulated Losses	Other Comprehensive Income	Equity	NCI	Consolidated Equity
5.01	Opening Balances	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141	659,387	6,047,528
5.03	Adjusted opening balance	3,363,685	194,729	2,053,299	-	(223,572)	5,388,141	659,387	6,047,528
5.04	Capital transactions with shareholders	-	89,869	(5,346)	(101,615)	-	(17,092)	(29,346)	(46,438)
5.04.08	New acquisition of subsidiary shares	-	22,165	-	-	-	22,165	4,421	26,586
5.04.09	Capital transactions - MTM financial instrument - reflection	-	(6,362)	-	-	-	(6,362)	-	(6,362)
5.04.10	Payment of Additional Dividends	-	-	(5,346)	-	-	(5,346)	(39,058)	(44,404)
5.04.11	PUT investment amount	-	68,626	-	-	-	68,626	(3)	68,623
5.04.12	Variable compensation program - ILP	-	2,389	-	-	-	2,389	122	2,511
5.04.13	Tax Incentive Reserves-Reinvestment	-	3,051	-	-	-	3,051	-	3,051
5.04.15	Dividends Reserve	-	-	-	(23,226)	-	(23,226)	-	(23,226)
5.04.16	Payment of Dividends	-	-	-	(78,389)	-	(78,389)	-	(78,389)
5.04.17	Advance for future capital increase	-	-	-	-	-	-	5,172	5,172
5.05	Total Comprehensive Income	-	-	-	117,037	-	117,037	56,789	173,826
5.05.01	Net Income for the Period	-	-	-	117,037	-	117,037	56,789	173,826
5.07	Closing Balances	3,363,685	284,598	2,047,953	15,422	(223,572)	5,488,086	686,830	6,174,916

## ITR - Quarterly Information - 9/30/2020

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

Account Code	Account Description	Accrued Value of the Current Year 1/1/2020 to 9/30/2020	Accrued Value of the Prior Year 1/1/2019 to 9/30/2019
7.01	Revenue	20,610,334	21,497,131
7.01.01	Sales of Goods, Products and Services	19,279,793	19,541,027
7.01.02	Other Revenue	58,401	83,482
7.01.03	Revenue relating to construction of company assets	1,605,084	2,059,469
7.01.04	Provision for/(Reversal of) Doubtful Accounts	(332,944)	(186,847)
7.02	Consumables acquired from third parties	(10,825,877)	(11,568,501)
7.02.01	Cost of goods and services Sold	(8,454,967)	(8,883,312)
7.02.02	Material, Energy, Outsourced Services and Other	(694,751)	(716,743)
7.02.04	Other	(1,676,159)	(1,968,446)
7.03	Gross Added Value	9,784,457	9,928,630
7.04	Retentions	(901,946)	(873,850)
7.04.01	Depreciation, Amortization and Depletion	(901,946)	(873,850)
7.05	Net Added Value Produced	8,882,511	9,054,780
7.06	Transferred Added Value	560,836	1,358,689
7.06.02	Financial Revenue	560,836	1,358,689
7.07	Total Added Value to be Distributed	9,443,347	10,413,469
7.08	Distribution of Added Value	9,443,347	10,413,469
7.08.01	Personnel	807,991	896,098
7.08.01.01	Direct Remuneration	520,446	591,561
7.08.01.02	Benefits	237,718	204,168
7.08.01.03	F.G.T.S.	49,827	100,369
7.08.02	Taxes, Duties and Contributions	6,509,788	6,884,192
7.08.02.01	Federal	2,765,902	3,205,261
7.08.02.02	State	3,723,330	3,659,871
7.08.02.03	Municipal	20,556	19,060
7.08.03	Interest expenses	710,142	2,459,353
7.08.03.01	Interest	698,856	2,449,664
7.08.03.02	Rent	11,286	9,689
7.08.04	Interest earnings	1,415,426	173,826
7.08.04.02	Dividends	101,615	78,389
7.08.04.03	Retained Earnings/Loss for the Period	1,227,807	38,648
7.08.04.04	NCI in retained earnings	86,004	56,789

## Notes

## Energisa S/A

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

(In thousands of reais, unless stated otherwise).

## 1. Reporting entity

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

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

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

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

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

The information regarding rate adjustments, rate reviews and other regulatory matters, sector financial assets and liabilities, concession financial asset, concession assets, contractual assets - infrastructure under construction and construction revenue can be seen in notes 10, 11, 15, 18.1, 19 and 32 respectively.

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

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

The indirect TransCo subsidiaries are privately held companies, not listed on stock exchanges, with the core

activity of building, implementing, operating and maintaining electricity transmission facilities.

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

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

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

Other Services	Nature
Energisa Soluções S/A ("ESOL")	Operating and maintenance services and services related to electricity distribution generation, commission, preparation, remote and local operation and electrical and mechanical maintenance of plants, substations, transmission lines and facilities.
Energisa Soluções Construções e Serviços em Linhas e Redes S/A	Constructions, operations, maintenance and services related to the generation and distribution of electricity.
Multi Energisa Serviços S/A ("MULTI")	Construction, operation, maintenance and services related to electricity distribution and generation, tele-services and personal services for electricity consumers.
Energisa Serviços Aéreos de Aeroinspeção S/A ("ESER")	Aerial surveying services (SAE), mainly supporting companies operating high-voltage lines, oil pipelines and reforestation engineering works.
Voltz Capital S.A.	<b>Core activities:</b> (i) the participation, provision and performance of information technology services - IT , (ii) provision of services within its proprietary or third-party payment arrangement as payment institutions; and (iii) to acquire interests in other companies as partner or shareholder.

#### Judicial Reorganization of subsidiaries:

On November 26, 2012 the subsidiary Rede Energia S/A ("REDE") announced it had filed for Judicial Reorganization ("Rio de Janeiro"). On the same date applications for judicial reorganization were submitted by Companhia Técnica de Comercialização de Energia ("CTCE"), QMRA Participações S/A. ("QMRA"), Empresa de Eletricidade Vale Paranapanema S/A. ("EEVP"), subsequently taken over by Denerge on 11/22/2019, and Denerge Desenvolvimento Energético S/A. ("Denerge").

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



motions for clarification against this decision, which were duly rejected by the reorganization court. One of the creditors subsequently filed an appeal against the termination decision. Despite the appeal, the reorganization court authorized the term “under judicial reorganization” be removed from the name of the companies under judicial organization, a change which was registered at the respective board of trade. In a judgment on 7/29/2019, the São Paulo Court of Appeal denied the Appeal, upholding the closing award. The creditor filed a Special Appeal, which was not entertained when examined by the São Paulo Court of Appeal. According to the Court of Appeal’s system, a special appeal was filed by the creditor, although it has not yet been included in the case. “Awaiting for this submission and summons for counterarguments.”

The position as of September 30, 2020 of the remaining balance of the debts qualified under the Judicial Reorganization is R\$ 587,384, where R\$ 449,491 consists of loans, R\$ 64,971 of debentures and R\$ 72,922 of trade payables and other accounts payable as follows:

Description	Rede Energia	Denerge	CTCE	Total
<b>Balances at December 31, 2018</b>	<b>203,536</b>	<b>278,124</b>	<b>61,775</b>	<b>543,435</b>
(+) Restatement (1)	10,321	29,491	3,118	42,930
Reversal of the provision for net present value (2)	22,468	5,858	5,114	33,440
(-) Settlement/Assignment of Credits	(27,611)	(29,491)	(13,802)	(70,904)
<b>Balances at December 31, 2019</b>	<b>208,714</b>	<b>283,982</b>	<b>56,205</b>	<b>548,901</b>
(+) Restatement (1)	1,111	7,353	248	8,712
Reversal of the provision for net present value (2)	6,530	1,788	1,863	10,181
<b>Balances at March 31, 2020</b>	<b>216,355</b>	<b>293,123</b>	<b>58,316</b>	<b>567,794</b>
(+) Restatement (1)	1,111	7,353	248	8,712
Reversal of the provision for net present value (2)	6,704	1,788	15,716	24,208
<b>Balances at June 30, 2020</b>	<b>224,170</b>	<b>302,264</b>	<b>74,280</b>	<b>600,714</b>
(+) Restatement (1)	1,122	7,514	(1,363)	7,273
Reversal of the provision for net present value (2)	6,941	1,788	5,658	14,387
(-) Settlement/Assignment of Credits	(4,456)	(29,573)	(961)	(34,990)
<b>Balances at September 30, 2020</b>	<b>227,777</b>	<b>281,993</b>	<b>77,614</b>	<b>587,384</b>

(\*) “EEVP was taken over by Denerge, as approved at the Extraordinary General Meeting held 11/22/2019. Article 3.5 of the Judicial Reorganization Plan allows the acquisition of one or more parties undergoing reorganization, in order to streamline the group’s ownership structure”.

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

### Current Capital - parent company:

As of September 30, 2020 the Company had a working capital deficiency of R\$ 1,526,899 (R\$ 707,834 at December 31, 2019) at the parent company. Management also believes that the flow of future dividends from the subsidiaries’ earnings and the process of lengthening the short-term debt in progress will generate sufficient funds to honor the remaining financial short-term financial commitments of the parent company.

### Effects of COVID-19:

#### Background

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

In Brazil, the executive and legislative branches have issued several normative acts to prevent and contain the pandemic and mitigate the respective impacts on the economy, especially Legislative Decree 6 published on March



20, 2020, declaring a state of public calamity. State and municipal governments have also published several normative acts to restrict the free circulation of people and commercial activities and services, in addition to providing emergency investments in health care.

ANEEL published Normative Resolution 878/2020 on March 25, 2020 in response to the social isolation measures and restrictions on mobility, and relaxed a number of obligations in the concession agreement, postponing them until December 31, 2020, such as restricting disconnections for low-income residential consumers and consumer units using special equipment. Coupled with restrictions on suspending energy supplies for delinquency by certain consumer groups, the isolation measures initially drove down consumption and revenue streams for Energisa Group's electricity distribution concession operators. However, we have witnessed a recovery of economic activities that as helped improve the two factors.

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

#### Electricity distribution

More than 180 days into the pandemic in Brazil, the impacts being felt by various social and economic agents are now much more visible. The greatest impacts felt by the Company and its subsidiaries were related to the energy supply due to the downturn in the consumer market and rising delinquency due to the prohibition on electricity supply disconnections, which directly impacts the flow of receipts, and the Provision for expected losses on doubtful accounts (PPECLD).

The events directly impacted the Group's results in the period ended September 30, 2020, although entering the COVID account has partly neutralized the effects on cash flow, whereas the effects on profit or loss will be neutralized in the Extraordinary Rate Reviews.

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

Subsidiaries	Provision for delinquency losses			
	1/1/2020 to 3/31/2020	4/1/2020 to 6/30/2020	7/1/2020 to 9/30/2020	Total - 9/30/2020
Energisa Mato Grosso	9,262	50,283	(12,534)	47,011
Energisa Mato do Grosso do Sul	5,088	17,341	(11,467)	10,962
Energisa Tocantins	919	6,860	(2,155)	5,624
Energisa Sul Sudeste	1,887	4,554	(1,578)	4,863
Energisa Paraíba	3,835	12,884	(10,427)	6,292
Energisa Sergipe	3,145	7,962	(2,237)	8,870
Energisa Minas Gerais	1,096	2,675	(182)	3,589
Energisa Borborema	-	1,645	(712)	933
Energisa Nova Friburgo	-	980	(219)	761
Energisa Rondônia	-	36,443	9,028	45,471
Energisa Acre	-	21,539	2,926	24,465
<b>Total</b>	<b>25,232</b>	<b>163,166</b>	<b>(29,557)</b>	<b>158,841</b>

The subsidiaries have rolled out initiatives to enhance the efficiency of collecting overdue bills, including actions by sending SMS messages, telephone contact, blacklisting, emails and awareness raising campaigns related to the importance of paying bills promptly and publishing debit financing plans for clients and facilitating access to negotiations via digital channels, has produced positive effects on collection levels, helping diminish provisions for expected losses.

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

#### Electricity overcontracting

Since the very onset of the pandemic, Energisa Group has been working expeditiously and efficiently on energy

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

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

#### Economic and financial equilibrium of the concession

By way of Provisional Measure 950/2020 regulated by Decree 10.350/2020 and based on the electricity distribution concession agreements, ANEEL recognized that the impacts of COVID-19 could affect contractual equilibrium and should be evaluated. Following the publication of Normative Resolution 885 in the official government press on June 23, 2020, a public discussion process began about the contractual equilibrium in August 2020.

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

#### Electricity transmission

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

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

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

##### People

- A Crisis Committee has been set up to continually assess possible impacts and the effectiveness of the Company's measures, whilst monitoring all determinations issued by the respective authorities;
- Provision of a 24-hour health hotline for all employees and distribution of masks to employees that come into direct contact with the public;
- Monitored home leave in cases of employees presenting symptoms of Covid-19;
- Implementation of telephone-based work, conducive with this type of arrangement;
- For employees where telephone-based work is unfeasible, rotations have been adopted based on alternate shifts to avoid any exposure to agglomeration;
- Suspending international and national travel, except when absolutely necessary;
- Doubling down on cleanliness in the workplace;
- Reducing working hours by 25% and temporarily suspending employment contracts for certain employees as an unemployment prevention measure in accordance with Provisional Law 936/2020, applied during the period April to August 2020. On July 06 MP 936 was enacted as Law 14.020, which authorizes the shortening of working hours and lowering of pay and suspension of contracts during the duration of the public calamity declared until December 31, 2020. The latest amendment that impacts MP 936, now Law 14.020, was published in the government press on August 24. This is Decree 10.470, which once again extends the deadlines for entering into agreements to proportionately shorten working hours and lower pay, to temporarily suspend employment contracts and to make the payment of emergency benefits under Law 10.020.

##### Company

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

- Donation of mechanical ventilators;
- Donation of more than 70 thousand masks and 500 face protectors to high-risk population and hospitals;



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

### Income/Loss

- Revision of the 2020 Investment Plan where given the size of the uncertainty Energisa Group prudently opted to postpone investments of R\$ 557,300, whilst maintaining essential investments for operational continuity. Works in progress at the DisCo and TransCo subsidiaries have not been materially impacted;
- Decrease in manageable expenses by between 7% and 12% of the volume recorded in 2019;
- New loans taken out and others settled which matured in the course of FY 2020.
- Given the current size of the COVID-19 outbreak, the Company and its subsidiaries reviewed their strategic plans and adjusted their premises for asset impairment due to the new pandemic scenarios. However, no material impacts were identified to our quarterly financial information;
- Government Assistance Measures: (i) deferring payment of PIS and COFINS and employer's social security contribution from March, April and May to August, October and November 2020 in the amounts of R\$ 306,104 and R\$ 36,293, respectively, with a cash impact; (ii) deferral of the payment of FGTS for March, April and May for payment over 6 installments commencing July 2020 in the total amount of R\$ 13,266; (iii) deferring compensation to consumers for breaching the DEC and FEC limits of R\$ 14,941; and (iv) determining the discount of 100% of electricity consumption up to 220 KWh/month in the period April 01 to June 30, 2020, extended until July 31, 2020, in which the subsidiaries, electricity DisCos, will be reimbursed in the entirety for the original funds in the CDE account; and
- Entering the Covid Account: the electricity DisCos entered the Covid Account introduced by Aneel Resolution 885, dated June 23, 2020, which sets out the criteria and procedures for managing the funds, establishing borrowing limits by DisCo, based on lost revenue and each distribution agent's market. The main object of creating the Covid Pandemic Account was to postpone for up to 5 years increases in energy bills that would have been charged within up to 1 year and to also shore up the liquidity of distribution concession operators that have been especially impacted by lower demand and rising delinquency, also protecting other electric sector agents, as mentioned earlier. Covid Accounts funds of around R\$ 1,171,873 had been received by September 30, 2020.

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

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

### 2.1 Statement of compliance

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

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

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

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

The Board of Directors approved the issuance of the Company's interim financial information (quarterly information) on November 12, 2020.

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

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

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

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

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

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

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

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

## IFRS 9 / CPC 48 Financial Instruments IFRS 7 / CPC 40 Financial Instruments - Disclosure IAS 39 / CPC 38: Financial Instruments - Recognition and Measurement.

Inclusion of temporary exceptions from the current hedge accounting requirements to neutralize the effects of uncertainty triggered by the reform of the benchmark interest rate (IBOR).

## IFRS 3 / CPC 15 (R1) Business combination

Establishes new requirements to determine whether a transaction should be recognized as a business acquisition or an asset acquisition.

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

## 3. Consolidated interim financial information

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

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

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

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

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

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

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

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



transaction.

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

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

	Line of business	% interest	
		9/30/2020	12/31/2019
<b>Direct subsidiaries</b>			
Energisa Sergipe - Distribuidora de Energia S/A (ESE) (1)	Electricity distribution	100	100
Energisa Borborema - Distribuidora de Energia S/A (EBO)	Electricity distribution	100	100
Energisa Paraíba - Distribuidora de Energia S/A (EPB) (1)	Electricity distribution	100	100
Energisa Minas Gerais - Distribuidora de Energia S/A (EMG) (1)	Electricity distribution	100	100
Energisa Nova Friburgo Distribuidora de Energia S/A (ENF)	Electricity distribution	100	100
Energisa Rondônia - Distribuidora de Energia S/A (ERO)	Electricity distribution	95.52	95.52
Energisa Acre - Distribuidora de Energia S/A (EAC)	Electricity distribution	95.09	95.09
Energisa Soluções S/A (ESO)	Energy distribution and generation services	100	100
	Aerial thermographic inspections	100	100
Energisa Serviços Aéreos de Aeroinspeção S/A (ESER)	Insurance brokerage	58.26	58.26
Energisa Planejamento e Corretagem de Seguros Ltda. (EPLA)	Electricity trading	100	100
Energisa Comercializadora de Energia Ltda (ECOM)	Wind energy generation	100	100
Parque Eólico Sobradinho Ltda. (2)	Electricity generation	100	100
Energisa Geração Usina Maurício S/A (GUM)	Solar energy generation	100	100
Energisa Geração Central Solar Coremas S/A (2)	Wind energy generation	100	100
Energisa Geração Eólica Boa Esperança S/A (2)	Wind energy generation	100	100
Energisa Geração Eólica Mandacaru S/A (2)	Wind energy generation	100	100
Energisa Central Eólica Alecrim S/A (2)	Wind energy generation	100	100
Energisa Geração Central Eólica Umbuzeiro - Muquim S/A (2)	Wind energy generation	100	100
Energisa Participações Minoritárias S/A	Holding Company	85.31	85.31
FIM Zona da Mata	Exclusive investment fund	100	100
Caixa FI Energisa	Exclusive investment fund	100	100
Dinâmica Credit Receivables	Securitization of credits	100	100
Denerge Desenvolvimento Energético S/A	Holding Company	99.97	99.97
Energisa Transmissão de Energia S/A (1)	Holding Company	100	100
Energisa Geração Central Solar Rio do Peixe I S/A (a)	Wind energy generation	100	100
Energisa Geração Central Solar Rio do Peixe II S/A (a)	Wind energy generation	100	100
Energisa Transmissora de Energia I S/A (2) (b)	Electricity transmission	100	100
Energisa Transmissora de Energia II S/A (2) (b)	Electricity transmission	100	100
Energisa Transmissora de Energia III S/A (2) (b)	Electricity transmission	100	100
Alsol Energias Renováveis S/A	Distributed energy generation	89.21	89.21
Voltz Capital S.A. (2) (c)	Services	99.9	-
<b>Indirect subsidiaries</b>			
Rede Energia Participações S.A. (1)	Holding Company	95.21	95.21
Rede Power do Brasil S/A	Holding Company	95.2	95.2
QMRA Participações S/A	Holding Company	95.2	95.2
Energisa Mato Grosso Distribuidora de Energia S/A (1)	Electricity distribution	74.33	74.33
Energisa Mato Grosso do Sul Distribuidora de Energia S/A (1) (3)	Electricity distribution	95.14	95.14
Energisa Tocantins Distribuidora de Energia S/A	Electricity distribution	72.99	72.99
Multi Energisa Serviços S/A	Services	95.21	95.21
Energisa Sul - Sudeste - Distribuidora de Energia S/A (1)	Electricity distribution	94.49	94.49
	Energy distribution and generation services	100	100
Energisa Para Transmissora de Energia I S/A	Electricity transmission	100	100
Energisa Goiás Transmissora de Energia I S/A	Electricity transmission	100	100
Energisa Para Transmissora de Energia II S/A	Electricity transmission	100	99.90
Energisa Tocantins Transmissora de Energia S/A	Electricity transmission	100	100
Laralsol Empreendimentos Energéticos Ltda	Distributed energy generation	99.9	99.90



- (a) The general meeting that incorporated Energisa Geração took place on January 10, 2019 and approved the incorporation of Energisa Geração Central Solar Rio do Peixe I S/A and Energisa Geração Central Solar Rio do Peixe II S/A, respectively.
- (b) The public deed of incorporation states that the companies Energisa Transmissora de Energia I S/A; Energisa Transmissora de Energia II S/A and Energisa Transmissora de Energia III S/A were incorporated on May 20, 2019, respectively.
- (c) Minutes from the Extraordinary General Meeting of Voltz Capital S.A., held July 02, 2020, which approved the amendment to the articles of organization, changing the economic activities (core and secondary) and the core activity, registered at the Minas Gerais state Board of Trade on July 16, 2020.

(1) Publicly held companies.

(2) Preoperational.

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

#### Description of main consolidation procedures:

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

## 4. Segment reporting - consolidated

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

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

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

#### a) Segment reporting

	9/30/2020					
	Distribution	Generation	Transmission	Sales	Services and other	Total
External Revenue	5,146,743	25,555	361,779	660,969	7,884,016	14,079,062
Intersegment Revenue	17,884	-	705	-	302,764	321,353
<b>Total</b>	<b>5,164,627</b>	<b>25,555</b>	<b>362,484</b>	<b>660,969</b>	<b>8,186,780</b>	<b>14,400,415</b>
Financial Revenue	34,600	360	993	1,450	698,311	735,714
Financial Expenses	(458,278)	(2,321)	(12,157)	(3,259)	(419,800)	(895,815)
<b>Total</b>	<b>(423,678)</b>	<b>(1,961)</b>	<b>(11,164)</b>	<b>(1,809)</b>	<b>278,511</b>	<b>(160,101)</b>
Amortization and depreciation	768,711	1,073	25	68	132,069	901,946
Net income by segment before income and social contribution taxes	292,782	131,657	258,223	9,484	1,187,836	1,748,737

	9/30/2019					
	Distribution	Generation	Transmission	Sales	Services and other	Total
External Revenue	13,551,656	219	378,579	586,607	20,411	14,537,472
Intersegment Revenue	12,610	-	-	-	292,794	305,404
<b>Total</b>	<b>13,564,266</b>	<b>219</b>	<b>378,579</b>	<b>586,607</b>	<b>313,205</b>	<b>14,842,876</b>
Financial Revenue	627,207	-	5,415	2,423	219,903	854,948
Financial Expenses	(1,090,507)	(5)	(12,471)	(3,301)	(877,707)	(1,983,991)
<b>Total</b>	<b>(463,300)</b>	<b>(5)</b>	<b>(7,056)</b>	<b>(878)</b>	<b>(657,804)</b>	<b>(1,129,043)</b>
Amortization and depreciation	841,854	76	23	32	31,865	873,850
Net income by segment before income and social contribution taxes	953,872	(499)	216,521	(8,644)	(632,349)	528,901

	Distribution	Generation	Transmission	Sales	Services and	9/30/2020	12/31/2019
<b>Segment assets</b>					<b>18,828,337</b>		
	<b>24,136,067</b>	<b>209,752</b>	<b>1,494,627</b>	<b>506,257</b>		<b>45,175,040</b>	<b>41,224,171</b>
Current assets	10,273,765	97,140	136,839	210,044	1,472,152	12,189,940	10,240,247
Noncurrent assets	13,862,302	112,612	1,357,788	296,213	17,356,185	32,985,100	30,983,924
<b>Segment liabilities</b>					<b>19,987,759</b>		
	<b>15,848,093</b>	<b>150,040</b>	<b>1,031,768</b>	<b>467,726</b>		<b>37,485,386</b>	<b>34,761,951</b>
Current liabilities	3,722,951	36,573	69,996	140,504	6,954,280	10,924,304	7,916,276
Non-current liabilities	12,125,142	113,467	961,772	327,222	13,033,479	26,561,082	26,845,675

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

	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
<b>Revenue</b>				
Total net segment revenue	5,008,912	14,400,415	5,192,042	14,842,876
Elimination of intersegment revenue	(110,876)	(321,353)	(121,639)	(305,404)
<b>Consolidated net revenue</b>	<b>4,898,036</b>	<b>14,079,062</b>	<b>5,070,403</b>	<b>14,537,472</b>
<b>Amortization and depreciation</b>				
Total amortization and depreciation of segments	300,725	901,946	304,835	873,850
<b>Consolidated amortization and depreciation</b>	<b>300,725</b>	<b>901,946</b>	<b>304,835</b>	<b>873,850</b>
<b>Financial revenue</b>				
Total financial revenue of segments	318,582	735,714	303,165	854,948
Elimination of intersegment revenue	(71,446)	(211,183)	(71,572)	(166,313)
<b>Consolidated financial revenue</b>	<b>247,136</b>	<b>524,531</b>	<b>231,593</b>	<b>688,635</b>
<b>Financial expense</b>				
Total financial expense of segments	(160,796)	(895,815)	(730,434)	(1,983,991)
Elimination of intersegment expense	71,446	211,183	71,572	166,313
<b>Consolidated financial expense</b>	<b>(89,350)</b>	<b>(684,632)</b>	<b>(658,862)</b>	<b>(1,817,678)</b>
Total net income for the segments	1,091,847	1,748,737	152,968	528,901
<b>Income before tax on net income</b>	<b>1,091,847</b>	<b>1,748,737</b>	<b>152,968</b>	<b>528,901</b>

	9/30/2020	12/31/2019
<b>Assets</b>		
Total segment assets	45,175,040	41,224,171
Other unallocated amounts	(1,888,381)	(1,904,357)
<b>Total consolidated assets</b>	<b>43,286,659</b>	<b>39,319,814</b>
<b>Liabilities</b>		
Total segment liabilities	37,485,386	34,761,951
Other unallocated amounts	(1,888,381)	(1,904,357)
<b>Total consolidated liabilities</b>	<b>35,597,005</b>	<b>32,857,594</b>

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

### 5.1 Cash and cash equivalents

The portfolio of short-term investments consists of Bank Deposit Certificates (CDBs) and Securities subject to repurchase agreements. Weighted average interest on the portfolio in the period ended September 30, 2020 was 103.2% of the CDI rate (101.9 % of the CDI at December 31, 2019).

Description	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Cash and sight deposits	5,908	6,345	230,772	255,955
Liquid financial investments:	64,480	62,078	1,099,248	407,148
Bank Deposit Certificate (CDBs)	36,537	-	761,252	-
Securities held under repurchase agreements in debentures (1)	27,943	62,078	337,996	407,148
<b>Total cash and cash equivalents - Current</b>	<b>70,388</b>	<b>68,423</b>	<b>1,330,020</b>	<b>663,103</b>

- (1) Debentures held under repurchase agreements - Sales of securities subject to a repurchase agreement undertaken by the seller, alongside the resale commitment undertaken by the buyer. These operations have immediately liquidity, yielding 65.0% to 102.5% of the CDI rate.

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

The investment portfolio consists largely of Closed-End Investment Funds investing in assets selected to improve returns with minimal risk, including fixed-income securities, government bonds, repurchase agreements, debentures and CDBs. Weighted average interest on the portfolio at September 30, 2020 was 73.3% of the CDI rate (106.6% of the CDI rate at December 31, 2019).

Description	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
<b>1) At fair value through profit or loss</b>				
Bank Deposit Certificate (CDBs)	11,457	14,022	126,624	36,277
Bank Deposit Certificates Commercial Guarantees (CDB) <sup>(1)</sup>	-	-	10,530	15,046
Securities held under repurchase agreements in debentures <sup>(2)</sup>	-	-	4,175	18,891
Debentures <sup>(3)</sup>	1,841,352	1,811,399	-	-
Investment Funds <sup>(4)</sup>	30,104	26	61,538	54,408
<b>Exclusive Investment Funds <sup>(5)</sup></b>	<b>308,331</b>	<b>660,915</b>	<b>3,827,887</b>	<b>2,137,703</b>
Bank Deposit Certificate (CDBs)	11,206	22,795	51,701	50,311
Bank Credit Note (CCB)	928	2,560	4,283	5,652
Securities held under repurchase agreements	2,598	112,459	637,340	248,215
Government securities	14,840	27,990	659,129	418,379
Multimarket Fund	50	-	12,195	-
Fixed-Income Fund	149,074	235,183	809,233	468,521
Financial Treasury Bills (LFT)	122,579	255,993	1,301,844	892,115
Financial bill (LF)	3,631	338	78,125	746
Financial bill (LTN)	434	1,086	27,618	16,226
National treasury notes (NTNB)	2,971	2,511	241,383	37,538
National treasury notes (NTNF)	20	-	5,036	-
CCBs bills <sup>(6)</sup>	74,219	74,591	74,219	74,591
(-) Provision for losses on CCB bills	(74,219)	(74,591)	(74,219)	(74,591)
Other instruments	-	-	-	252
Credit receivables investment funds <sup>(7)</sup>	-	-	114,166	110,617
<b>Total balance of money market and secured funds <sup>(8)</sup></b>	<b>2,191,244</b>	<b>2,486,362</b>	<b>4,144,920</b>	<b>2,373,194</b>
Current	387,606	710,030	3,775,578	2,016,399
Noncurrent	1,803,638	1,776,332	369,342	356,795

- (1) Bank Deposit Certificate (CDB) - Commercial Guarantees - These investments denote funds underlying commercial client guarantees, pursuant to the energy sale contract. Funds in this amount were credited to current liabilities, yielding 90.0% to 100.0% (90.0% to 100.0% as of December 31, 2019) and a weighted average of 99.7% (98.1% as of December 31, 2019) of the CDI rate;
- (2) Debentures held under repurchase agreements - Sales of securities subject to a repurchase agreement undertaken by the seller, alongside the resale commitment undertaken by the buyer. They yield 65.0% to 80.0% (65.0% to 80.0% as of December 31, 2019) and the weighted average of 65.5% (65.5% as of December 31, 2019) of the CDI rate and underlie debentures;
- (3) Debentures - consists of private debentures issued by the electricity DisCo subsidiaries;
- (4) Investment Funds - Includes funds classified as fixed income and Multimarket and yield -245.8% to 137.2% and the weighted average of 78.3% of the CDI rate.
- (5) Exclusive investment fund, includes investments in CDB, CCB, Securities subject to a repurchase agreements, Fixed-Income Funds, Government Bonds, Multimarket Fund, LFT, LF, LTN and NTNB bills and yield 96.0% (105.2% as of December 31, 2019) of CDI Fundo FI Energisa, 64.2% (109.7% as of December 31, 2019) of CDI Fundo Cataguases and 43.9% (115.7% as of December 31, 2019) of CDI Fundo Zona da Mata.
- (6) Bank Credit Note - CCBs;
- (7) Nonstandardized credit receivables investment fund: FIDC IV Energisa Centro Oeste maturing on 10/1/2034 and FIDC III Energisa 2008 maturing on 12/29/2020 and;
- (8) Includes R\$ 15,393 (R\$ 15,118 at December 31, 2019) parent company and R\$ 292,153 (R\$ 236,734 at December 31, 2019) consolidated related to restricted funds, as follows:

Secured funds	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Judicial deposit creditors	15,367	15,093	15,367	15,093
Frozen by court order	26	25	6,239	5,563
Credit receivables investment funds - FIDC	-	-	114,166	110,617
Light for All Program	-	-	113,182	62,853
Guarantee with energy sales	-	-	13,186	15,046
Consumer council	-	-	4,527	4,301
Other	-	-	25,486	23,261
<b>Total</b>	<b>15,393</b>	<b>15,118</b>	<b>292,153</b>	<b>236,734</b>

## 6. Clients, consumers and concessionaires

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

	Parent company		Consolidated								
			Outstanding balances		Overdue balances				PPECLD (7)	Total	
	9/30/2020	12/31/2019	Up to 60 days	Over 60 days	Up to 90 days	91 to 180 days	181 to 360 days	Over 360 days		9/30/2020	12/31/2019
Current amounts: (1)											
Residential	-	-	411,328	-	430,927	82,951	60,277	74,028	(235,048)	824,463	859,720
Industrial	-	-	173,853	-	26,644	7,902	11,766	46,050	(62,090)	204,125	233,911
Commercial	-	-	257,828	-	83,118	19,549	24,362	48,299	(84,289)	348,867	434,832
Rural	-	-	139,463	-	66,380	18,220	24,245	14,239	(29,633)	232,914	194,160
Public authorities	-	-	86,214	-	15,276	1,926	3,563	9,688	(21,213)	95,454	134,155
Public lighting	-	-	44,594	-	7,813	1,399	5,292	12,820	(24,675)	47,243	59,558
Public utility	-	-	58,884	-	16,368	7,658	11,761	79,947	(111,125)	63,493	64,607
Taxed service	-	-	3,850	-	-	-	-	-	-	3,850	3,264
Unbilled sales	-	-	1,138,873	-	-	-	-	-	-	1,138,873	958,987
Injunction supply	-	-	1,606	-	-	-	-	-	-	1,606	1,649
Collection Classification Process	-	-	6,803	-	-	-	-	-	-	6,803	(10,859)
Renegotiated amounts:											
Residential	-	-	58,203	204,931	29,675	11,012	11,478	60,826	(97,618)	278,507	165,725
Industrial	-	-	14,724	35,527	4,049	1,252	2,143	25,166	(28,215)	54,646	25,411
Commercial	-	-	28,953	146,802	10,480	3,240	4,376	23,912	(49,409)	168,354	104,906
Rural	-	-	8,006	34,215	4,221	1,824	2,550	6,238	(17,999)	39,055	27,844
Government (2)	-	-	19,014	340,857	8,982	268	373	8,048	(5,926)	371,616	400,896
Public lighting	-	-	4,863	42,349	681	84	20	40	(837)	47,200	47,963
Public utility	-	-	3,455	16,931	298	130	70	3,512	(3,882)	20,514	14,701
(-) Net present value (3)	-	-	(429)	(94,622)	-	-	-	-	-	(95,051)	(118,452)
Subtotal - receivables	-	-	2,460,085	726,990	704,912	157,415	162,276	412,813	(771,959)	3,852,532	3,602,978
Sales to concession operators - local currency (4)	-	-	181,416	-	-	-	-	34,589	(4,882)	211,123	359,354
Charge for using transmission and distribution system	-	-	5,253	-	250	-	29	9,716	(10,135)	5,113	4,484
Specialized Services	23,560	40,640	34,649	-	6,070	-	-	-	(2,325)	38,394	43,928
Decrease in use of the distribution system (5)	-	-	-	-	-	-	-	12,201	-	12,201	12,201
Energy sold to free clients	-	-	82,827	-	-	-	-	-	-	82,827	98,671
Others (6)	-	-	72,687	56,690	294,607	35,335	2,390	378,974	(20,047)	820,636	712,425
Total	23,560	40,640	2,836,917	783,680	1,005,839	192,750	164,695	848,293	(809,348)	5,022,826	4,834,041
Current	23,560	40,640								3,854,817	3,783,469
Noncurrent	-	-								1,168,009	1,050,572

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

(2) Government - adjustment recognized to present value on the debt of R\$ 2,156 (R\$ 4,175 as of December 31, 2019), recorded in profit or loss for the period under other financial expenses in the consolidated statement, calculated by applying the annual CDI rate of 1.90% p.a. (4.60% p.a. as of December 31, 2019);

(3) Net present value - calculated for renegotiated contracts without interest and/or those with an interest-rate of IPCA or IGPM. The annual average CDI rate of 1.90% p.a. was used for discounting to present value. (4.6% p.a. as of December 31, 2019);

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

Breakdown of CCEE credits	Consolidated	
	9/30/2020	12/31/2019
Outstanding balances	181,416	328,033
Credits linked to court injunctions <sup>(a)</sup>	34,589	34,589
<b>Sub-total credits CCEE <sup>(*)</sup></b>	<b>216,005</b>	<b>362,622</b>
(-) Energy acquisitions at CCEE	(268,915)	(456,126)
(-) System service charges	(4,525)	(3,257)
<b>Total CCEE credits</b>	<b>(57,435)</b>	<b>(96,761)</b>

(\*) The sub-total of R\$ 216,005 (R\$ 362,622 as of December 31, 2019) does not include the expected allowance for doubtful accounts of R\$ 4,882 (R\$ 3,264 as of December 31, 2019).

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

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

(6) Other - includes ICMS on the use of the distribution system by free consumers of R\$ 456,638 (R\$ 372,803 as of December 31, 2019), on energy demand recorded in noncurrent assets and which has been suspended under injunctions. The amounts have been charged to value-added tax on goods and Services - ICMS in taxes and social contributions (note 24), in consolidated non-current liabilities and includes service fees and other consumer receivables.

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

The recording of expected losses includes future default probability variables that are aggravated by the Covid-19 pandemic, where the disconnecting of electricity by concession operators has been suspended by the regulatory agency to protect consumers given the essential nature of electricity consumption in the period March 25 to July 31, 2020 for the residential sector and essential services. Although the forecast projects higher delinquency compared with the same period of 2019, this variable is expected to have a limited effect on expected loss analyses, as concession operators were able to begin disconnecting again, except for the low income subclasses and consumer units with special equipment, for which the suspension was extended until December 31, 2020. Other factors such as the measures assisting concession operators classified by the regulatory agency as a benefit for helping consumers, increasing collection originated by the measures adopted by the electricity DisCo subsidiaries, which have been experiencing a gradual recovery of economic activities, has greatly improved loss calculations in the period. In addition to the historical basis as a metric for measuring expected losses, material future delinquency conditions are also analyzed by the Company to calculate final expected losses.

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

Changes in provisions	9/30/2020	12/31/2019
<b>Opening balance - current - 12/31/2019 and 12/31/2018</b>	<b>703,949</b>	<b>605,063</b>
Balance of acquisition of the new business combination	-	220
Provisions recorded in the year/period (*)	332,944	212,491
Write-off of electricity bills - uncollectible	(117,075)	(113,825)
<b>Closing balance - current - 30/09/2020 and 12/31/2019</b>	<b>919,818</b>	<b>703,949</b>
<b>Allocation:</b>		
Clients, consumers and concessionaires	809,348	587,124
Credit receivables (note 7)	71,151	75,220
Other receivables (note 12)	39,319	41,605
<b>Closing balance</b>	<b>919,818</b>	<b>703,949</b>

(\*) The total losses expected on doubtful accounts determined in the period ended September 30, 2020 of R\$ 332,944 (R\$ 212,491 as of December 31, 2019), include R\$ 158,841 due to higher delinquency resulting from the impact of COVID-19.



## 7. Credit receivables

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Enforcement of PM securities of Cuiabá (1)	-	-	7,378	10,943
Municipality Securities (1)	-	-	69,860	67,780
Credit receivables (2 and 3)	25	76	45,604	45,972
Allowance for doubtful accounts (1.2 and 3)	-	-	(71,151)	(75,220)
Net present value (1, 2 and 3)	-	-	(22,715)	(22,902)
<b>Total</b>	<b>25</b>	<b>76</b>	<b>28,976</b>	<b>26,573</b>
Current	25	76	15,141	16,116
Non-current	-	-	13,835	10,457

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

Invoice due dates	Parent company	Consolidated (*)
	9/30/2020	9/30/2020
Overdue	-	6,908
2021	25	4,131
2022	-	8,405
2023	-	1,367
2024 onwards	-	79,316
<b>Total</b>	<b>25</b>	<b>100,127</b>

(\*) Stated net of the net present value.

### (1) Indirect subsidiary EMT

**Enforcement of PM securities of Cuiabá - R\$ 7,378 (R\$ 10,943 as of December 31, 2019):**

- (i) Government securities under proceeding (383/2001 - 3<sup>rd</sup> Lower Treasury Court - Cuiabá), filed against the municipality of Cuiabá, which resulted in order 13.699/2004/TJMT. The receivables of R\$ 7,378 (R\$ 10,943 as of December 31, 2019) are in the process of receipt, and 48 installments have been received, there remaining 16 installments restated at the rate of 0.5% per month. Subsidiary management constituted the present value of R\$ 11 (R\$ 11 as of December 31, 2019) at the average annual interest rate of CDI 1,90% p.a. (4.60% p.a. as of December 31, 2019).

### Other Municipal Government Securities:

- (ii) Consists of municipal government securities, where the securities were issued after the final legal conviction of the debtors, in accordance with the court order, in addition to payment requisitions to demand the municipalities pay debts related to electricity bill debts for the period July 1998 to June 2014 in the amount of R\$ 69,860 (R\$ 67,780 as of December 31, 2019), payable from July 27, 1998. The amount was transferred from clients, consumers and concession operators and the evidentiary stages in all cases have finished, and all cases are final and unappealable. R\$ 59,910 (R\$ 64,738 as of December 31, 2019) of this amount has been provisioned for.

Municipal Governments	9/30/2020	12/31/2019
Municipal Government of Alta Floresta (a)	2,490	3,042
Municipal Government of Cáceres	4,021	4,021
Municipal Government of Juscimeira (b)	7,460	4,127
Water and sewage department of Várzea Grande - DAE VG	55,889	56,590
<b>Total</b>	<b>69,860</b>	<b>67,780</b>

- (a) Receivables of the Municipal government of Alta Floresta were renegotiated on August 09, 2019, with monetary restatement of R\$ 3,628 being recognized that year in other financial revenue and R\$ 1,270 being received. The remaining amount will be realized over 45 monthly installments incurring interest of 0.93% p.m.

Includes net present value of R\$ 3 (R\$ 16 as of December 31, 2019) for the tax credit right of Alta Floresta.

- (b) Following ratification with the Securities Authorities, on August 10, 2020 the Company renegotiated the tax credit rights of the Municipality of Juscimeira. An agreement was reached of R\$ 8,456, with a downpayment of R\$ 1,000 and financing of the remaining balance over 250 installments, with interest of 0.4% pm, with the first due in April 2021.

## (2) Credit receivables:

### Indirect subsidiary EMT

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

### Indirect subsidiary ESS:

- (i) In 2003 the subsidiary ESS acquired R\$ 44,034 (R\$ 44,034 as of December 31, 2019) non-tax credits arising from an award against the Federal Government in proceedings seeking a right to offset federal taxes and contributions recognized under a *res judicata* court decision. These credits are under dispute in proceedings brought by the party holding credit rights against the Federal Government. The subsidiary brought these proceedings with an claim for assistance which was rejected by the first instance court for purely procedural reasons. An appeal was brought against the decision which is pending adjudication by the Federal Court of the 1<sup>st</sup> Region. Following their accession to the Special Tax Financing Program (PAEX) on 12/15/2006 under Provisional Measure 303/2006, the subsidiary ESS withdrew from their claim to offset those credits but remain party to the proceedings to seek recognition of their credit rights. The realization of these credits depends on a successful outcome from the proceedings, the probability of which has been rated as "possible" by the Company's subsidiary. Management recognized a provision for impairment losses of this asset, recorded as a deduction to consolidated credits receivable of R\$ 21,400 (R\$ 21,400 as of December 31, 2019) and R\$ 22,633 (R\$ 22,633 as of December 31, 2019) in the item net present value.
- (ii) Includes the collection arrangement, mutual use of poles and other items amounting to R\$ 3,113 (R\$ 3,231 as of December 31, 2019). The subsidiary has a mutual pole use recoverable loss of R\$ 762 (R\$ 762 as of December 31, 2019).
- (iii) Consists of municipal government securities of R\$ 851 (R\$ 852 at December 31, 2019), which were issued after the debtors had been convicted by the highest courts. The subsidiary recorded an impairment loss for government securities of R\$ 851 (R\$ 290 as of December 31, 2019).

### Indirect subsidiary ETO:

The indirect subsidiary ETO recorded the amount of R\$ 10,955 (R\$ 11,466 as of December 31, 2019) as follows:

- (i) R\$ 7,572 (R\$ 8,088 as of December 31, 2019) denotes municipal government securities, which after the final legal conviction of the debtors the securities were issued, in accordance with the court order, in addition to payment requisitions to demand the municipalities pay debts related to electricity bill debits.

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

Municipal Governments	9/30/2020	12/31/2019
Paraíso	1,208	1,527
Taguatinga	3,450	3,945
Divinópolis (*)	258	258
Miranorte	171	386
Porto Nacional (*)	651	651
Sítio Novo (*)	771	771
Santa Fé do Araguaia (*)	773	260
Other (*)	290	290
<b>Total</b>	<b>7,572</b>	<b>8,088</b>

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

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

Management of the subsidiary ETO made a provision for impairment of R\$ 13 and provision for net present value of receivable credit securities in the amount of R\$ 68 (R\$ 137 as of December 31, 2019) recorded under other financial expenses in the consolidated income statement for the period.

## (3) Parent Company and other subsidiaries:

- (i) At the parent company the amount of R\$ 25 and (R\$ 76 as of December 31, 2019) denotes receivables from Raizen do Brasil and in the consolidated statements R\$ 6,401 (R\$ 6,088 as of December 31, 2019) denotes other receivables from third parties of the subsidiaries CTCE, EPB, EMG, ESE, Dinâmica and ERO.
- (ii) In the period the subsidiary EMG recorded an impairment loss for Manhuaçu municipal government securities of R\$ 746 (R\$ 746 as of December 31, 2019).
- (iii) In the period the subsidiary ERO recorded an impairment loss of R\$ 4,501 (R\$ 4,819 as of December 31, 2019) and adjustment to present value of R\$ 105 as of December 31, 2019).

## 8. Dividends receivable

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

## 9. Recoverable taxes

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Value Added Tax on Sales and Services - ICMS	-	-	331,257	306,481
Corporate Income Tax - IRPJ	152,950	129,283	533,077	695,985
Social Contribution on Net Income - CSLL	6,815	4,221	110,491	167,575
PIS and COFINS Contributions	828	1,567	141,310	152,300
Effects of reducing ICMS on the PIS and COFINS calculation base (*)	-	-	1,041,242	665,780
Other	161	193	56,466	55,318
	<b>160,754</b>	<b>135,264</b>	<b>2,213,843</b>	<b>2,043,439</b>
Current	61,104	99,837	764,649	1,021,209
Non-current	99,650	35,427	1,449,194	1,022,230

(\*) The subsidiaries EPB, EBO, ETO, ESS and ESE have recoverable PIS and COFINS credits of R\$ 1,041,242 (R\$ 665,780 as of December 31, 2019), with R\$ 439,139 (R\$ 389,900 as of December 31, 2019), R\$ 70,501 (R\$ 63,176 as of December 31, 2019), R\$ 240,466 (R\$ 212,704 as of December 31, 2019), R\$ 29,633 and R\$ 261,503 of the subsidiaries EPB, EBO, ETO, ESS and ESE, respectively as a result of ICMS being removed from the calculation base after their legal cases were made final and unappealable, calculated based on Management's best estimate. The amounts were duly restated by applying the Selic base interest rate, which in the period amounted to R\$ 80,136 (R\$ 138,412 as of September 30, 2019), recorded under other financial revenue in the statement of income for the period. The figures of the subsidiaries ESE and ESS were recognized in the 2<sup>nd</sup> quarter of 2020. The subsidiaries will establish tax credit recovery procedures in accordance with the legal regulations as soon as their calculations are complete, as per note 30.

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

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

### 10.1 Rate adjustments:

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

The subsidiaries' rates have been readjusted as follows:

DisCo	Ratifying Resolution	Average effect to be faced by (%)	Valid from
ESS	Resolution 2722, issued 7/7/2020	4.87%	7/12/2020
EMG (*)	Resolution 2696, issued 6/17/2020	6.41%	6/22/2020
EBO	Resolution 2665, issued 1/28/2020	-1.78%	2/4/2020
ENF (*)	Resolution 2698, issued 6/17/2020	2.39%	6/22/2020
EPB	Resolution 2763, issued 8/27/2020	4.28%	8/28/2020
ETO	Resolution 2567, issued 7/2/2019	-0.33%	7/4/2019
ESE (*)	Resolution 2678, issued 4/20/2020	1.20%	4/22/2020
EMS (*)	Resolution 2671, issued 4/7/2020	6.90%	4/8/2020
EMT (*)	Resolution 2672, issued 4/7/2020	2.47%	4/8/2020
ERO (**)	Resolution 2648, issued 12/10/2019	0.11%	12/13/2019
EAC (**)	Resolution 2649, issued 12/10/2019	-4.24%	12/13/2019

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

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

## 10.2 Rate reviews:

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

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

The rate adjustments in force have been summarized below:

DisCo	ANEEL Ruling	Average effect on consumers (%)	Valid from
ESS (*)	Resolution 2071, issued 5/3/2016	-0.94%	5/10/2016
EBO	Resolution 2200, issued 1/31/2017	0.43%	2/4/2017
EMG	Resolution 2092, issued 6/21/2016	2.16%	6/22/2016
EMS	Resolution 2380, issued 4/3/2018	9.87%	4/8/2018
EMT	Resolution 2379, issued 4/3/2018	11.53%	4/8/2018
ENF	Resolution 2091, issued 6/21/2016	8.86%	6/22/2016
EPB	Resolution 2291, issued 8/22/2017	14.55%	8/28/2017
ESE	Resolution 2387, issued 4/17/2018	11.30%	4/22/2018
ETO	Resolution 2720, issued 7/3/2020	7.17%	7/4/2020
ERO (**)	Resolution 1657, issued 11/26/2013	13.17%	11/30/2013
EAC (**)	Resolution 1655, issued 11/26/2013	10.73%	11/30/2013

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

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

## 10.3 Extraordinary Rate Review

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

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

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

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

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

## 10.4 Rate flags:

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

The rate flags are used to inform consumers of the electricity generation conditions in the National Interconnected

Grid - SIN by including a surcharge in the Energy Rate - TE.

The rate flag system consists of:

Green rate flag

Yellow rate flag

Red rate flag, segregated into Tiers 1 and 2

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

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

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

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

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

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

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

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

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

	9/30/2020	9/30/2019
January	Yellow	Green
February	Green	Green
March	Green	Green
April	Green	Green
May	Green	Yellow
June	Green	Green
July	Green	Yellow
August	Green	Red Level 1
September	Green	Red Level 1

## 10.5 Other regulatory issues

### 10.5.1 Overcontracting

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

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

Due to the worsening economic recession and falling income levels and consequently the demand met by distribution agents, the Concession Authority issue Decree 8.828/16, changing the obligation to acquire the minimum mandatory amount for future auctions, when not necessary. In respect of the past, the matter continues to be discussed and analyzed with the agents.

Similarly, in relation to the migration of special clients from the captive market to the free market ANEEL changed



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

Energisa Group accordingly appealed to ANEEL to have this overcontracting recognized as involuntary, thereby countering the losses of the electricity distribution subsidiaries. At an Executive Board meeting held April 25, 2017, ANEEL determined that each distribution company's involuntary contracting be assessed individually, considering the maximum effort to achieve the contractual coverage level, as established in Normative Resolution 453/2011. Note that the administrative proceedings opened by the electricity companies have not been resolved by ANEEL and nor can ANEEL Order 2.508/2020 be considered conclusive, as its substance will be assessed by the Agency's Executive Board.

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

Because of the pandemic, in FY 2020 the DisCo subsidiaries EMT, ESE, EMG, EAC and EBO have been breaching the regulatory limit (100% and 105%). However, Government Decree 10.350 issued May 18, 2020 recognize the load reduction was involuntary due to the effects of the COVID-19 pandemic, which removes the risk of financial impact for the Group. In order to minimize the impacts of overcontracting, the Company and its subsidiaries have been making every effort to use the available mechanisms, such as participating in the Monthly Surplus and Deficit Offsetting Mechanism (MCSD) and Energia Nova, Surplus Sale Mechanism - MVE and the performing of bilateral agreements with generators. We estimate that the other subsidiaries EMS, EPB, ERO, ESS and ETO will close the year within the regulatory limit.

## 11. Consolidated sector financial assets and liabilities

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

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

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

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

Financial sector assets	Balances at 12/31/2019	Operating Revenue		Entry into the COVID account (12)	Financial Income/Loss Yield	Transfer	Balances at 9/30/2020	Amounts undergoing amortization	Amounts being recorded	Current	Noncurrent
		Addition	Amortization								
<b>Items of A Parcel (1)</b>											
Electricity purchased for resale	585,987	(56,407)	(397,407)	(173,650)	2,632	76,759	37,914	7,260	30,654	14,012	23,902
Transportation of electricity to national grid	113,649	130,381	(56,391)	(157,095)	1,594	24,427	56,565	3,905	52,660	19,734	36,831
Alternative Energy Sources Incentive Program - PROINFA	13,556	(34)	(11,361)	-	-	2,034	4,195	1,853	2,342	4,195	-
Transportation of electric power - Itaipu	12,875	11,404	(7,718)	(16,447)	145	3,135	3,394	651	2,743	881	2,513
Energy Development Account - CDE	115,991	42,661	(84,969)	(71,289)	1,420	39,349	43,163	38,838	4,325	40,691	2,472
System Service Charges - ESS	-	-	4,153	-	-	91,301	95,454	59,118	36,336	95,454	-
<b>Financial components</b>											
Neutrality of A Parcel (3)	5,854	73,679	(4,397)	(45,341)	544	(1,333)	29,006	13,233	15,773	16,838	12,168
Electricity overcontracting (4)	13,406	178,826	(4,189)	(178,893)	617	61,692	71,459	-	71,459	8,301	63,158
CUSD	569	3,568	(927)	-	5	(112)	3,103	1,279	1,824	1,897	1,206
Submarket exposure (6)	327,934	77,144	(195,486)	(237,964)	2,320	74,141	48,089	25,979	22,110	35,966	12,123
Designated RGRs (7)	695,569	-	-	-	22,763	-	718,332	-	718,332	-	718,332
Financial guarantees (8)	4,649	3,108	(2,951)	-	60	-	4,866	2,861	2,005	3,753	1,113
Recoverable Balance (9)	5,576	28,220	(7,645)	-	(3)	(1,134)	25,014	13,742	11,272	18,986	6,028
Rate postponement effects (10)	-	61,658	-	(72,260)	498	10,104	-	-	-	-	-
Other financial items (11)	193,355	-	(152,508)	(97,845)	-	97,848	40,850	40,174	676	40,332	518
<b>Total Assets</b>	<b>2,088,970</b>	<b>554,208</b>	<b>(921,796)</b>	<b>(1,050,784)</b>	<b>32,595</b>	<b>478,211</b>	<b>1,181,404</b>	<b>208,893</b>	<b>972,511</b>	<b>301,040</b>	<b>880,364</b>



Financial sector liabilities	Balances at 12/31/2019	Operating Revenue		Entry into the COVID account (12)	Financial Income/Loss Yield	Transfer	Balances at 9/30/2020	Amounts undergoing amortization	Amounts being recorded	Current	Noncurrent
		Addition	Amortization								
Items of A Parcel (1)											
Electricity purchased for resale	3,006	80,634	(28,680)	-	332	453,850	509,142	264,321	244,821	464,665	44,477
Transportation of electricity to national grid	1,511	2,233	(555)	-	(2)	24,427	27,614	25,376	2,238	27,448	166
Alternative Energy Sources Incentive Program - PROINFA	-	21,908	(3,181)	-	231	(9,682)	9,276	5,871	3,405	8,263	1,013
System Service Charges - ESS (2)	355,192	250,399	(238,223)	-	4,369	(274,074)	97,663	23,800	73,863	67,305	30,358
Energy Development Account - CDE	18,106	(18,312)	1,172	-	241	39,349	40,556	22,225	18,331	37,295	3,261
Transportation of electric power - Itaipu	-	-	53	-	-	3,135	3,188	2,828	360	3,188	-
Financial components											
Neutrality of parcel A (3)	72,882	20,663	(53,011)	-	850	(1,333)	40,051	28,656	11,395	40,051	-
Electricity overcontracting (4)	308,750	806	(230,747)	-	1,504	61,692	142,005	100,362	41,643	135,214	6,791
Rate Returns (5)	231,560	57,670	(22,350)	-	504	-	267,384	19,255	248,129	27,812	239,572
CUSD	2,067	529	(2,218)	-	62	(112)	328	328	-	328	-
Submarket exposure (6)	22	48	-	-	(3)	74,141	74,208	64,903	9,305	74,208	-
Recoverable Balance (9)	26,199	(273)	(16,643)	-	(586)	(1,134)	7,563	6,764	799	7,143	420
Rate postponement effects	-	-	-	-	-	10,104	10,104	-	10,104	10,104	-
Other financial items (11)	133	-	(133)	-	-	97,848	97,848	-	97,848	97,848	-
Advance of B Parcel	-	-	-	121,089	698	-	121,787	121,787	-	121,787	-
<b>Total Liabilities</b>	<b>1,019,428</b>	<b>416,305</b>	<b>(594,516)</b>	<b>121,089</b>	<b>8,200</b>	<b>478,211</b>	<b>1,448,717</b>	<b>686,476</b>	<b>762,241</b>	<b>1,122,659</b>	<b>326,058</b>
<b>Net balance</b>	<b>1,069,542</b>	<b>137,903</b>	<b>(327,280)</b>	<b>(1,171,873)</b>	<b>24,395</b>	<b>-</b>	<b>(267,313)</b>	<b>(477,583)</b>	<b>210,270</b>	<b>(821,619)</b>	<b>554,306</b>

- (1) **Recoverable uncontrollable rates of the A Portion - (CVA):** Interministerial Ordinance 25, issued January 24, 2002 by the Ministries of State Finance and Mines and Energy, established the Compensation Account for Parcel A Variation - CVA", as the account for recording negative or positive changes in costs occurring in the period between annual rate adjustments, relating to the items established in the electricity distribution concession agreements. These changes are determined as the difference between the expense effectively incurred and the expenses estimated when the rate is established in the annual rate adjustments. The amounts included in the CVA are restated monetarily based on the Selic base interest rate. Includes R\$ 51 consisting of the returned remaining balance of the ACR account, which will be returned in the next rate adjustment to the end consumer.
- (2) **System service charges - ESS:** denotes a charge intended to cover the system service costs, which includes auxiliary services provided by users of the National Interconnected Grid. Includes R\$ 148,681 recorded in the second quarter for the receipt of CCEE cash relief due to the Covid-19 pandemic.
- (3) **Neutrality of the "A" Parcel:** denotes the neutrality of sector charges in the rate, determining the monthly differences between the amounts invoiced and the amounts included in the rates.
- (4) **Pass-through of energy overcontracting (surplus energy):** by way of the regulated energy contracts, distribution companies should ensure the entire market demand is met. Purchases greater than or lower than this parameter will result in ANEEL applying the rate of review and adjustment processes to determine the cost of passing through the acquisition of the overcontracting amount, limited to 5% in relation to the annual regulatory supply charge of the distribution company and the energy cost regarding exposure to the spot market.
- (5) **Rate returns:** denotes revenue from surplus demand and surplus reactive energy revenue earned as from the 4<sup>th</sup> Cycle of the Periodical Rate Reviews (4CRTP), from November 2017, appropriated in sector financial liabilities and restated monthly by applying the variance of the SELIC and to be amortized as from commencement of the 5<sup>th</sup> periodical rate review cycle (5CRTP).
- (6) **Submarket exposure:** denotes the financial gain deriving from differences between the Difference Settlement Price (PLD) as a result of energy transfers between submarkets.

- (7) **Designated RGR** - in July 2016, the 165<sup>th</sup> Extraordinary General Meeting - AGE of Eletrobrás, resolved not to extend the public electricity distribution concessions held by the Company. In light of this, the Ministry of Mines and Energy - MME published Ordinance 388/2016, which defined the terms and conditions for providing the temporary public service and designated the Company as a temporary public distribution service provider, entitling it to RGR funds to operate, incurring interest at the rate of 111% of SELIC. By way of official notice 242 issued in June 2018, ANEEL determined that the new concession operator is entitled to receive RGR contribution funds via rates, subject to the regulatory agency's approval. The Company created a Regulatory Asset to the same amount of the payments received by November 2018. Signed on December 6, 2018, concession agreement 003/2018 states that RGR funds received will be paid monthly, in equal payments, between the month following the month of the first ordinary review and the completion of the concession agreement.
- The Company bid 21% for ERO and 31% for EAC, with a discount on the debit balance of the RGR loans of R\$ 169,205, with R\$ 101,038 and R\$ 52,454, respectively secured by 2018 as per the auction notice.
- (8) **Financial Guarantees:** pass-through of costs deriving from the settlement and custody of financial guarantees established in the contracts addressed in article 15 (generation distributed by public order), art. 27 (CCEAR of new and existing energy auctions) and art. 32 (adjustment auctions) of Decree 5.163/2004.
- (9) **Balance offsettable of the CVA of the previous cycle:** pursuant to article 3 (4) of Interministerial Ordinance MME/MF 25/2002, we found that the balance of the CVA being process included in the rate process was effectively offset, taking into account the changes occurring between the electricity market used to define this rate process and the market verified in the 12 months of the offsetting, in addition to the difference between the projected interest rate and the actual Selic base interest rate.
- (10) **Rate postponement effects:** because of the Covid-19 pandemic, the subsidiaries undergoing a rate review in the first half requested ANEEL defer the adjustment until July 01, 2020, in exchange for deferring payment of the monthly energy development account - CDE quotas in equal financial amounts.
- (11) **Other financial items:** this includes the other nonrecurring specific financial items of the DisCos, such as Reversal of the financial RTE2015, Eletronuclear Differential, DIC/FIC Offsetting Pass-through and deferral of the 2018 RTE of the subsidiary ERO, where the pass-through was approved for 2019 RTE, and is being amortized in 2020.
- (12) **Entering the Covid account:** on July 03, 2020 the electricity distribution subsidiaries submitted a request for funds from the COVID ACCOUNT of R\$ 1,359,388, of which R\$ 5,461 consists of deferrals and financing of the A Group's contracted demand, R\$ 121,089 for advancing the financial sector asset for Parcel B and R\$ 1,232,838 for the comprehensive coverage of sector financial assets and liabilities and other items mentioned.

R\$ 1,171,873 had been received by September 30, 2020, and the remaining estimated balance is R\$ 187,515, of which R\$ 40,961 was received in October 2020 and R\$ 146,554 is the estimated funds that will be received by January 2021.

See the amounts contracted by the subsidiaries:

Subsidiaries	Demand installments (group A)	Advance of parcel B	Financial sector assets	Total	Incoming funds - 7/31/2020 (1)	Incoming funds - 8/12/2020 (2)	Incoming funds - 9/14/2020 (3)	Estimated incoming funds - September/2020 to January/2021 (4)
Energisa Mato Grosso	-	-	377,985	377,985	206,454	31,347	41,691	98,493
Energisa Mato do Grosso do Sul	-	-	296,268	296,268	231,491	24,574	21,279	18,924
Energisa Tocantins	-	-	36,560	36,560	23,162	4,046	-	9,352
Energisa Sul Sudeste	-	-	97,396	97,396	97,396	-	-	-
Energisa Paraíba	-	-	86,992	86,992	61,996	11,637	8,348	5,011
Energisa Sergipe	-	-	46,995	46,995	46,995	-	-	-
Energisa Minas Gerais	-	-	49,949	49,949	49,315	634	-	-
Energisa Borborema	-	-	13,158	13,158	5,795	1,404	1,708	4,251
Energisa Nova Friburgo	-	-	6,963	6,963	6,738	225	-	-
Energisa Rondônia	3,964	71,410	205,425	280,799	201,402	8,011	19,902	51,484
Energisa Acre	1,497	49,679	15,147	66,323	66,323	-	-	-
<b>Total</b>	<b>5,461</b>	<b>121,089</b>	<b>1,232,838</b>	<b>1,359,388</b>	<b>997,067</b>	<b>81,878</b>	<b>92,928</b>	<b>187,515</b>

(1) ANEEL Order 2.177 issued July 24, 2020;

(2) ANEEL Order 2.353 issued August 11, 2020;

(3) ANEEL Order 2.640 issued September 11, 2020 and

(4) ANEEL Order 2.914 issued October 9, 2020; Aneel determined the COVID ACCOUNT funds and passed them through to the DisCo subsidiaries on October 13, 2020 in the following amounts:

Subsidiaries	Inflow of funds
Energisa Mato Grosso	11,994
Energisa Mato do Grosso do Sul	9,293
Energisa Paraíba	5,011
Energisa Borborema	1,279
Energisa Rondônia	13,384
<b>Total received</b>	<b>40,961</b>

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

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

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

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

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

## 12. Other accounts receivable

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Low-income Subsidy <sup>(1)</sup>	-	-	81,816	72,740
Service orders in progress - PEE and R&D	-	-	164,307	204,134
Service orders in progress - other	-	-	34,334	20,759
Deactivation orders in progress	-	-	3,607	6,336
Expenses to be reimbursed - ODR	-	-	880	1,377
Advances to suppliers and employees	768	866	76,536	78,767
CDE subsidy - rate discount <sup>(2)</sup>	-	-	140,031	136,688
Banco Daycoval <sup>(3)</sup>	-	-	176,791	176,791
Provision for losses Banco Daycoval <sup>(3)</sup>	-	-	(176,791)	(176,791)
Other credits receivable - CELPA <sup>(4)</sup>	-	-	83,861	90,106
(-) Net present value - CELPA <sup>(4)</sup>	-	-	(28,668)	(29,635)
Subrogation of CCC <sup>(5)</sup>	-	-	17,328	19,909
Low income standard	-	-	3,260	3,260
Advance for post-employment benefits	-	-	8,254	8,704
Credits receivable Banco Pine	-	-	-	1,663
Prepaid expenses	10,835	12,705	53,509	65,771
Accounts receivable from sale of generation companies <sup>(6)</sup>	113,500	113,500	113,500	113,500
Credits receivable from third parties <sup>(7)</sup>	-	-	60,080	53,603
Credits receivable from Eletrobrás - LPT <sup>(8)</sup>	-	-	18,365	18,365
Acquisition of fuel by CCC account <sup>(9)</sup>	-	-	33,910	99,069
Reinvestment deposit - tax incentives	-	-	3,962	8,539
Advances - Inergus <sup>(10)</sup>	-	-	79,232	68,914
CCC total generation cost - Law 12.111/2009 <sup>(11)</sup>	-	-	182,281	66,310
CCC Credits - ICMS receivable EAC <sup>(12)</sup>	-	-	55,817	55,817
EnergisaPrev - Fundação Energisa de Previdência <sup>(13)</sup>	-	-	19,059	-
Other <sup>(*)</sup>	29,883	26,102	56,977	81,458
Allowance for doubtful accounts	(51,480)	(51,480)	(66,838)	(64,618)
<b>Total</b>	<b>103,506</b>	<b>101,693</b>	<b>1,195,400</b>	<b>1,181,536</b>
Current	41,486	39,673	860,003	873,156
Non-current	62,020	62,020	335,397	308,380

(\*) Other - includes R\$ 808 (R\$ 674 as of December 31, 2019) at the parent company denoting related-party transactions for endorsement commission services provided and in the consolidated statement R\$ 39,319 (R\$ 41,605 as of December 31, 2019) consisting of the allowance for expected doubtful accounts.

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

See the changes occurring in the period/year:

Low-income subsidy	EMG	ENF	ESE	EPB	EBO	EMT	ETO	EMS	ESS	ERO	EAC	Total
<b>Consolidated balances on 12/31/2018</b>	<b>4,260</b>	<b>333</b>	<b>8,850</b>	<b>10,451</b>	<b>1,811</b>	<b>8,831</b>	<b>7,097</b>	<b>7,893</b>	<b>4,446</b>	<b>3,381</b>	<b>11,374</b>	<b>68,727</b>
Low-income subsidy	17,458	1,922	47,862	95,452	9,461	43,494	40,276	39,581	19,213	18,148	13,959	346,826
Reimbursement realized via CCEE	(17,236)	(1,915)	(48,256)	(89,768)	(9,532)	(44,018)	(40,399)	(39,865)	(19,327)	(18,329)	(14,168)	(342,813)
<b>Consolidated balances on 12/31/2019</b>	<b>4,482</b>	<b>340</b>	<b>8,456</b>	<b>16,135</b>	<b>1,740</b>	<b>8,307</b>	<b>6,974</b>	<b>7,609</b>	<b>4,332</b>	<b>3,200</b>	<b>11,165</b>	<b>72,740</b>
Low-income subsidy	23,314	2,673	58,703	116,087	12,546	66,034	52,293	58,006	25,404	25,461	19,780	460,301
Reimbursement realized via CCEE	(22,739)	(2,610)	(58,435)	(114,845)	(12,356)	(64,944)	(51,080)	(56,640)	(24,933)	(23,164)	(19,479)	(451,225)
<b>Consolidated balances on 9/30/2020</b>	<b>5,057</b>	<b>403</b>	<b>8,724</b>	<b>17,377</b>	<b>1,930</b>	<b>9,397</b>	<b>8,187</b>	<b>8,975</b>	<b>4,803</b>	<b>5,497</b>	<b>11,466</b>	<b>81,816</b>

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

See the changes occurring in the period/year:

CDE Subsidiary	EMG	ENF	ESE	EPB	EBO	EMT	ETO	EMS	ESS	ERO	EAC	EGO	Total
<b>Consolidated balances on 12/31/2018</b>	<b>10,198</b>	<b>374</b>	<b>1,653</b>	<b>26,176</b>	<b>(404)</b>	<b>54,442</b>	<b>12,864</b>	<b>27,099</b>	<b>20,359</b>	<b>21,508</b>	<b>3,852</b>	<b>-</b>	<b>178,121</b>
Rate discount due to Irrigation and Rural subsidy	55,735	4,048	44,525	89,625	8,397	283,960	73,552	164,698	112,470	77,481	15,932	-	930,423
Reimbursement realized via CCEE	(58,053)	(3,831)	(44,223)	(98,714)	(8,061)	(298,746)	(71,898)	(171,548)	(102,908)	(94,677)	(19,197)	-	(971,856)
<b>Consolidated balances on 12/31/2019</b>	<b>7,880</b>	<b>591</b>	<b>1,955</b>	<b>17,087</b>	<b>(68)</b>	<b>39,656</b>	<b>14,518</b>	<b>20,249</b>	<b>29,921</b>	<b>4,312</b>	<b>587</b>	<b>-</b>	<b>136,688</b>
Rate discount due to Irrigation and Rural subsidy	41,788	2,516	24,270	65,357	4,255	233,934	54,984	116,534	61,056	50,326	10,645	773	666,438
Reimbursement realized via CCEE	(37,975)	(2,793)	(32,517)	(69,886)	(5,686)	(214,846)	(55,553)	(123,613)	(74,735)	(35,419)	(9,655)	(417)	(663,095)
<b>Consolidated balances on 9/30/2020</b>	<b>11,693</b>	<b>314</b>	<b>(6,292)</b>	<b>12,558</b>	<b>(1,499)</b>	<b>58,744</b>	<b>13,949</b>	<b>13,170</b>	<b>16,242</b>	<b>19,219</b>	<b>1,577</b>	<b>356</b>	<b>140,031</b>

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

(4) **Other credits receivable from Celpa** - are amounts that Rede Energia and the indirect subsidiaries EMT, ETO, EMS and ESS have receivable against Centrais Elétricas do Pará S.A. - CELPA, resulting from related-party transactions, up to the date of sale to Equatorial Energia S/A on September 25, 2012. The intercompany credits will be partially assumed by Rede Power do Brasil S/A, to the extent this is worthwhile, which will be liable to the related parties for the portion of the credit assumed and will be offset. Around 69% of the total balance was assumed by Rede Power do Brasil S/A and the remainder began to be paid in semi-annual payments on September 30, 2019, ending in September 2034.

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

Project	Status	Amount invested	Amount subrogated	Received	Receivable	
					9/30/2020	12/31/2019
Sapezal / Comodoro Transmission System	in service	36,225	32,254	18,190	14,064	16,204
Rondolândia Transmission System	in service	10,203	4,613	4,574	39	39
Paranorte Transmission System	in service	6,697	4,915	1,690	3,225	3,666
<b>Total</b>		<b>53,125</b>	<b>41,782</b>	<b>24,454</b>	<b>17,328</b>	<b>19,909</b>
Current (Principal)					5,797	5,481
Noncurrent (Principal)					11,531	14,428

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

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

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

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

the period ended September 30, 2020 nine installments were received and the balance amounts to R\$ 33,910 (R\$ 99,069 as of December 31, 2019).

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

(11) **CCC total generation cost - Law 12.111/2009** - the reimbursement rights corresponding to the energy costs in Islanded Systems and Bilateral Contracts, which are paid for by the CDE-CCC Fund are recorded under current and noncurrent assets. They are recognized based on Law 12.111/2009, whose information is provided by the subsidiaries ERO and EAC at the Electricity Trading Chamber- CCEE, which manages the CDE Account. After being approved by the manager, these amounts are passed through to subsidiaries and used to settle amounts owed to the corresponding suppliers involved in the process. R\$ 660,422 was received in September 2020 by the subsidiaries ERO and EAC for January to September/2020.

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

(13) **EnergisaPrev** - Fundação Energisa de Previdência - Fundo Previdenciário Patronal - consists of the portion of employer contributions not received by participants opting to redeem the plan, in pension plans that have some form of restriction on this redemption of employer contributions. Its balance also includes funds from Plan migration processes. The Employer Fund is being used to offset the sponsor's contributions.



### 13. Related-party transactions

The Company is directly controlled by Gipar S/A (30.50% of the total capital), which in turn is controlled by Nova Gipar (86.23% of the total capital). The latter is controlled by Itacatu S/A (67.27% of the total capital) and by Multisetor S/A (32.73% of the total capital). Itacatu S/A is controlled by Multisetor S/A (72.15% of the total capital). Multisetor is controlled by Mr. Ivan Muller Botelho (78.83% of the voting stock).

The related-party balances are as follows:

Parent company	9/30/2020		12/31/2019	
	Assets	Liabilities	Assets	Liabilities
Clients, consumers and concession operators specialized services	23,560	-	40,640	-
Other receivables - other - Endorsement commission	808	-	674	-
Money market and secured funds - Debentures	1,841,352	-	1,811,399	-
<b>Loans (1):</b>				
. Companhia Técnica de Comercialização de Energia S/A (1)	2,075	-	1,068	-
. Companhia Técnica de Comercialização de Energia S/A (2)	35,267	-	30,906	-
. QMRA Participações S/A (option "C" credits - RJ) (3)	93	-	-	-
. Rede Energia Participações S/A (2) and (3)	76,804	-	66,876	-
. Energisa Acre - Distribuidora de Energia S/A (4)	138,675	-	99,654	-
. Energisa Rondônia - Distribuidora de Energia S/A (4)	419,351	-	321,836	-
. Energisa Goiás Transmissora de Energia I (1)	101,703	-	92,515	-
. Energisa Para Transmissora de Energia I (1)	2,049	-	1,708	-
. Energisa Para Transmissora de Energia II (1)	50,927	-	39,712	-
. Energisa Tocantins Transmissora de Energia (1)	16,353	-	14,093	-
. Energisa Participações Minoritárias (1)	-	-	12	-
. Energisa Comercializadora de Energia Ltda (1)	35,441	-	-	-
. Denerge Desenvolvimento Energético S/A (1)	266,861	-	-	-
<b>Total Noncurrent</b>	<b>1,145,599</b>	<b>-</b>	<b>668,380</b>	<b>-</b>
<b>Investments - Funds allocated to future capital increase (5):</b>				
. Energisa Geração Central Solar Coremas S/A	10	-	10	-
. Parque Eólico Sobradinho S/A	270	-	580	-
. Energisa Geração Usina Maurício S/A	1,080	-	3,915	-
. Energisa Geração Central Eólica Boa Esperança S/A	6	-	11	-
. Energisa Geração Central Eólica Mandacaru S/A	6	-	12	-
. Energisa Geração Central Eólica Alecrim S/A	6	-	11	-
. Energisa Geração Central Eólica Umbuzeiro Muquim S/A	6	-	12	-
. Energisa Transmissora de Energia S/A	1,550	-	50	-
. Energisa Geração Central Solar Rio do Peixe I S/A	410	-	963	-
. Energisa Geração Central Solar Rio do Peixe II S/A	150	-	17	-
. Denerge Desenvolvimento Energético S/A	-	-	132,937	-
. Energisa Serviços Aéreos de Aeroinspeção S/A	407	-	350	-
. Energisa Transmissão de Energia I	-	-	10	-
. Energisa Transmissão de Energia II	-	-	10	-
. Energisa Transmissão de Energia III	-	-	10	-
. Voltz Capital S.A.	488	-	-	-
	<b>4,389</b>	<b>-</b>	<b>138,898</b>	<b>-</b>
<b>Total</b>	<b>3,015,708</b>	<b>-</b>	<b>2,659,991</b>	<b>-</b>

(1) The loan contracts have a term of 24 months, except ERO and EAC, which have terms of 36 months, under the contracts, and can be extended for equal and successive periods. The loans with related parties are charged interest at the average borrowing rate, which in the period was an average of the CDI rate + 0.4251 p.a. (CDI + 0.6051 p.a. as of December 31, 2019), and includes the private assignment and acquisition of credit receivables and other covenants entered by Energisa on December 31, 2016 with the subsidiaries Rede Energia Participações and Rede Power.

(2) Acquisition of credits assigned under the judicial reorganization process of the indirect subsidiary.

(3) The credits receivable of Rede Energia Participações S/A, acquired from the creditors, will be paid initially by the company undergoing reorganization on the following conditions: (i) amount equal to 25% of the total credits assigned will be paid in a lump sum within up to 1 year of the date this assignment is paid, incurring interest of 12.5% p.a. as from the date the assignment is made; and (ii) remaining amount equal to 75% of the total credits assigned will be paid after 22 years in a lump sum with capitalized interest of 0.5% p.a. due as from the

date the assignment is paid. In 2014 the parties agreed to extend the maturity of the single installment maturing in July 2015 by 10 years, corresponding to 25% of the total debt amount. However, the term is maintained of 22 years for payment of the remaining amount equal to 75% of the total debt with capitalized interest of 0.5% per annum, due as from the date of payment. At the end of the year the parties renegotiated the debt by applying interest equal to the CDI rate + 2% per annum with semiannual amortization payable on June and December 26 each year.

- (4) For the companies ERO and EAC the loan agreements have a term of 36 months with settlement at the end of year three. The contracts yield interest at the rate of CDI + 2.5% p.a.
- (5) The funds intended for future capital increase are not remunerated and are recorded under investments. The balances made as of December 31, 2019 have been fully capitalized.

## Contract conditions:

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



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

Direct and indirect subsidiaries and their parent company	Administrative services provided (1)	Services contracted	Restatement of loans/commission endorsement and security yield (Financial revenue (expense)) (2 and 3)	Balance receivable (Receivables, consumers and concession operators)	Balance receivable (Endorsement commission and debentures (4))
. Energisa Minas Gerais - Distribuidora de Energia S/A	9,941	-	7,633	1,031	70,607
. Energisa Paraíba - Distribuidora de Energia S/A	25,372	-	12,371	4,292	200,357
. Energisa Sergipe - Distribuidora de Energia S/A	12,972	-	12,454	2,123	123,079
. Energisa Borborema - Distribuidora de Energia S/A	4,206	-	1,021	1,172	98
. Energisa Soluções S/A	2,058	106	-	757	-
. Energisa Nova Friburgo - Distribuidora de Energia S/A	1,012	-	1,009	148	54
. Energisa Mato Grosso - Distribuidora de Energia S/A	40,654	-	14,306	4,420	327,355
. Energisa Mato Grosso do Sul - Distribuidora de Energia S/A	24,475	-	4,221	3,594	155,186
. Energisa Tocantins - Distribuidora de Energia S/A	17,083	-	8,676	2,486	222,510
. Energisa Sul-Sudeste Distribuidora de Energia S.A	20,325	-	8,711	2,660	215,885
. Energisa Soluções Construções e Serv em Linhas e Rede S.A.	985	-	-	371	-
. Companhia Técnica de Comercialização de Energia	-	-	4,411	-	-
. Multi Energisa Serviços S/A	1,563	-	-	173	-
. Energisa Planejamento e Corretagem de Seguros Ltda.	5	-	-	5	-
. Energisa Serviços Aéreos e Aero Inspeção S/A	4	-	-	-	-
. Energisa Comercializadora de Energia Ltda.	705	-	667	175	-
. Energisa Geração Usina Mauricio S/A	1	-	-	1	-
. Gipar S/A (2)	-	-	(9,064)	-	-
. Rede Energia Participações S/A	-	-	3,646	-	-
. Energisa Rondônia - Distribuidora de Energia S/A	19,552	-	33,082	1,815	342,569
. Energisa Acre - Distribuidora de Energia S/A	6,925	-	13,588	1,106	184,460
. Energisa Para Transmissora de Energia I S/A	-	-	76	-	-
. Energisa Goiás Transmissora de Energia I S/A	-	-	3,797	-	-
. Energisa Para Transmissora de Energia II S/A	-	-	1,887	-	-
. Energisa Tocantins Transmissora de Energia S/A	-	-	610	-	-
. QMRA Participações S/A	-	-	3	-	-
. Dinâmica Direitos Creditórios S/A	-	-	-	2	-
. Denerge	-	-	4,878	-	-
<b>9/30/2020</b>	<b>187,838</b>	<b>106</b>	<b>127,983</b>	<b>26,331</b>	<b>1,842,160</b>
<b>12/31/2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,411</b>	<b>1,812,073</b>
<b>9/30/2019</b>	<b>177,952</b>	<b>81</b>	<b>121,952</b>	<b>-</b>	<b>-</b>

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

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

The endorsement commission referring to the contract with Gipar S/A yields interest of 1% p.a. and includes prepayments. In August 2020, the amount of R\$ 8,590 was paid and classified as a prepayment recorded under "prepaid expenses" and recognized in profit and loss at the rate of 1/12 per month. R\$ 9,064 was recorded in the period ended September 30, 2020 (R\$ 12,307 as of December 31, 2019) recorded in other financial expenses - endorsement commission in profit and loss for the period. The unappropriated balance as of September 30, 2020 is R\$ 7,875, which will be recognized by August 2021;

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

(4) In 2017 the Company acquired all of the incentivized series 1 and 2 debentures issued by the subsidiaries EMG, ESE, EPB, EMT, ESS, ETO and EMS, maturing on 6/15/2022 and yielding the IPCA price index plus 5.60% per annum for Series 1 and maturing on 6/15/2024 and yielding the IPCA price index plus 5.6601% per annum for Series 2. As of September 30, 2020 the restated value is R\$ 1,841,352 (R\$ 1,811,399 as of December 31, 2019) for its direct subsidiaries EMG, ESE and EPB and for its indirect subsidiaries ESS, EMT, ETO and EMS, as follows: (i) EMG R\$ 70,395; EPB - R\$ 200,254; ESE - R\$ 122,739; EMT - R\$ 327,355; ETO - R\$ 222,510; ESS - R\$ 215,885; EMS R\$ 155,186, EAC R\$ 184,460 and ERO R\$ 342,570 (EMG R\$ 68,903; EPB - R\$ 195,572; ESE - R\$ 119,871; EMT - R\$ 322,582; ETO - R\$ 218,464; ESS - R\$ 212,185; EMS R\$ 150,965; EAC R\$ 183,000 and ERO R\$ 339,857 as of December 31, 2019);

Cost of procuring endorsement and guarantee commission of the parent company for loans and financing agreements of the subsidiaries, at the rate of 1.5% p.a. The balance payable as of September 30, 2020 amounts to R\$ 808 (R\$ 674 as of December 31, 2019).



## D&O compensation

	Parent company		Consolidated	
	9/30/2020	9/30/2019	9/30/2020	9/30/2019
Annual compensation <sup>(a)</sup>	8,911	9,380	80,193	82,578
Compensation of the board of directors members	616	580	3,507	3,417
Executive Board compensation	944	1,103	14,455	15,196
Other Benefits <sup>(b)</sup>	1,174	1,386	11,178	11,042

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

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

The highest and lowest compensation attributed to directors and officers for September 2020 was R\$ 101 and R\$ 2 for the parent company and R\$ 199 and R\$ 2 in the consolidated statement (R\$ 101 and R\$ 1 for the parent company and R\$ 199 and R\$ 2 in the consolidated statement as of September 30, 2019) respectively. The average compensation in the period ended September 30, 2020 was R\$ 13 at the parent company and R\$ 44 in the consolidated statement (R\$ 13 at the parent company and R\$ 46 in the consolidated statement as of September 30, 2019).

## Variable Compensation Program (ILP)

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

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

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

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

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

The fair value was determined using the following assumptions:

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

- (a) For program 1 interest rate = 8.2% (projected DI for a maturity term equal to the end of the grace period of the Program - DI1J2021). For program 2 Interest rate = 7.7% (projected DI for a maturity term equal to the end of the grace period of the Program - DI1J2022).
- (b) Volatility and correlation between the share prices (of Energisa S/A and competitors included in the IEE ("Electricity Index and its peers")) for the Total Shareholder Return (TSR)) were calculated based on historic values one year prior to the program's grant date.

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

In the period ended September 30, 2020, R\$ 3,056 (R\$ 2,389 as of September 30, 2019) was recognized under the Share Option Grant Plan in the income statement for the period under operating costs and expenses, with R\$ 729 (R\$ 809 as of September 30, 2019) and R\$ 2,327 (R\$ 1,580 as of September 30, 2019) for the parent company and subsidiaries respectively. The amount recognized as a capital reserve in equity as of September 30, 2020 was R\$ 8,018 (R\$ 4,962 as of December 31, 2019).

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

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

The Company and its subsidiaries have tax losses and a negative basis of social contribution not recognized in the interim financial information of R\$ 240,789 (R\$ 201,720 as of December 31, 2019) at the parent company and R\$ 3,293,113 (R\$ 3,199,359 as of December 31, 2019) consolidated.

	Consolidated	
	9/30/2020	12/31/2019
<b>Assets</b>		
Tax loss carryforwards	210,548	210,404
Negative basis of social contribution	77,935	77,870
Temporary differences	1,217,531	1,161,077
<b>Total noncurrent assets</b>	<b>1,506,014</b>	<b>1,449,351</b>

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
<b>Liabilities</b>				
Temporary Differences:				
Income Tax	233,348	234,290	3,402,227	3,281,696
Social Contributions	84,005	84,345	1,224,802	1,181,411
<b>Total - noncurrent liabilities</b>	<b>317,353</b>	<b>318,635</b>	<b>4,627,029</b>	<b>4,463,107</b>
<b>Total net noncurrent assets and liabilities</b>	<b>(317,353)</b>	<b>(318,635)</b>	<b>(3,121,015)</b>	<b>(3,013,756)</b>

Temporary differences are as follows:

	Parent company			
	9/30/2020		12/31/2019	
	Calculation basis	IRPJ + CSLL	Calculation basis (*)	IRPJ + CSLL
<b>Assets/Liabilities</b>				
Gain made on business combination	(818,693)	(278,356)	(818,693)	(278,356)
Gain/Loss on investments	(124,352)	(42,280)	(124,352)	(42,280)
Other exclusions/additions	9,654	3,283	5,885	2,001
<b>Total - Noncurrent Liabilities</b>	<b>(933,391)</b>	<b>(317,353)</b>	<b>(937,160)</b>	<b>(318,635)</b>

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

	Consolidated			
	9/30/2020		12/31/2019	
	Calculation Base	IRPJ + CSSL	Calculation Base (*)	IRPJ + CSSL
<b>Assets/Liabilities</b>				
Tax loss carryforward	842,190	210,548	841,614	210,404
Negative basis of social contribution	865,945	77,935	865,225	77,870
Allowance for expected doubtful accounts - (PPECLD and Daycoval)	780,521	265,377	658,950	224,043
Provisions for labor, civil, tax and regulatory risks	879,444	299,011	876,353	297,960
Tax credits - goodwill (1)	221,928	75,456	240,615	81,809
Provision for actuarial adjustment	840,591	285,801	807,132	274,425
Other provisions (PEE; R&D; Fees and Other)	573,897	195,125	534,695	181,796
Mark-to-market of debt securities	210,194	71,466	220,287	74,898
Other temporary additions	74,395	25,295	76,886	26,146
Intangible assets - appreciation (2)	(7,369,753)	(2,505,716)	(7,585,952)	(2,579,224)
Gain/loss made on business combination (*)	(1,007,100)	(342,414)	(1,007,100)	(342,414)
Portion of VNR - concession financial asset and restatement (3)	(1,162,111)	(395,118)	(1,115,840)	(379,386)
Net present value (4)	(2,339,424)	(795,404)	(2,367,238)	(804,861)
Mark-to-market - derivatives	(1,382,321)	(469,989)	(726,704)	(247,080)
Revaluation reserve charges	(94,022)	(31,967)	(110,657)	(37,623)
Compensation of contract asset	(131,296)	(44,640)	(88,941)	(30,239)
Gain/Loss on investments	(124,352)	(42,280)	(124,352)	(42,280)
Basic transmission revenue	1,468	499	-	-
<b>Total</b>	<b>(8,319,806)</b>	<b>(3,121,015)</b>	<b>(8,005,027)</b>	<b>(3,013,756)</b>
Total Noncurrent Assets	5,289,105	1,506,014	5,121,757	1,449,351
Total - Noncurrent Liabilities	(13,608,911)	(4,627,029)	(13,126,784)	(4,463,107)

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

(1) The tax credits - goodwill of R\$ 75,456 (R\$ 81,809 as of December 31, 2019) are being realized over the remaining term of the subsidiaries' concession term: EBO (12 years) and EPB (13 years) by the straight-line method.

(2) Intangible assets appreciation - includes R\$ 1,779,177 (R\$ 1,876,717 as of December 31, 2019) of deferred income and social contribution taxes on the goodwill attributed to the concession value calculated in the business combination of ERO and EAC, less realized amortization in the period of R\$ 97,540 (R\$ 65,027 at December 31, 2019).

(3) Portion of VNR - concession financial asset and restatement - this denotes income and social contribution taxes payable on the portion of the concession financial asset - VNR of the subsidiaries EMG, ENF and ESS, which as a result of having signed the new amendments to the concession agreement extending the concession term to 2045, transferred the balance of the concession financial asset determined up to the signature of these amendments to intangible assets to be amortized over the remaining useful life of the assets in accordance with the new concession term, which will result in the realization of the deferred credits to be realized under the amortization.

(4) Net present value - basically denotes the value recorded by the subsidiaries Rede Energia Participações and CTCE, for the credits of the creditors who chose options A and B in the Judicial Reorganization Plan.

The deferred tax credits were realized as follows:

Years	Consolidated
2020	25,352
2021	120,431
2022	114,583
2023	112,440
2024	105,618
2025 to 2026	235,538
2027 to 2029	792,052
<b>Total</b>	<b>1,506,014</b>



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

	Parent company			
	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
Income before tax on net income	861,169	1,328,140	35,427	114,006
Combined tax bracket	34%	34%	34%	34%
Income and social contribution taxes calculated at the total tax bracket	(292,797)	(451,568)	(12,045)	(38,762)
Adjustments:				
Permanent items:				
Share of profit (loss) of equity-accounted investees	231,642	355,899	79,529	248,983
Mark-to-market - subscription bonus (*)	71,211	118,556	(50,895)	(156,962)
Tax credits not recorded in the period	(10,245)	(21,605)	(17,548)	(50,228)
Current and deferred income and social contribution taxes	(189)	1,282	(959)	3,031

	Consolidated			
	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
Income before tax on net income	1,091,847	1,748,737	152,968	528,901
Combined tax bracket	34%	34%	34%	34%
Income and social contribution taxes calculated at the total tax bracket	(371,228)	(594,571)	(52,009)	(179,826)
Adjustments:				
Non-deductible expenses (donations, free gifts, fines etc.)	(1,798)	(3,483)	(1,361)	(2,189)
Credits on tax incentives - SUDAM and SUDENE (1)	97,427	159,848	65,794	185,221
Tax credits not recorded in the period	(15,190)	(85,554)	(74,690)	(220,249)
Mark-to-market - subscription bonus (*)	71,211	118,556	(50,895)	(156,962)
Effect of tax regime - presumed profit	11,385	34,374	-	-
Tax benefits - Lei do Bem	19,202	19,202	15,263	15,263
Other permanent exclusions (2)	18,838	18,317	(1,158)	3,667
Income and social contribution taxes on profit	(170,153)	(333,311)	(99,056)	(355,075)
Effective rate	15.58%	19.06%	64.76%	67.13%

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

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

The decreases to the income tax and surcharges obtained by the subsidiaries amount to R\$ 159,848 (R\$ 185,221 as of September 30, 2019). These amounts were recorded directly in the income statement for the period under "current income and social contribution taxes", and will be allocated to the tax incentive reserve at the subsidiaries.

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

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

The publication of Law 13.799/2019 extended the term for approving and obtaining the incentive containing a 75% decrease in IRPJ and surcharges until 12/31/2023. The subsidiaries' projects are therefore expected to have the benefits guaranteed by SUDAM and SUDENE until 2028, after the issuance of Constitutive Reports, increasing the incentive term for a further 7 years.

(2) Essentially consists of other tax incentives used by the Company, such as the PAT (Workers' Meal Program), Arrears Charges, Cultural Donations/Sponsorship, Law 8.313/91 and Sporting Projects, Law 11.438/2006.

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

### 15.1 Concession financial asset (electricity distribution)

The electricity distribution contracts of subsidiaries come within the criteria for applying Technical Interpretation ICPC 01 (IFRIC 12), addressing concession arrangements, and refer to the infrastructure investments to be

compensated by the Concession Authority, during the period and at the end of the concessions, classified as financial assets and measured at fair value through profit or loss as established in the regulatory framework governing the segment and the concession agreement signed by the subsidiaries and Aneel.

The compensation on the concession financial asset was therefore recorded under operating revenue as a compensable financial asset of the concession amounting to R\$ 62,840 (R\$ 143,577 as of September 31, 2019).

See the changes occurring in the period/year:

	Balances at 12/31/2019	Additions (1)	Write- offs	Operating revenue - concession financial asset (2)	Balances at 9/30/2020
Energisa Minas Gerais (EMG)	31,232	1,497	(5)	351	33,075
Energisa Paraíba (EPB)	640,976	42,713	(372)	7,237	690,554
Energisa Sergipe (ESE)	466,695	32,366	(641)	7,614	506,034
Energisa Nova Friburgo (ENF)	3,927	309	-	44	4,280
Energisa Borborema (EBO)	74,014	6,019	(144)	794	80,683
Energisa Mato Grosso (EMT)	2,689,436	239,443	(9,459)	29,753	2,949,173
Energisa Tocantins (ETO)	28,297	6,383	(17)	4,127	38,790
Energisa Mato Grosso do Sul (EMS)	1,095,447	72,174	(1,876)	11,977	1,177,722
Energisa Sul Sudeste (ESS)	62,080	13,296	-	677	76,053
Energisa Rondônia - Distribuidora de Energia S/A (ERO)	29,027	3,070	(1,902)	77	30,272
Energisa Acre - Distribuidora de Energia S/A (EAC)	9,829	325	-	189	10,343
<b>Noncurrent Balance</b>	<b>5,130,960</b>	<b>417,595</b>	<b>(14,416)</b>	<b>62,840</b>	<b>5,596,979</b>

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

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

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

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

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

(3) The concession agreement in force of the subsidiary ETO as of December 31, 2019 expired on January 30, 2020. However, this agreement was renewed by way of the Sixth Amendment to the Concession Agreement, signed on December 06, 2019, awarding the Company a 30-year term extension to distribute electricity, until the new expiry date of December 31, 2049.

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

## 15.2 Public service concession - contract asset - (Electricity transmission)

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

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

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

Pursuant to CPC47/IFRS 15, the subsidiaries also assess a contract asset for impairment in accordance with CPC 48/IFRS 9, where for the period ended September 30, 2020 we did not identify the need to make a provision for contract asset impairment.

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

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

Description	EPA I	EGO I	EPA II	ETT	Consolidated
<b>Transmission Lines</b>	230 kV Xinguara II - Santana do Araguaia C1 TL and C2, CD and SE 230/138 kV Santana do Araguaia	230 kV Rio Verde Norte - Jataí TL, CD and expansion of SE Rio Verde Norte	230 kV Xinguara II - Santana do Araguaia C1 TL and C2, CD and SE 230/138 kV Santana do Araguaia	230 kV Dianópolis II - Barreiras II C1 TL, Gurupi C1, Palmas C1, SE 230/138-13.8Kv and SE 500/230kV Gurupi (new sector 230 kV).	-
<b>Regulatory WACC</b>	0.85%	0.85%	0.71%	0.71%	-
Balance as of December 31, 2018	136,547	154,536	3,775	-	294,858
Additions (i)	157,816	130,209	76,371	17,459	381,855
Compensation of contract asset (ii)	99,342	106,674	13,618	8,399	228,033
Monetary restatement	24,413	25,247	2,256	412	52,328
<b>Balances at December 31, 2019</b>	<b>418,118</b>	<b>416,666</b>	<b>96,020</b>	<b>26,270</b>	<b>957,074</b>
Additions (i)	34,833	26,598	77,767	11,242	150,440
Compensation of contract asset (ii)	23,027	1,136	14,162	4,205	42,530
Monetary restatement	24,315	24,958	5,215	1,374	55,862
Realization of contract asset	-	(9,543)	-	-	(9,543)
<b>Balances at June 30, 2020</b>	<b>500,293</b>	<b>459,815</b>	<b>193,164</b>	<b>43,091</b>	<b>1,196,363</b>
Additions (i)	23,044	8,493	34,335	7,813	73,685
Compensation of contract asset (ii)	19,065	(8,753)	7,164	3,021	20,497
Monetary restatement	13,341	11,694	4,393	1,033	30,461
Realization of contract asset	-	(9,513)	-	-	(9,513)
<b>Balances at September 30, 2020</b>	<b>555,743</b>	<b>461,736</b>	<b>239,056</b>	<b>54,958</b>	<b>1,311,493</b>
Current	-	35,661	-	-	35,661
Non-current	555,743	426,075	239,056	54,958	1,275,832

(i) The additions, net of PIS and COFINS, are related to the investment in the public electricity transmission service infrastructure, which we recovered via the cash flow to be received directly from users delegated by the concession authority, with the amount invested in the period amounting to R\$ 214,876 (R\$ 366,939 as of December 31, 2019).

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

## 16. Investments

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Interest in subsidiaries	8,650,001	8,061,348	-	-
Other	65,041	73,610	76,547	86,730
<b>Total</b>	<b>8,715,042</b>	<b>8,134,958</b>	<b>76,547</b>	<b>86,730</b>

### Interest in subsidiaries:

9/30/2020									
Information about subsidiaries								Information about the parent company's investment	
Subsidiaries	%	No. shares/quotas held/thousand	Share capital	Assets	Liabilities	Equity	Net income in the period	Equity in net income of subsidiaries and associated companies	Investment
<b>Electricity Distribution</b>								<b>247,098</b>	<b>3,030,516</b>
Energisa Minas Gerais (EMG)	100	819	228,428	1,082,834	806,878	275,956	35,312	35,312	275,956
Energisa Sergipe (ESE)	100	196	417,604	2,318,184	1,896,7415	421,469	117,793	117,793	421,469
Energisa Paraíba (EPB)	100	918	576,055	3,021,626	1,995,913	1,025,713	258,898	258,898	1,025,713
Energisa Borborema (EBO)	100	293	82,532	403,105	252,049	151,056	23,819	23,819	151,056
Energisa Nova Friburgo (ENF)	100	30	63,343	230,078	138,469	91,609	8,388	8,388	91,609
Energisa Acre (EAC)	95.09	230,096,300	863,943	3,639,391	2,591,278	1,048,113	9,311	8,854	996,652
Energisa Rondônia (ERO)	95.52	4,004,678	3,440,348	7,773,188	7,701,938	71,250	(215,615)	(205,966)	68,061
<b>Electricity Generation</b>								<b>(60)</b>	<b>54,625</b>
Parque Eólico Sobradinho	100	9,871	9,871	4,894	127	4,767	(101)	(101)	4,767
Energisa Geração Usina Maurício	100	5,704	5,704	6,349	107	6,242	393	393	6,242
Energisa Geração Solar Coremas	100	1,024	1,024	319	-	319	(7)	(7)	319
Energisa Geração Eólica Boa Esperança	100	79	70	1	-	1	(6)	(6)	1
Energisa Geração Eólica Mandacaru	100	80	71	1	-	1	(6)	(6)	1
Energisa Geração Eólica Alecrim	100	80	71	1	-	1	(6)	(6)	1
Energisa Geração Eólica Umbuzeiro - Muquim	100	80	71	1	-	1	(6)	(6)	1
Energisa Geração Central Solar Rio do Peixe I S/A	100	1,136	1,136	1,325	10	1,315	(187)	(187)	1,315
Energisa Geração Central Solar Rio do Peixe II S/A	100	190	190	163	2	161	(138)	(138)	161
Alsol Energias Renováveis S/A	89.21	16	50,634	196.67	149,795	46,882	5	4	41,817
<b>Electricity Transmission</b>								<b>(6)</b>	<b>24</b>
Energisa Transmissora de Energia I S/A	100	1	11	8	-	8	(2)	(2)	8
Energisa Transmissora de Energia II S/A	100	1	11	8	-	8	(2)	(2)	8
Energisa Transmissora de Energia III S/A	100	1	11	8	-	8	(2)	(2)	8
<b>Electricity Trading</b>								<b>6,225</b>	<b>38,531</b>
Energisa Comercializadora	100	5,119	5,119	506,257	467,726	38,531	6,225	6,225	38,531
<b>Rendering of Services</b>								<b>1,941</b>	<b>134,995</b>
Energisa Soluções	100	127,819	127,819	218,951	87,750	131,201	1,803	1,803	131,201
Energisa Serviços Aéreos de Aeroinspeção	100	6,663	6,663	1,360	972	388	(779)	(779)	388
Energisa Planejamento	58.26	1,686	4,109	6,705	860	5,845	1,572	917	3,406
<b>Holding companies and other companies</b>								<b>791,564</b>	<b>5,227,423</b>
Dinâmica Credit Receivables	100.00	1,955	1,877	1,862	1	1,861	(16)	(16)	1,861
Denerge S/A	99.97	776	2,063,475	2,715,587	686,968	2,028,619	385,612	383,277	2,028,127
Energisa Transmissora de Energia S/A	100	32,707	32,706	1,494,626	1,031,768	462,858	116,658	116,658	462,858
Energisa Participações Minoritárias S/A	85.31	427,958	5,009,167	3,206,945	1,509	3,205,436	342,555	292,248	2,734,691
Volt Capital S.A.	99.90	1	1	128	242	(114)	(603)	(603)	(114)
<b>Goodwill paid in the acquisition of subsidiaries</b>								<b>(11,339)</b>	<b>163,887</b>
<b>Total</b>								<b>1,035,423</b>	<b>8,650,001</b>

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

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

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

## Change in the investments made in the period:

Subsidiaries	Balance as of 12/31/2019	Acquisition/Advance for future capital increase	Gain/Loss on share acquisition (1)	Dividends	Other Comprehensive Income	Share of profit (loss) of equity-accounted investees	Balance as of 9/30/2020
<b>Electricity Distribution</b>	<b>3,027,209</b>	<b>-</b>	<b>1,001</b>	<b>(244,792)</b>	<b>-</b>	<b>247,098</b>	<b>3,030,516</b>
Energisa Minas Gerais (EMG)	256,367	-	162	(15,885)	-	35,312	275,956
Energisa Sergipe (ESE)	355,372	-	135	(51,831)	-	117,793	421,469
Energisa Paraíba (EPB)	930,563	-	344	(164,092)	-	258,898	1,025,713
Energisa Borborema (EBO)	135,612	-	73	(8,448)	-	23,819	151,056
Energisa Nova Friburgo (ENF)	87,715	-	42	(4,536)	-	8,388	91,609
Energisa Acre (EAC)	987,672	-	126	-	-	8,854	996,652
Energisa Rondônia (ERO)	273,908	-	119	-	-	(205,966)	68,061
<b>Electricity Generation</b>	<b>52,719</b>	<b>1,945</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>(60)</b>	<b>54,625</b>
Parque Eólico Sobradinho	4,598	270	-	-	-	(101)	4,767
Energisa Geração Usina Maurício	4,769	1,080	-	-	-	393	6,242
Energisa Geração Solar Coremas	316	10	-	-	-	(7)	319
Energisa Geração Eólica Boa Esperança	1	6	-	-	-	(6)	1
Energisa Geração Eólica Mandacaru	1	6	-	-	-	(6)	1
Energisa Geração Eólica Alecrim	1	6	-	-	-	(6)	1
Energisa Geração Eólica Umbuzeiro - Muquim	1	6	-	-	-	(6)	1
Energisa Geração Central Solar Rio do Peixe I S/A	1,091	411	-	-	-	(187)	1,315
Energisa Geração Central Solar Rio do Peixe II S/A	149	150	-	-	-	(138)	161
Alsol Energias Renováveis	41,792	-	21	-	-	4	41,817
<b>Transmissora de Energia Elétrica</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>24</b>
Energisa Transmissora de Energia I S/A	10	-	-	-	-	(2)	8
Energisa Transmissora de Energia II S/A	10	-	-	-	-	(2)	8
Energisa Transmissora de Energia III S/A	10	-	-	-	-	(2)	8
<b>Electricity Trading</b>	<b>32,272</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>-</b>	<b>6,225</b>	<b>38,531</b>
Energisa Comercializadora	32,272	-	34	-	-	6,225	38,531
<b>Rendering of Services</b>	<b>133,234</b>	<b>407</b>	<b>136</b>	<b>(713)</b>	<b>(10)</b>	<b>1,941</b>	<b>134,995</b>
Energisa Soluções	129,262	-	136	-	-	1,803	131,201
Energisa Serviços Aéreos de Aeroinspeção	760	407	-	-	-	(779)	388
Energisa Planejamento	3,212	-	-	(713)	(10)	917	3,406
<b>Holding companies and other companies</b>	<b>4,660,371</b>	<b>2,065</b>	<b>(27,372)</b>	<b>(199,205)</b>	<b>-</b>	<b>791,564</b>	<b>5,227,423</b>
Dinâmica Credit Receivables	1,955	-	-	(78)	-	(16)	1,861
Denerge S/A	1,782,341	27	(705)	(136,813)	-	383,277	2,028,127
Energisa Transmissora de Energia S/A	344,592	1,550	58	-	-	116,658	462,858
Energisa Participações Minoritárias S/A	2,531,482	-	(26,725)	(62,314)	-	292,248	2,734,691
Volt Capital S.A	1	488	-	-	-	(603)	(114)
<b>Goodwill paid in the acquisition of subsidiaries</b>	<b>155,513</b>	<b>19,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,339)</b>	<b>163,887</b>
<b>Total</b>	<b>8,061,348</b>	<b>24,130</b>	<b>(26,180)</b>	<b>(444,710)</b>	<b>-</b>	<b>1,035,423</b>	<b>8,650,001</b>

- (1) Transactions amongst partners - determined in the investment in the subsidiaries Denerge, Energisa Participações Minoritárias and Energisa Transmissora de Energia, resulting from (losses) of R\$ 28,508, this denotes: (i) R\$ 27,146 from Energisa NCI, around R\$ 26,374 consists of dividends paid out on preferred shares, R\$ 772 on losses due to the capital reduction resulting from the capital increase at the indirect subsidiary EMT; (ii) R\$ 7 of losses from the subsidiary Energisa Transmissora de Energia S/A due to changing the percentage of the subsidiary Energisa Tocantins Transmissora and; (iii) R\$ 1,369, determined by Denerge, consisting of equity income from the parent company Rede Energia and EMT's capital increase. We also determined an equity income gain of R\$ 2,328 for implementing the variable compensation program by awarding shares, called the Long-term Incentive (ILP) of the Group's companies.



## Change in the investments made in the year:

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

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

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

(2) Denotes: (i) the gain made on the capital contribution of ERO of R\$ 27,244, EAC of R\$ 47,839 and Alsol of R\$ 194, (ii) transactions between the partners of Energisa Transmissora de Energia recorded directly in equity - Impact of adopting CPC 47/IFRS15, net of taxes (resulting effect) of R\$ 4,095, (iii) resulting tax incentive reserve of EPB of R\$ 3,051, (iv) transactions between partners of Denerge and Energisa, resulting interests of R\$ 3,075 (gain), R\$ 64,745 (gain) and (v) R\$ 2,407 for the implementation of the variable compensation program consisting of stock options, denominated Long Term Incentive (ILP) of the Group's companies.

(3) Includes a portion resulting from the percentage interest in the subsidiary EEVP, consisting of the derivative financial instrument of R\$ 6,362, determined in the period January 01 to March 8, 2019 (see note 35), charged to equity.

(4) In November 2019, EPM received a primary contribution of R\$ 260,000 under the subscription of preferred shares by a noncontrolling shareholder. Following the contribution, the interest changed to 85.31% (87.70% in 2018) in EPM's share capital. As a result of the operation the Company directly owned 95.21% (92.7% in 2018) of the total share capital of Rede Energia and 88.9% (88.4% in 2018) of the share capital of EMT. The percentage decrease resulted in the loss of the interest of R\$ 65,747 recorded against transactions between partners, in equity.

From December 2018 the Company maintained a call option over all of the noncontrolling shareholders' preferred shares. If exercised by the Company, the purchase price is the value of the noncontrolling shareholder's contribution plus the variance (101% of the DI rate) less

dividends distributed to minority shareholders. The noncontrolling shareholder does not have the put option, where the noncontrolling investment's equity risk is controlled by the Company as it can decide whether or not to exercise its call option.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

• Other investment information:

Appreciation of intangible assets and goodwill

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

	EMT	ETO	EMS	ERO	EAC	Total	
						9/30/2020	12/31/2019
Amortization in the period/year	(47,900)	(5,303)	(53,556)	(96,298)	(47,143)	(250,200)	(390,165)
IR and CSSL	16,286	1,803	18,209	32,741	16,029	85,068	132,657
Amortization net of taxes	<b>(31,614)</b>	<b>(3,500)</b>	<b>(35,347)</b>	<b>(63,557)</b>	<b>(31,114)</b>	<b>(165,132)</b>	<b>(257,508)</b>

Indirect interests:

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

9/30/2020					
Indirect subsidiaries	% indirect	Assets	Liabilities	Equity	Net income in the period
<b>Electricity Distribution</b>					
Energisa Tocantins	72.99	3,254,520	2,357,856	896,664	123,737
Energisa Mato Grosso	74.33	9,575,653	6,619,979	2,955,674	378,166
Energisa Mato Grosso do Sul	95.14	4,231,365	2,914,660	1,316,705	210,409
Energisa Sul-Sudeste - Distribuidora de Energia S/A	94.49	2,295,071	1,708,056	587,015	83,293
Multi Energisa Serviços S/A	95.21	25,033	11,828	13,205	4,931
QMRA Participações S.A.	95.20	2,707	348	2,359	9
Rede Power do Brasil S.A.	95.20	497,373	52,160	445,213	75,605
Companhia Técnica de Comercialização de Energia	95.21	5,338	205,611	(200,273)	(16,362)

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

## 17. Property, plant and equipment

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

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

	Parent company					
	Average depreciation rate (%)	Balances at 12/31/2019	Addition	Transfers	Depreciation	Balances at 9/30/2020
<b>Property, plant and equipment in service</b>						
<b>Cost:</b>						
Land	-	606	-	-	-	606
Buildings and improvements	3.39%	28,065	-	-	-	28,065
Plant and equipment	14.09%	25,072	-	885	-	25,957
Vehicles	14.29%	16,990	-	574	-	17,564
Furniture and fixtures	7.05%	16,161	-	217	-	16,378
<b>Total property, plant and equipment in service</b>		<b>86,894</b>	<b>-</b>	<b>1,676</b>	<b>-</b>	<b>88,570</b>
<b>Accumulated depreciation:</b>						
Buildings and improvements		(3,807)	-	-	(709)	(4,516)
Plant and equipment		(10,766)	-	-	(2,386)	(13,152)
Vehicles		(11,022)	-	-	(1,023)	(12,045)
Furniture and fixtures		(13,426)	-	-	(233)	(13,659)
<b>Total accumulated depreciation</b>		<b>(39,021)</b>	<b>-</b>	<b>-</b>	<b>(4,351)</b>	<b>(43,372)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>47,873</b>	<b>-</b>	<b>1,676</b>	<b>(4,351)</b>	<b>45,198</b>
Property, plant and equipment in progress		16,049	9,565	(1,676)	-	23,938
<b>Total of Property, plant and equipment</b>		<b>63,922</b>	<b>9,565</b>	<b>-</b>	<b>(4,351)</b>	<b>69,136</b>

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

	Consolidated						
	Average depreciation rate (%)	Balances at 12/31/2019	Addition	Transfers (1)	Write-offs (2)	Depreciation	Balances at 9/30/2020
<b>Property, plant and equipment in service</b>							
Cost:							
Land	-	3,962	-	-	-	-	3,962
Reservoirs, Dams and Power Tunnels	2.96%	4,552	-	-	-	-	4,552
Buildings and improvements	3.31%	66,260	-	897	(62)	-	67,095
Plant and equipment	13.21%	264,985	-	59,318	(3,467)	-	320,836
Vehicles	14.27%	77,557	-	3,544	(1,699)	-	79,402
Furniture and fixtures	6.49%	90,921	-	(3,998)	(90)	-	86,833
<b>Total property, plant and equipment in service</b>		<b>508,237</b>	<b>-</b>	<b>59,761</b>	<b>(5,318)</b>	<b>-</b>	<b>562,680</b>
Accumulated depreciation:							
Reservoirs, Dams and Power Tunnels		(881)	-	-	-	(56)	(937)
Buildings and improvements		(24,961)	-	-	66	(1,311)	(26,206)
Plant and equipment		(166,870)	-	(647)	(4,210)	(16,928)	(188,655)
Vehicles		(49,032)	-	(46)	1,746	(5,931)	(53,263)
Furniture and fixtures		(63,222)	-	529	3,992	(2,363)	(61,064)
<b>Total accumulated depreciation</b>		<b>(304,966)</b>	<b>-</b>	<b>(164)</b>	<b>1,594</b>	<b>(26,589)</b>	<b>(330,125)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>203,271</b>	<b>-</b>	<b>59,597</b>	<b>(3,724)</b>	<b>(26,589)</b>	<b>232,555</b>
Property, plant and equipment in progress		81,296	117,343	(76,594)	-	-	122,045
<b>Total of Property, plant and equipment</b>		<b>284,567</b>	<b>117,343</b>	<b>(16,997)</b>	<b>(3,724)</b>	<b>(26,589)</b>	<b>354,600</b>

(1) The amount of (R\$ 16,997) denotes reclassifications to intangible assets - concession agreement of the subsidiary EBO and (R\$ 17,052) refers to reclassifications to intangible assets - software.

(2) The amount of R\$ 3,724 denotes write-offs in the period, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the period in other operating income (expenses).

	Consolidated							
	Average depreciation rate (%)	Balances at 12/31/2018	Acquisition balance	Addition	Transfers (*)	Write-offs (**)	Depreciation	Balances at 12/31/2019
<b>Property, plant and equipment in service</b>								
Cost:								
Land	-	2,550	-	-	1,412	-	-	3,962
Reservoirs, Dams and Power Tunnels	2.68%	2,774	-	-	1,778	-	-	4,552
Buildings and improvements	2.92%	58,821	19	-	7,420	-	-	66,260
Plant and equipment	13.19%	279,268	5,656	1,245	(20,579)	(605)	-	264,985
Vehicles	14.26%	74,275	242	-	4,011	(971)	-	77,557
Furniture and fixtures	6.31%	83,721	188	-	7,034	(22)	-	90,921
<b>Total property, plant and equipment in service</b>		<b>501,409</b>	<b>6,105</b>	<b>1,245</b>	<b>1,076</b>	<b>(1,598)</b>	<b>-</b>	<b>508,237</b>
Accumulated depreciation:								
Reservoirs, Dams and Power Tunnels		(824)	-	-	7	2	(66)	(881)
Buildings and improvements		(21,972)	(5)	-	(4,470)	10	1,476	(24,961)
Plant and equipment		(175,061)	(414)	-	41,725	229	(33,349)	(166,870)
Vehicles		(43,704)	(835)	-	1,880	754	(7,127)	(49,032)
Furniture and fixtures		(58,279)	(55)	-	(1,834)	2	(3,056)	(63,222)
<b>Total accumulated depreciation</b>		<b>(299,840)</b>	<b>(1,309)</b>	<b>-</b>	<b>37,308</b>	<b>997</b>	<b>(42,122)</b>	<b>(304,966)</b>
<b>Subtotal Property, Plant and Equipment</b>		<b>201,569</b>	<b>4,796</b>	<b>1,245</b>	<b>38,384</b>	<b>(601)</b>	<b>(42,122)</b>	<b>203,271</b>
Property, plant and equipment in progress		8,043	826	107,715	(35,288)	-	-	81,296
<b>Total of Property, plant and equipment</b>		<b>209,612</b>	<b>5,622</b>	<b>108,960</b>	<b>3,096</b>	<b>(601)</b>	<b>(42,122)</b>	<b>284,567</b>

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

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

## 18. Intangible assets

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Intangible assets - concession agreement	-	-	14,138,839	14,301,242
Concession right	-	-	323,948	334,046
Right-of-use	688	694	42,583	50,812
Intangible assets - Software and Other	30,203	25,316	200,377	154,824
<b>Total</b>	<b>30,891</b>	<b>26,010</b>	<b>14,705,747</b>	<b>14,840,924</b>

### 18.1 Intangible assets - concession agreement - Consolidated

	Average amortization rate (%)	Balances at 12/31/2019	Transfers (1)	Write-offs (2)	Amortization (3)	Balances at 9/30/2020
<b>Intangible assets</b>						
In service:	10.79%	28,441,118	790,057	(144,873)	-	29,086,302
Accumulated Amortization		(11,000,550)	590	98,023	(1,013,833)	(11,915,770)
<b>Total Intangible Assets</b>		<b>17,440,568</b>	<b>790,647</b>	<b>(46,850)</b>	<b>(1,013,833)</b>	<b>17,170,532</b>
<b>(-) Obligations Subject to the Concession In Service</b>						
Cost	3.81%	5,773,053	81,560	-	-	5,854,613
Accumulated Amortization		(2,633,727)	-	-	(189,193)	(2,822,920)
<b>Total obligations linked to the Concession</b>		<b>3,139,326</b>	<b>81,560</b>	<b>-</b>	<b>(189,193)</b>	<b>3,031,693</b>
<b>Total Intangible Assets</b>		<b>14,301,242</b>	<b>709,087</b>	<b>(46,850)</b>	<b>(824,640)</b>	<b>14,138,839</b>

- (1) R\$ 710,163 of the R\$ 709,087 are transfers from the contractual asset - Infrastructure under construction, R\$ (55) is reclassifications to property, plant and equipment, R\$ (1,021) is reclassifications to intangible assets - software and others of the subsidiaries ERO and EBO;
- (2) The write-offs of R\$ 46,850 denote write-offs in the period, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the period in other operating income (expenses).
- (3) In the period the Company recorded PIS and COFINS credits on the amortization of assets and equipment in the amount of R\$ 27,806 (R\$ 36,499 as of December 31, 2019), which does not include the amount of R\$ 4,120 as the depreciation expense on the provision for credit incorporation.

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

- (1) Addition - Concession financial asset - these are concession financial assets transferred to intangible assets (R\$ 2,311,260) and concession liabilities (R\$ 934,118) deriving from the renewal of the concession agreements as detailed in note 15.
- (2) The write-offs of R\$ 46,247 denote write-offs in the financial year, initially recorded in Deactivation orders - ODD and at the end of the process the amounts are transferred to profit or loss for the financial year in other operating income (expenses).
- (3) In the year the company recorded PIS and COFINS credits on the amortization of assets and equipment in the amount of R\$ 36,499 (R\$ 35,478 as of December 31, 2018).

The assets used by the subsidiaries in their operations are tied to public energy distribution services, and may not



be removed, sold, transferred or pledged under mortgage guarantee without the prior, express consent of the Regulatory Authority. ANEEL Normative Resolution 691/2015 issued December 8, 2015 regulates the freeing up of the public electricity service concessions' infrastructure, awarding preliminary authorization for the release for the purpose of disposal. It also determines the proceedings of the disposal be deposited into a specific bank account and the funds reinvested into the concession's assets.

Amortization of intangible assets reflects the way by which the future benefits from using the assets are expected to be consumed by the Company or limited to the concession term based on the economic benefits generated annually. The consumption of these assets is related to the estimated useful life of each item comprising the set of tangible assets contained in the distribution infrastructure. The average weighted amortization rate used is 10.79% (10.27% as of December 31, 2019).

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

Obligations linked to the concession:	9/30/2020	12/31/2019
Consumer contributions <sup>(1)</sup>	4,720,278	4,415,160
Government Subsidy - CDE funds <sup>(2)</sup>	1,878,537	1,926,170
State Government Subsidy <sup>(2)</sup>	336,031	336,031
Reversal reserve <sup>(3)</sup>	7,868	8,442
Revenue from surplus demand and Surplus Reactive Energy	329,713	329,713
(-) Accumulated amortization	(2,822,920)	(2,633,727)
<b>Total</b>	<b>4,449,507</b>	<b>4,381,789</b>
<b>Allocation:</b>		
Concession financial asset	1,042,484	1,009,751
Infrastructure - Intangible assets in service	3,031,693	3,139,326
Contractual asset - infrastructure under construction and Intangible assets in progress	375,330	232,712
<b>Total</b>	<b>4,449,507</b>	<b>4,381,789</b>

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

## 18.2 Concession right - consolidated

	Consolidated	
	9/30/2020	12/31/2019
Recognized by subsidiaries <sup>(1)</sup>	538,012	538,012
Recognized by parent company <sup>(2)</sup>	298,589	298,589
Acquisition of interest <sup>(3)</sup>	96,825	77,112
Accumulated amortization	(609,478)	(579,667)
<b>Subtotal</b>	<b>323,948</b>	<b>334,046</b>

The change is as follows:

	Consolidated	
	9/30/2020	12/31/2019
<b>Opening balance</b>	<b>334,046</b>	<b>364,038</b>
Acquisition of equity interest	19,713	9,754
Amortization in the period/year	(29,811)	(39,746)
<b>Closing balance</b>	<b>323,948</b>	<b>334,046</b>

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

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

The amortization will reduce the income and social contribution taxes by 34%. As of September 30, 2020 the balance to be amortized by the subsidiary is R\$ 160,064 (R\$ 178,533 as of December 31, 2019).

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

Donates the concession rights for equity interests in the subsidiaries EBO, ESE and EPB, in the amount of R\$ 98,675 (R\$ 106,071 as of December 31, 2019). In accordance with IAS 16, since January 1, 2017 the Company has been recording amortization of concession goodwill over the remaining period of the respective concession exploration licenses, by the straight line method.

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

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

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

The goodwill determined under the acquisition of the Companies stands at R\$ 165,552 and was recognized in "investment" for the parent company and "intangible assets" in the consolidated statement. The symbolic acquisition price of R\$ 1.00 (one real) was based on the market value valuation of the equity of the companies acquired. The goodwill determined on the acquisition is primarily due to the fact the PPA calculations did not include the renewal of the electricity distribution concessions introduced by Law 12.783/2013, which despite the issuance of Decree 8.461/2015, which regulated the extension of the electricity distribution concession agreements, suspended by the Federal Audit Court, which meant it was not possible to sign the new concession agreement, and the variance between the average used to determine the price and the best estimate of the shareholders' equity at fair value at the effective acquisition date.

Capital gains on the greater interest in the capital increases via capital contributions made at the subsidiaries JQMJ, BBPM, Denerge and Rede Energia amounting to R\$ 96,345 was deducted from the goodwill (R\$ 165,552), amounting to R\$ 69,207. Given the sale of the assets of the indirect subsidiary Tangará S/A, R\$ 6,361 was transferred to assets held for sale in May 2015. R\$ 38,638 was amortized in the period ended September 30, 2020 (R\$ 34,692 as of December 31, 2019).

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

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

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

Amortization period	Consolidated	Reduction in income and social contribution taxes
2021 and 2022	44,570	10,466
2023 and 2024	74,289	16,745
2025 and 2026	74,289	16,745
2027 and 2028	55,484	10,466
2029 and 2030	24,145	-
2031 and 2032	13,572	-
2033 onwards	37,599	-
Total	323,948	54,422

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

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

	Average amortization rate (%)	Parent company			
		Balances at 12/31/2019	Addition	Amortization	Balances at 9/30/2020
Property usage rights					
Cost	17.82%	795	79	-	874
Accumulated Amortization		(101)	-	(85)	(186)
<b>Total</b>		<b>694</b>	<b>79</b>	<b>(85)</b>	<b>688</b>

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

	Average amortization rate (%)	Consolidated				
		Balances at 12/31/2019	Addition	Write-offs	Amortization	Balances at 9/30/2020
Property usage rights						
Cost	19.72%	66,588	6,432	(4,276)	-	68,744
Accumulated Amortization		(15,776)	-	-	(10,385)	(26,161)
<b>Total</b>		<b>50,812</b>	<b>6,432</b>	<b>(4,276)</b>	<b>(10,385)</b>	<b>42,583</b>

	Average amortization rate (%)	Consolidated						
		Balances at 12/31/2018	Acquisition balance	Initial Adoption CPC 06 (R2)	Addition	Write-offs	Amortization	Balances at 12/31/2019
Property usage rights								
Cost	27.75%	-	4,829	39,693	24,196	(2,130)	-	66,588
Accumulated Amortization		-	(74)	-	-	-	(15,702)	(15,776)
<b>Total</b>		<b>-</b>	<b>4,755</b>	<b>39,693</b>	<b>24,196</b>	<b>(2,130)</b>	<b>(15,702)</b>	<b>50,812</b>

### 18.4 Intangible assets - software and other

	Average amortization rate (%)	Parent company				
		Balances at 12/31/2019	Additions	Transfers	Amortization	Balances at 9/30/2020
Cost of software						
In service	20.00%	36,983	-	4,416	-	41,399
Accumulated Amortization		(18,146)	-	-	(4,705)	(22,851)
In Progress		6,479	9,592	(4,416)	-	11,655
<b>Total</b>		<b>25,316</b>	<b>9,592</b>	<b>-</b>	<b>(4,705)</b>	<b>30,203</b>

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

	Consolidated						
	Average amortization rate (%)	Balances at 12/31/2019	Addition	Transfers (1)	Write-offs	Amortization	Balances at 9/30/2020
<b>Intangible assets</b>							
In service:	20.00%	440,222	307	18,037	(1,118)	-	457,448
Accumulated Amortization		(295,858)	-	(430)	445	(34,207)	(330,050)
In progress		10,460	62,053	466	-	-	72,979
<b>Total</b>		<b>154,824</b>	<b>62,360</b>	<b>18,073</b>	<b>(673)</b>	<b>(34,207)</b>	<b>200,377</b>

(1) R\$ 1,021 of the amount of R\$ 18,073 denotes reclassifications to Intangible assets - concession agreement and R\$ 17,052 refers to reclassifications to property, plant and equipment.

	Consolidated								
	Average amortization rate (%)	Balances at 12/31/2018	Acquisition balance	Addition	Addition - Concession financial asset (1)	Transfers	Write-offs	Amortization	Balances at 12/31/2019
<b>Intangible assets</b>									
In service:	20.00%	366,987	992	-	12,090	75,021	(14,868)	-	440,222
Accumulated Amortization		(261,827)	(274)	-	-	(6,132)	14,868	(42,493)	(295,858)
In progress		4,353	-	17,814	-	(11,707)	-	-	10,460
<b>Total</b>		<b>109,513</b>	<b>718</b>	<b>17,814</b>	<b>12,090</b>	<b>57,182</b>	<b>-</b>	<b>(42,493)</b>	<b>154,824</b>

(1) Addition - Concession financial asset - these are concession financial assets transferred to intangible assets (R\$ 12,090) deriving from the renewal of the concession agreements as detailed in note 15.

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

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

	Balances at 12/31/2019	Addition	Transfers (1)	Write-offs (2)	Balances 9/30/2020
<b>Contractual asset - infrastructure under construction</b>					
Under construction	1,701,625	1,637,684	(791,723)	(450,328)	2,097,258
<b>Obligations linked to the Concession</b>					
Under construction	232,712	256,911	(81,560)	(32,733)	375,330
<b>Total contractual assets - infrastructure under construction</b>	<b>1,468,913</b>	<b>1,380,773</b>	<b>(710,163)</b>	<b>(417,595)</b>	<b>1,721,928</b>

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

(1) The amount of R\$ 710,163 (R\$ 1,309,850 as of December 31, 2019) was transferred to intangible assets.

(2) The write-offs of R\$ 417,595 (R\$ 1,023,482 as of December 31, 2019) denote the segregation from the net contractual of special obligations to the concession financial asset.

## 20. Trade accounts payable

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Ampla - CUSD	-	-	4,458	3,805
CCEE <sup>(1)</sup>	-	-	268,915	456,126
Bilateral Contracts <sup>(2)</sup>	-	-	1,083,960	1,088,994
Use of the high-voltage national grid <sup>(2)</sup>	-	-	104,056	73,548
Connection to the grid <sup>(2)</sup>	-	-	23,185	17,352
Service charges in the system <sup>(3)</sup>	-	-	4,525	3,257
Use of the distribution system (CUSD) <sup>(2)</sup>	-	-	32,294	22,013
Materials, services and other <sup>(2)</sup>	2,355	17,462	247,760	423,079
<b>Total</b>	<b>2,355</b>	<b>17,462</b>	<b>1,769,153</b>	<b>2,088,174</b>
Current	2,355	17,462	1,660,679	1,988,149
Noncurrent	-	-	108,474	100,025

<sup>(1)</sup> In the third quarter of 2020 the CCEE account diminished, primarily impacted by the drop in the PLD (Difference Settlement Price), hit hard by the drop in energy consumption during the coronavirus pandemic and improvements in hydroelectric conditions during the wet season. In addition to pricing energy purchase and sale transactions in the spot market, the PLD determines the expenses related to the hydrological risk, which under Law 12.783/2013 are covered by the distribution companies which can pass through these costs to consumers via rate adjustments.

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

<sup>(3)</sup> The change in the values of System Service Charges is due to the forecast increase, especially in the South-east/Midwest submarket, in out-of-merit-order dispatching of thermal power plants, i.e. when power stations which would not ordinarily be dispatched on merit order (lower cost) are dispatched due to operating / power restrictions.

## 21. Loans, financing and debt charges

Summary changes in loans and financing are as follows:

	Parent company							
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 9/30/2020
<b>Measured at cost</b>								
Domestic currency								
Floating								
CDI	460,574	250,000	(1,500)	(5,440)	18,674	-	-	722,308
Funding costs	(424)	-	-	-	2,056	(3,919)	-	(2,287)
<b>Total cost</b>	<b>460,150</b>	<b>250,000</b>	<b>(1,500)</b>	<b>(5,440)</b>	<b>20,730</b>	<b>(3,919)</b>	<b>-</b>	<b>720,021</b>
<b>Fair value measurement</b>								
Foreign currency								
US dollar	324,115	-	(219,088)	(10,790)	135,172	-	-	229,409
Mark-to-market	4,058	-	-	-	-	-	166	4,224
<b>Total fair value</b>	<b>328,173</b>	<b>-</b>	<b>(219,088)</b>	<b>(10,790)</b>	<b>135,172</b>	<b>-</b>	<b>166</b>	<b>233,633</b>
<b>Total</b>	<b>788,323</b>	<b>250,000</b>	<b>(220,588)</b>	<b>(16,230)</b>	<b>155,902</b>	<b>(3,919)</b>	<b>166</b>	<b>953,654</b>
Current	175,190							803,654
Noncurrent	613,133							150,000

	Consolidated							
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 9/30/2020
<b>Measured at cost</b>								
Domestic currency								
Fixed	932,744	-	(12,281)	(2,767)	35,980	-	-	953,676
TJLP and TLP	3,263	-	(1,500)	(183)	178	-	-	1,758
Selic	890	-	(317)	(27)	45	-	-	591
CDI	2,384,337	1,876,667	(684,613)	(52,631)	115,111	-	-	3,638,871
TR	928,876	-	-	(62,041)	60,053	-	-	926,888
Funding costs	(3,024)	-	-	-	3,894	(8,179)	-	(7,309)
Basket of currencies	405	-	(361)	(22)	142	-	-	164
Other	259,042	103,590	(13,159)	(11,215)	12,959	-	-	351,217
<b>Total cost</b>	<b>4,506,533</b>	<b>1,980,257</b>	<b>(712,231)</b>	<b>(128,886)</b>	<b>228,362</b>	<b>(8,179)</b>	<b>-</b>	<b>5,865,856</b>
<b>Fair value measurement</b>								
Foreign currency								
US dollar	3,119,021	473,725	(1,696,767)	(78,944)	1,182,538	-	-	2,999,573
Euro	598,586	122,972	-	(6,707)	337,749	-	-	1,052,600
Funding costs	(1,850)	-	-	-	566	-	-	(1,284)
Mark-to-market	27,691	-	-	-	-	-	(3,566)	24,125
<b>Total fair value</b>	<b>3,743,448</b>	<b>596,697</b>	<b>(1,696,767)</b>	<b>(85,651)</b>	<b>1,520,853</b>	<b>-</b>	<b>(3,566)</b>	<b>4,075,014</b>
<b>Total</b>	<b>8,249,981</b>	<b>2,576,954</b>	<b>(2,408,998)</b>	<b>(214,537)</b>	<b>1,749,215</b>	<b>(8,179)</b>	<b>(3,566)</b>	<b>9,940,870</b>
Current	1,413,791							3,775,444
Noncurrent	6,836,190							6,165,426



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

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

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

Company / Operation	Total		Annual Finance Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	9/30/2020	12/31/2019							
<b>Energisa S/A</b>									
Commercial paper 4 <sup>th</sup> issuance (1)	318,427	310,043	CDI + 0.55% p.a	Jun/21	Final	2.70%			-
FRN Santander - 4130335	70,835	70,447	CDI + +0.8948% p.a	Nov/22	Final	2.96%			-
FRN Santander - 4132130 (1)	80,666	80,084	CDI + +0.90% p.a	Nov/24	Semiannual as from Nov/21	2.96%			-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 1 <sup>st</sup> Series	-	-	CDI + +2.75% p.a	Jul/20	Final	4.35%			-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 2 <sup>nd</sup> Series	1,486	-	CDI + +2.75% p.a	Oct/20	Final	4.35%			-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 4 <sup>th</sup> Series	98,004	-	CDI + +2.75% p.a	Apr/21	Final	4.35%			-
ESA X ABC - NP 5 <sup>th</sup> Issuance/ 3 <sup>rd</sup> Series	1,434	-	CDI + +2.75% p.a	Jan/21	Final	4.35%			-
ESA X PACTUAL - CCB91/20	151,456	-	CDI + +2.50% p.a	Apr/21	Final	4.16%			-
Borrowing cost incurred on acquisition	(2,287)	(424)							
Total Local Currency	720,021	460,150							
Resolution 4131 - Itaú (1)	229,409	324,115	4.0375% p.a.	May/21	Annual	42.95%			A
Mark-to-market of debt (2)	4,224	4,058	-	-	-	-			-
Total foreign currency	233,633	328,173							
<b>Total Energisa S/A</b>	<b>953,654</b>	<b>788,323</b>							
<b>Energisa Sergipe</b>									
FIDC Energisa Group III	1,806	5,794	CDI + 0.70% p.a.	Dec/20	Monthly	2.81%			R
FINAME - Itaú BBA	6,248	8,243	2.50% to 8.70% p.a. (Fixed)	Jan/25	Monthly	1.87% to 6.46%			A
INERGUS financing	12,253	12,520	IPC + 5.5% p.a.	Dec/39	Monthly	6.62%			F
INERGUS financing - Migration	97,399	110,200	IPCA + +5.78% p.a.	Jun/26	Monthly	5.64%			F
Commercial paper issuance 6 (1)	151,291	147,034	CDI + 0.80%	Mar/22	Final	2.89%			A
Borrowing cost incurred on acquisition	(213)	(333)	-	-	-	-			-
Total Local Currency	268,784	283,458							
Resolution 4131 - Citibank (1.4)	-	286,476	Libor + 0.72% to 0.73% p.a	Apr/21	Final	40.85% to 40.86%			A
Resolution 4131 - Bank of America ML (1)	194,179	139,230	Libor + 1.20% p.a.	Jan/21	Final	41.21%			A
Resolution 4131 - Citibank (1.4)	-	44,849	Libor + 0.82% p.a.	Sep/21	Final	40.92%			A
Resolution 4131 - J.L Morgan (1)	20,390	14,587	Libor + 1.30% p.a.	Sep/21	Final	41.28%			A
Mark-to-market of debt (2)	(289)	489	-	-	-	-			-
Total foreign currency	214,280	485,631							
<b>Total Energisa Sergipe</b>	<b>483,064</b>	<b>769,089</b>							
<b>Energisa Paraíba</b>									
FIDC Energisa Group III	7,343	23,564	CDI + 0.70% p.a.	Dec/20	Monthly	2.81%			R
FINAME - Itaú	11,253	15,125	2.50% to 8.70% p.a. (Fixed)	Jan/25	Monthly	1.87% to 6.46%			A
FUNASA financing	3,230	3,492	IPCA + 5.94%	Dec/29	Monthly	5.76%			-
CCB Bradesco 24032020 (1)	137,106	-	CDI + 4.8005%	Mar/21	Final	5.87%			A
CCB Itaú 25032020	20,031	-	CDI + 4.10%	Mar/21	Final	5.35%			A
Borrowing cost incurred on acquisition	(382)	(97)	-	-	-	-			-
Total Local Currency	178,581	42,084							
Resolution 4131 - Itaú BBA (1)	-	102,803	3.7995% p.a. (Fixed)	Jun/20	Final	42.78%			A
Resolution 4131 - Citibank (1.4)	-	75,242	Libor + 0.73% p.a.	Jan/21	Final	40.86%			A
Mark-to-market of debt (2)	-	208	-	-	-	-			-
Total foreign currency	-	178,253							
<b>Total Energisa Paraíba</b>	<b>178,581</b>	<b>220,337</b>							
<b>Energisa Minas Gerais</b>									
FIDC Energisa Group III	1,805	5,791	CDI + 0.70% p.a.	Dec/20	Monthly	2.81%			R
BNDES pass-through I - Itaú BBA	157	510	TJLP + 4.75% p.a.	Jan/21	Monthly	7.25%			A
BNDES pass-through II - Itaú BBA	126	296	UMBND + 3.75% p.a. (*)	Jan/21	Monthly	2.90%			A
BNDES pass-through III - Itaú BBA	65	213	TJLP + 5.95% p.a.	Jan/21	Monthly	8.14%			A
BNDES pass-through IV - Itaú BBA	100	324	5.50% p.a. (Fixed)	Jan/21	Monthly	4.10%			A
FINAME - Itaú BBA	4,798	6,406	2.50% to 8.70% p.a. (Fixed)	Dec/24	Monthly	1.87% to 6.46%			A
Floating Interest Note - Santander (1, 4)	-	73,367	CDI + 1.3248%	Dec/20	Semi-annual	3.28%			A
CCB Bradesco 24032020 (1)	77,901	-	CDI + 4.8005%	Mar/21	Final	5.87%			A
CCB Itaú 25032020 (1)	40,076	-	CDI + 4.00%	Mar/21	Final	5.28%			A
SANTANDER FRN 4137169	37,747	-	CDI + 4.10%	Jun/21	Final	5.35%			A
SANTANDER FRN 4137171	37,747	-	CDI + 4.10%	Dec/21	Final	5.35%			A
Borrowing cost incurred on acquisition	(194)	(24)	-	-	-	-			-
Total Local Currency	200,328	86,883							
Resolution 4131 - Itaú BBA (1)	-	36,283	3.7995% p.a.	Jun/20	Final	42.78%			A



# Results for the 3<sup>rd</sup> quarter of 2020

Company / Operation	Total		Annual Finance Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	9/30/2020	12/31/2019							
			(Fixed)						
Resolution 4131 II - Citibank (1.4)	-	71,183	Libor + 0.72% p.a.	May/21	Final	40.85%			A
Resolution 4131 - BBM Loan	89,007	63,019	2.77% p.a. (Fixed)	Apr/21	Final	42.01%			A
Mark-to-market of debt (2)	869	861	-	-	-	-			-
Total foreign currency	89,876	171,346							
Total Energisa Minas Gerais	290,204	258,229							
Energisa Nova Friburgo									
FIDC Energisa Group III	481	1,545	CDI + 0.70% p.a.	Dec/20	Monthly	2.81%			R
BNDES pass-through I - Itaú	49	191	TJLP + 4.75% p.a.	Dec/20	Monthly	7.25%			A
BNDES pass-through II - Itaú	38	109	UMBND + 3.75% p.a.	Dec/20	Monthly	2.90%			A
BNDES pass-through III - Itaú	20	79	TJLP + 5.95% p.a.	Dec/20	Monthly	8.14%			A
BNDES pass-through IV - Itaú	31	126	5.50% p.a. (Fixed)	Dec/20	Monthly	4.10%			A
FINAME - Itaú	519	683	2.50% to 6.00% p.a. (Fixed)	Nov/24	Monthly	1.87% to	4.47%		A
Floating Interest Note - Santander (1, 4)	-	23,344	CDI + 1.3248% p.a.	Dec/20	Semi-annual	3.28%			A
FRN 4131519	15,140	15,044	CDI + 0.80% p.a.	Nov/22	Semiannual as from Nov/21	2.89%			A
FRN 4137167	12,012	-	CDI + 4.10% p.a.	Dec/21	Final	5.35%			A
FRN 4137163	12,012	-	CDI + 4.10% p.a.	Jun/21	Final	5.35%			A
CCB Safra 001660057	20,230	-	CDI + 2.50% p.a.	Jun/21	Final	4.16%			A
Borrowing cost incurred on acquisition	(31)	(7)	-	-	-	-			-
Total Local Currency	60,501	41,114							
Resolution 4131 - Citibank (1.4)	-	51,557	LIBOR + 0.65% to 1.62% p.a	Sep/22	Final	40.80%	to	41.52%	A
Mark-to-market of debt (2)	-	743	-	-	-	-			-
Total foreign currency	-	52,300							
Total Energisa Nova Friburgo	60,501	93,414							
Energisa Borborema									
FIDC Energisa Group III	602	1,931	CDI + 0.70% p.a.	Dec/20	Monthly	2.81%			R
FINAME - Itaú BBA	1,070	1,417	2.50% to 8.70% p.a. (Fixed)	Nov/24	Monthly	1.87% to	6.46%		A
Floating Interest Note - Santander (1.4)	-	26,679	CDI + 1.3248%	Dec/20	Semi-annual	3.28%			A
Floating Interest Note - Santander (1, 4)	-	20,595	CDI + 0.92%	Jul/20	Final	2.98%			A
Floating Interest Note - Santander (1)	15,140	15,044	CDI + 0.80% p.a.	Nov/22	Semiannual as from Nov/21	2.89%			A
Safra CCB 001660031	20,230	-	CDI + 2.50% p.a.	Jun/21	Final	4.16%			A
Santander FRN 4137155	13,726	-	CDI + 4.10% p.a.	Jun/21	Final	5.35%			A
Santander FRN 4137161	13,726	-	CDI + 4.10% p.a.	Dec/21	Final	5.35%			A
Santander FRN 4137241	20,583	-	CDI + 4.10% p.a.	Jul/21	Final	5.35%			A
Borrowing cost incurred on acquisition	(31)	(8)	-	-	-	-			-
Total Local Currency	85,046	65,658							
Resolution 4131 - Citibank (1.4)	-	24,840	Libor + 0.97% p.a.	Nov/20	Final	41.04%			A
Mark-to-market of debt (2)	-	55	-	-	-	-			-
Total foreign currency	-	24,895							
Total Energisa Borborema	85,046	90,553							
Energisa Mato Grosso									
FIDC Energisa Group IV - Series 1	353,402	353,402	TR + 7.00% p.a.	Oct/34	Monthly from Oct/29 onwards	5.21%			R
FIDC Energisa Group IV - Series 2	481,635	482,682	CDI + 0.70% p.a.	Apr/31	Monthly from Apr/21 onwards	2.81%			R
Floating Interest Note - Santander (1.4)	-	450,626	CDI + 1.25% to 1.3248% p.a.	Dec/20	Semiannual as from Dec/19	3.23%	to	3.28%	A
Commercial Paper 2 <sup>nd</sup> Issuance (1)	302,329	293,823	CDI + 0.80% p.a.	Mar/22	Final	2.89%			A
Santander FRN 4133870 (1)	190,783	-	CDI + 0.95% p.a.	Feb/23	Semiannual as from Feb/22	3.00%			A
CCB BRADESCO 24032020 (1)	135,029	-	CDI + 4.8005% p.a.	Mar/21	Final	5.87%			A
CCB ITAÚ 1011200300114	30,046	-	CDI + 4.10% p.a.	Mar/21	Final	5.35%			A
Santander FRN 4135786	326,802	-	CDI + 4.60% p.a.	Mar/21	Final	5.72%			A
Santander FRN 4137163	68,632	-	CDI + 4.10% p.a.	Jun/21	Final	5.35%			A
Santander FRN 4137165	68,630	-	CDI + 4.10% p.a.	Dec/21	Final	5.35%			A
Borrowing cost incurred on acquisition	(750)	(641)	-	-	-	-			-
Total Local Currency	1,956,538	1,579,892							
Resolution 4131 - Bank of America ML (1)	139,363	214,059	Libor + 1.20% to 1.60% p.a.	Jan/21	Final	41.21%	to	41.51%	A
Citibank Loan - 4131 (1)	80,995	57,899	Libor + 1.70% p.a.	Jun/22	Annual from 2021 onwards	41.58%			A
Citibank EDC Loan - 4131 (1)	80,990	57,892	Libor + 1.80% p.a.	Jun/22	Annual from 2021 onwards	41.66%			A
Citibank Loan - 4131 (1,4)	-	128,422	Libor + 0.82% p.a.	Sep/21	Final	40.92%			A
J P MORGAN Loan (1)	150,976	108,167	Libor + 1.05% p.a.	Nov/21	Final	41.10%			A
Merryl Lynch Loan (1)	70,625	48,387	0.6870% p.a.	Dec/22	Final	46.49%			A



# Results for the 3<sup>rd</sup> quarter of 2020

Company / Operation	Total		Annual Finance Charges	Maturity	Amortization of principal	(Effective interest rate) (3)		Security (*)
	9/30/2020	12/31/2019						
Scotiabank Loan (1)	279,357	198,327	2.1964% p.a.	Dec/22	Final	41.59%		A
Citibank Loan 56416 (1)	65,509	-	Libor + 0.60% p.a.	Feb/23	Final	40.76%		A
Citibank Loan 12062020	96,841	-	2.83% p.a.	Jan/21	Final	42.06%		A
Borrowing cost incurred on acquisition	(383)	(547)						
Mark-to-market of debt (2)	5,719	3,238						
Total foreign currency	969,992	815,844						
<b>Total Energisa Mato Grosso</b>	<b>2,926,530</b>	<b>2,395,736</b>						
<b>Energisa Mato Grosso do Sul</b>								
FIDC Energisa Group IV - Series 1	291,492	291,492	TR + 7.00% p.a.	Oct/34	Monthly from Oct/29 onwards	5.21%		R
FIDC Energisa Group IV - Series 2	219,772	220,250	CDI + 0.70% p.a.	Apr/31	Monthly from Apr/21 onwards	2.81%		R
Floating Interest Note - Santander (4)	-	66,602	CDI + 0.89% p.a.	Aug/20	Final	2.96%		A
Commercial Paper (1)	71,362	-	CDI + 0.95% p.a.	Mar/23	Final	3.00%		A
CCB Safra 001660014	80,919	-	CDI + 2.50% p.a.	Jun/21	Final	4.16%		A
EMS X SANTANDER FRN 4137245	66,894	-	CDI + 4.10% p.a.	Aug/21	Final	5.35%		A
Borrowing cost incurred on acquisition	(287)	-						
Total Local Currency	730,152	578,344						
Loan Citi - 4131 (1)	81,569	58,398	Libor + 1.70% p.a.	May/22	Annual from 2021	41.58%		A
Loan Citi EDC - 4131 (1)	81,551	58,367	Libor + 1.80% p.a.	May/22	Annual from 2021	41.66%		A
Loan Citi - 4131 (1,4)	-	69,151	Libor + 0.825% p.a.	Sep/21	Final	40.93%		A
Resolution 4131 - Bank of America ML (1)	74,949	51,345	0.99% p.a. Fixed	May/22	Final	46.71%		A
Borrowing cost incurred on acquisition	(369)	(535)	-	-	-	-		-
Mark-to-market of debt (2)	1,011	2,339	-	-	-	-		-
Total foreign currency	238,711	239,065						
<b>Total Energisa Mato Grosso do Sul</b>	<b>968,863</b>	<b>817,409</b>						
<b>Energisa Tocantins</b>								
Luz para Todos I - Eletrobrás	5,195	8,486	6.0% p.a.	Apr/22	Monthly	4.47%		R
CCB ITAÚ 101120030007500	20,038	-	CDI + 4.00% p.a.	Mar/21	Final	5.28%		R
Total Local Currency	25,233	8,486						
Resolution 4131 - Itaú (1)	297,091	209,563	4.352% p.a. (Fixed)	Jun/21	Final	43.19%		R
Loan Citi - 4131 (1)	63,334	45,358	Libor + 1.70% p.a.	May/22	Annual from 2021 onwards	41.58%		A
Loan Citi EDC - 4131 (1)	63,314	45,329	Libor + 1.80% p.a.	May/22	Annual from 2021 onwards	41.66%		A
Merrill Lynch Loan (1)	175,566	125,885	Libor + 1.20% p.a.	Jan/21	Final	41.21%		A
Borrowing cost incurred on acquisition	(349)	(507)						
Mark-to-market of debt (2)	6,467	6,729	-	-	-	-		-
Total foreign currency	605,423	432,357						
<b>Total Energisa Tocantins</b>	<b>630,656</b>	<b>440,843</b>						
<b>Energisa Sul Sudeste</b>								
CCB ITAÚ 101120030007400	40,076	-	CDI + 4.00%	Mar/21	Final	5.28%		A
Total Local Currency	40,076	-						
Loan Citi - 4131 (1)	38,697	27,663	Libor + 1.70% p.a.	Jun/22	Annual from 2021 onwards	41.58%		A
Loan Citi EDC - 4131 (1)	38,700	27,663	Libor + 1.80% p.a.	Jun/22	Annual from 2021 onwards	41.66%		A
Merrill Lynch Loan (1,4)	-	120,883	Libor + 1.10% p.a.	Apr/20	Final	41.13%		A
Citi Loan - 4131 (1,4)	-	64,834	Libor + 1.27% p.a.	Jul/23	Annual from 2022 onwards	41.26%		A
Merrill Lynch Loan (1)	111,300	79,656	Libor + 1.20% p.a.	Aug/21	Final	41.21%		A
Merrill Lynch Loan (1)	161,693	110,774	0.87% Fixed p.a.	Jun/22	Final	46.62%		A
Scotiabank Loan (1)	69,839	49,582	2.1964% Fixed p.a.	Dec/22	Final	41.59%		A
Merrill Lynch Loan (1)	176,721	-	0.7257% Fixed p.a.	Jan/23	Final	40.49%		A
Borrowing cost incurred on acquisition	(183)	(261)						
Mark-to-market of debt (2)	2,531	3,622	-	-	-	-		-
Total foreign currency	599,298	484,416						
<b>Total Energisa Sul Sudeste</b>	<b>639,374</b>	<b>484,416</b>						
<b>Energisa Rondônia</b>								
CCEE - Eletrobrás	673,729	649,693	5.00% p.a.	Oct/48	Monthly from 2024 onwards	3.73%		R
FRN 4131614	50,278	50,048	CDI + 0.90% p.a.	Nov/24	Semiannual as from Dec/21	2.96%		A
Total Local Currency	724,007	699,741						



## Results for the 3<sup>rd</sup> quarter of 2020

Company / Operation	Total		Annual Finance Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	9/30/2020	12/31/2019							
Scotiabank Loan	69,839	49,582	2.1964% p.a.	Dec/22	Final		41.59%		A
Citibank Loan 56545 (1)	77,255	-	Libor + 0.60% p.a.	Feb/23	Final		40.76%		A
Citibank Loan 56737 (1)	163,618	-	Libor + 0.74% p.a.	Mar/23	Final		40.86%		A
Mark-to-market of debt (2)	1,047	(155)							
Total foreign currency	311,759	49,427							
<b>Total Energisa Rondônia</b>	<b>1,035,766</b>	<b>749,168</b>							
<b>Energisa Acre</b>									
CCEE - Eletrobrás	222,998	215,043	5.00% p.a.	Dec/48	Monthly from 2024 onwards		3.73%		R
CCB BRADESCO 24032020 (1)	65,437	-	CDI + 4.8005% p.a.	Mar/21	Final		5.87%		R
Borrowing cost incurred on acquisition	(157)	-							
Total Local Currency	288,278	215,043							
Merrill Lynch Loan (1)	526,234	359,045	1.40% p.a.	Dec/23	Monthly from 2020 onwards		47.02%		R + A
Merrill Lynch Loan (1)	42,378	29,035	0.7619% p.a.	Dec/21	Final		46.54%		R + A
Mark-to-market of debt (2)	5,808	5,281							
Total foreign currency	574,420	393,361							
<b>Total Energisa Acre</b>	<b>862,698</b>	<b>608,404</b>							
<b>Energisa Soluções</b>									
FINAME - Itaú BBA	1,449	1,779	2.50 to 6.00% p.a. (Fixed)	Sep/24	Monthly	1.87%	to	4.47%	A
Total Local Currency	1,449	1,779							
Banco BBM Loan 4131	29,700	21,420	2.96% p.a.	Mar/21	Final		42.15%		A
Mark-to-market of debt (2)	247	220							
Total foreign currency	29,947	21,640							
<b>Total Energisa Soluções</b>	<b>31,396</b>	<b>23,419</b>							
<b>Energisa Soluções Construções</b>									
FINAME - Itaú BBA	2,052	2,422	6.00% p.a. (Fixed)	Nov/24	Monthly		4.47%		A
FINAME - Itaú BBA	591	890	SELIC + 5.14% to 5.20%	Apr/22	Monthly	6.11%	to	6.16%	A
FINAME - Itaú BBA	1,467	2,270	TJLP + 4.80% to 4.87% p.a.	Apr/22	Monthly	7.29%	to	7.34%	A
Total Local Currency	4,110	5,582							
<b>Total Energisa Soluções Construções</b>	<b>4,110</b>	<b>5,582</b>							
<b>Energisa Transmissão</b>									
ETE X CITIBANK LOAN 56417	176,874	-	Libor + 0.60% p.a.	Feb/23	Final		40.76%		A + R + S
Mark-to-market of debt (2)	(2,776)	-							
Total foreign currency	174,098	-							
<b>Total Energisa Transmissão</b>	<b>174,098</b>	<b>-</b>							
<b>Energisa Pará I</b>									
BASA - CCB 048-19/0002-0 (5)	163,564	132,830	IPCA + 1.8854% p.a.	Jul/39	Monthly from 2023 onwards		2.75%		A + R + S
Borrowing cost incurred on acquisition	(1,394)	(1,490)							
Total Local Currency	162,170	131,340							
<b>Total Energisa Pará I</b>	<b>162,170</b>	<b>131,340</b>							
<b>Energisa Pará II</b>									
BASA - CCB 128-20/0050-8 (5)	74,771	-	IPCA + 1.6834% p.a.	Jul/40	Monthly from 08/24		2.60%		A + R + S
Borrowing cost incurred on acquisition	(1,583)	-							
Total Local Currency	73,188	-							
<b>Total Energisa Pará II</b>	<b>73,188</b>	<b>-</b>							
<b>Energisa Comercializadora</b>									
SANTANDER FRN 4127249	41,166	-	CDI + 4.10% p.a.	Jun/21	Final		5.35%		A
Total Local Currency	41,166	-							
SANTANDER 4131 (4)	-	42,208	4.5883% p.a. (Fixed)	Jun/20	Final		43.36%		-
BBM Loan - 4131	34,310	24,529	Libor + 0.56% p.a.	Sep/22	Final		40.73%		F
Mark-to-market of debt (2)	(733)	3							
Total foreign currency	33,577	66,740							
<b>Total Energisa Comercializadora</b>	<b>74,743</b>	<b>66,740</b>							
<b>Rede Energia S.A.</b>									
"RJ" Creditors - Bicbanco	6,099	5,788	1.0% p.a. (Fixed)	Nov/35	Final		0.75%		R
"RJ" Creditors - BNB	13,443	12,757	1.0% p.a. (Fixed)	Nov/35	Final		0.75%		R
Total Local Currency	19,542	18,545							
<b>Total Rede Energia S.A.</b>	<b>19,542</b>	<b>18,545</b>							
<b>Denerge</b>									
FI-FGTS (Restructured)	281,994	283,982	TR + 4.00% p.a.	Nov/35	Final		2.99%		-



## Results for the 3<sup>rd</sup> quarter of 2020

Company / Operation	Total		Annual Finance Charges	Maturity	Amortization of principal	(Effective interest rate) (3)			Security (*)
	9/30/2020	12/31/2019							
Total Local Currency	281,994	283,982							
Total Denerge	281,994	283,982							
<b>Cia Téc.de Comercialização de Energia</b>									
"RJ" Creditors - BMG	4,692	4,452	1.0% p.a. (Fixed)	Nov/35	Final		0.75%		-
Total Local Currency	4,692	4,452							
<b>Total Cia Téc.de Comerc.de Energia</b>	<b>4,692</b>	<b>4,452</b>							
In local currency	5,865,856	4,506,533							
Foreign currency	4,075,014	3,743,448							
<b>Energisa Consolidated</b>	<b>9,940,870</b>	<b>8,249,981</b>							

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

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

Covenants	Index Required	Enforceability
Net Debt / Adjusted Ebitda (*)	Not exceeding: 4.25 in 2020 4.0 in 2021 onwards	Quarterly and Annual

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

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

- (2) These operations are being measured at fair value through profit and loss, according to the fair value hedge accounting or designated as fair value options (see note 35 - Financial instruments and risk management).
- (3) The effective interest rate represent the changes in the period ended September 30, 2020. The effects of hedge accounting are not being taken into account for foreign-currency debt, demonstrated in Note 35 - Financial instruments and risk management.
- (4) On January 17, March 16 and 31 and April 24 and 27, 2020 the subsidiaries below settled loans in the total amount of R\$ 1,834,835, as shown in the table below:

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

- (5) In July 2019 and June 2020 the subsidiaries Energisa Pará Transmissora de Energia I S/A (EPA I) and Energisa Pará Transmissora II S/A (EPA II) took out financing from Banco da Amazônia, whose financial index has to comply with the following covenants limit:

Debt service coverage ratio (ICSD), equal to or greater than 1.3%, determined annually, after 12 (twelve) months of principal payment until the end of the contract.

Non-compliance with these covenants could trigger early maturity of the debts. These requirements were being performed as of September 30, 2020.

### Guarantees:

To guarantee payment of the portions, the subsidiaries maintain short-term investments of R\$ 114,166 (R\$ 110,617 as of December 31, 2019), recorded under "short-term investments in money market and secured funds" in the consolidated non-current assets.





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

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

Currency/indicators	9/30/2020	12/31/2019
USD x R\$	39.94%	4.02%
TJLP	3.71%	6.17%
SELIC	2.28%	5.96%
CDI	2.29%	5.96%
IPCA	1.34%	4.31%
IGP-M	14.40%	7.32%
LIBOR	0.37%	2.33%
UMBNB	0.10%	0.08%
TR	0.00%	0.00%
IPC-FIPE	2.52%	4.38%
Euro	45.97%	2.06%

The financing classified in noncurrent liabilities are scheduled as follows:

	Parent company	Consolidated
2021	34,762	441,074
2022	69,524	1,952,956
2023	22,857	1,094,746
2024	22,857	138,678
2024 onwards	-	2,537,972
Total	150,000	6,165,426

## 22. Debentures

Changes in debentures are as follows:

	Parent company						
	Balances at 12/31/2019	Funding	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Balances at 9/30/2020
<b>Measured at cost - floating</b>							
CDI	1,230,730	639,896	(309,597)	(12,588)	33,107	-	1,581,548
IPCA	2,306,799	-	(410,768)	(160,467)	157,411	-	1,892,975
Funding costs	(2,514)	-	-	-	1,549	(3,501)	(4,466)
<b>Total cost</b>	<b>3,535,015</b>	<b>639,896</b>	<b>(720,365)</b>	<b>(173,055)</b>	<b>192,067</b>	<b>(3,501)</b>	<b>3,470,057</b>
Current	969,384						943,747
Noncurrent	2,565,631						2,526,310

	Consolidated							
	Balances at 12/31/2019	Funding (*)	Principal Payment	Interest Payment	Charges, monetary and exchange restatement and costs	Costs Appropriated	Mark-to-market of debt	Balances at 9/30/2020
<b>Measured at cost - floating</b>								
Fixed	55,507	-	-	(3,339)	6,324	-	-	58,492
Floating								
CDI	4,917,344	2,028,954	(1,097,286)	(145,432)	163,862	-	-	5,867,442
IPCA	3,736,006	-	(410,768)	(218,306)	235,663	-	-	3,342,595
Funding costs	(53,566)	-	-	-	12,557	(9,381)	-	(50,390)
Mark-to-market	283,335	-	-	-	-	-	(20,685)	262,650
<b>Total cost</b>	<b>8,938,626</b>	<b>2,028,954</b>	<b>(1,508,054)</b>	<b>(367,077)</b>	<b>418,406</b>	<b>(9,381)</b>	<b>(20,685)</b>	<b>9,480,789</b>
Current	1,167,067							1,691,108
Noncurrent	7,771,559							7,789,681

## Results for the 3<sup>rd</sup> quarter of 2020

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

Company	Funding	Date	Series	Issuance no.	Effective interest rate
EMT	130,000	2/15/2020	Single	11 <sup>th</sup>	3.00%
EMS	75,000	1/22/2020	Single	13 <sup>th</sup>	2.84%
EBO	20,000	2/15/2020	Single	1 <sup>st</sup>	3.00%
ENF	41,300	2/15/2020	1 and 2	1 <sup>st</sup>	3.00% and 3.15%
EPB	60,000	2/15/2020	Single	7 <sup>th</sup>	3.00%
ESE	275,000	2/15/2020	Single	8 <sup>th</sup>	3.00%
EMG	60,000	2/15/2020	Single	12 <sup>th</sup>	3.00%
ESS	60,000	2/15/2020	Single	5 <sup>th</sup>	3.15%
ESA	63,500	5/5/2020	Single	12 <sup>th</sup>	5.13%
EMT	381,354	8/25/2020	Single	12 <sup>th</sup>	4.01%
EMS	139,471	8/25/2020	Single	14 <sup>th</sup>	4.01%
EPB	146,933	8/25/2020	Single	8 <sup>th</sup>	4.01%
ESA	576,396	8/25/2020	Single	13 <sup>th</sup>	4.01%
<b>Total</b>	<b>2,028,954</b>				

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

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

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

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

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

Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	9/30/2020	12/31/2019						
ENERGISA S/A								
7 <sup>th</sup> Issuance/ 1 <sup>st</sup> Series	-	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a	Aug / 20	Final	7.83%
7 <sup>th</sup> Issuance/ 2 <sup>nd</sup> Series	208,275	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a	Aug / 21	Final	7.83%
7 <sup>th</sup> Issuance/ 3 <sup>rd</sup> Series	208,275	209,218	8/15/2015	166,667 / 117,001	IPCA+8.75% p.a	Aug / 22	Final	7.83%
7 <sup>th</sup> Issuance/4 <sup>th</sup> Series	-	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a	Aug / 20	Final	8.93%
7 <sup>th</sup> Issuance/ 5 <sup>th</sup> Series	208,626	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a	Aug / 21	Final	8.93%
7 <sup>th</sup> Issuance/ 6 <sup>th</sup> Series	208,627	210,312	8/15/2015	166,667 / 117,001	IPCA+10.25% p.a	Aug / 22	Final	8.93%
8 <sup>th</sup> Issuance/ 1 <sup>st</sup> Series	222,932	222,106	6/15/2017	197,598 / 197,598	IPCA+5.60% p.a	Jun / 22	Final	5.51%
8 <sup>th</sup> Issuance/ 2 <sup>nd</sup> Series	200,120	199,407	6/15/2017	177,348 / 177,348	IPCA+5.6601% p.a	Jun / 24	Final	5.56%
Debentures 9 <sup>th</sup> Issuance / 1 <sup>st</sup> Series	70,979	67,526	10/15/2017	7,126 / 7,126	IPCA+4.4885% p.a	Oct / 22	Final	4.69%
Debentures 9 <sup>th</sup> Issuance / 2 <sup>nd</sup> Series	13,256	12,591	10/15/2017	1,328 / 1,328	IPCA+4.7110% p.a	Oct / 24	Final	4.85%
Debentures 9 <sup>th</sup> Issuance 3 <sup>rd</sup> Series	24,759	23,451	10/15/2017	2,472 / 2,472	IPCA+5.1074% p.a	Oct / 27	Final	5.15%
Debentures 9 <sup>th</sup> Issuance / 4 <sup>th</sup> Series	782,279	763,463	10/15/2017	87,074 / 87,074	107.75% CDI	Oct / 22	Annual, after Oct/20	2.47%
10 <sup>th</sup> Issuance	158,438	467,266	6/20/2018	70,000 / 47,121	CDI+1.10% p.a	Jun / 21	Annual, after Jun/19	3.11%
11 <sup>th</sup> Issuance	527,126	523,130	4/15/2019	500,000 / 500,000	IPCA+4.6249% p.a	Apr / 26	Final	4.79%
12 <sup>th</sup> Issuance	64,055	-	5/5/2020	63,500 / 63,500	CDI+3.80% p.a	May / 21	Final	5.13%
12 <sup>th</sup> Issuance	576,776	-	8/25/2020	576,396 / 573,396	CDI+2.30% p.a	Aug / 25	Annual after Aug/23	4.01%
Borrowing costs	(4,466)	(2,515)	-	-	-	-	-	-
Total ENERGISA S A	3,470,057	3,535,015						
ENERGISA SERGIPE								
6 <sup>th</sup> Issuance	68,716	68,393	9/15/2018	65,000 / 65,000	IPCA+5.0797% p.a	Sep / 25	Annual after Sep/23	5.13%
7 <sup>th</sup> Issuance	50,434	50,143	6/10/2019	50,000 / 50,000	CDI + 0.73% p.a	Jun / 24	Final	2.84%
Debentures 8 <sup>th</sup> Issuance	275,960	-	2/15/2020	275,000 / 275,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Borrowing costs	(998)	(1,194)						
Total ENERGISA SERGIPE	394,112	117,342						
ENERGISA PARAÍBA								
Debentures 4 <sup>th</sup> Issuance	33,639	184,243	2/15/2018	18,000 / 3,352	CDI+1.00% p.a	Feb / 21	Final	3.04%
Debentures 5 <sup>th</sup> Issuance	142,722	142,048	9/15/2018	135,000 / 135,000	IPCA+5.0797% p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 6 <sup>th</sup> Issuance 1 <sup>st</sup> Series	72,623	72,204	6/10/2019	72,000 / 72,000	CDI + 0.73% p.a	Jun / 24	Final	2.84%
Debentures 6 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	48,429	48,139	6/10/2019	48,000 / 48,000	CDI + 0.83% p.a	Jun / 26	Final	2.91%
Debentures 7 <sup>th</sup> issuance	60,209	-	2/15/2020	60,000 / 60,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Debentures 8 <sup>th</sup> Issuance	147,028	-	8/25/2020	146,933 / 146,933	CDI + 2.30% p.a	Aug / 25	Annual after Aug/23	4.01%
Borrowing costs	(2,120)	(2,822)						
Total ENERGISA PARAÍBA	502,530	443,812						
REDE ENERGIA								
4 <sup>th</sup> Issuance	58,492	55,507	12/22/2009	370,000 / 0	1% p.a.	Nov / 35	Final	1.00%
Total REDE ENERGIA	58,492	55,507						
ENERGISA MATO GROSSO DO SUL								
Debentures 8 <sup>th</sup> Issuance	200,187	304,713	9/15/2017	30,000 / 30,000	107.50% CDI	Sep / 22	Annual after Sep/20	2.46%
Debentures 10 <sup>th</sup> Issuance	10,988	153,506	2/15/2018	15,000 /	CDI +0.95%	Feb / 21	Final	3.00%



Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	9/30/2020	12/31/2019						
				1,095				
Debentures 11 <sup>th</sup> Issuance	163,865	163,092	9/15/2018	155,000 / 155,000	IPCA+5.0797 % p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 12 <sup>th</sup> Issuance	110,951	110,312	6/10/2019	110,000 / 110,000	CDI + 0.73% p.a	Jun / 24	Final	2.84%
Debentures 13 <sup>th</sup> Issuance	56,539	-	1/22/2020	7,500 / 7,500	CDI + 0.70% p.a	Jan / 22	Semi annual	2.84%
Debentures 14 <sup>th</sup> Issuance	139,563	-	8/25/2020	139,471 / 139,471	CDI + 2.30% p.a	Aug / 25	Annual after Aug/23	4.01%
Borrowing costs	(2,390)	(2,844)	-	-	-	-	-	-
<b>Total ENERGISA MATO GROSSO DO SUL</b>	<b>679,703</b>	<b>728,779</b>						
<b>ENERGISA MATO GROSSO</b>								
Debentures 8 <sup>th</sup> Issuance	86,898	481,259	2/15/2018	47,000 / 8,658	CDI+1.10% p.a	Feb / 21	Final	3.11%
Debentures 9 <sup>th</sup> Issuance	407,020	405,099	9/15/2018	385,000 / 385,000	IPCA+5.0797 % p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 10 <sup>th</sup> Issuance 1 <sup>st</sup> Series	118,517	117,833	6/10/2019	117,500 / 117,500	CDI + 0.73% p.a	Jun / 24	Final	2.84%
Debentures 10 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	32,813	32,598	6/10/2019	32,500 / 32,500	CDI + 1.05% p.a	Jun / 29	Annual, after Jun/27	3.08%
Debentures 11 <sup>th</sup> Issuance	130,453	-	2/15/2020	130,000 / 130,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Debentures 12 <sup>th</sup> Issuance	381,606	-	8/25/2020	381,354 / 381,354	CDI + 2.30% p.a	Aug / 25	Annual after Aug/23	4.01%
Borrowing costs	(6,766)	(8,742)						
<b>Total ENERGISA MATO GROSSO</b>	<b>1,150,541</b>	<b>1,028,047</b>						
<b>ENERGISA MINAS</b>								
Debentures 10 <sup>th</sup> Issuance	52,857	52,609	9/15/2018	50,000 / 50,000	IPCA+5.0797 % p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 11 <sup>th</sup> Issuance 1 <sup>st</sup> Series	34,295	34,098	6/10/2019	34,000 / 34,000	CDI + 0.73% p.a	Jun / 24	Final	2.84%
Debentures 11 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	36,324	36,104	6/10/2019	36,000 / 36,000	CDI + 0.83% p.a	Jun / 26	Final	2.91%
Debentures 12 <sup>th</sup> Issuance	60,209	-	2/15/2020	60,000 / 60,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Borrowing costs	(1,058)	(1,257)						
<b>Total ENERGISA MINAS GERAIS</b>	<b>182,627</b>	<b>121,554</b>						
<b>ENERGISA TOCANTINS</b>								
Debentures 4 <sup>th</sup> Issuance	253,727	252,529	9/15/2018	240,000 / 240,000	IPCA+5.0797 % p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 5 <sup>th</sup> Issuance / 1 <sup>st</sup> Series	239,810	238,300	6/10/2019	237,596 / 237,596	CDI + 0.95% p.a	Jun / 24	Final	3.00%
Debentures 5 <sup>th</sup> Issuance 2 <sup>nd</sup> Series	164,020	162,902	6/10/2019	162,404 / 162,404	CDI + 1.15% p.a	Jun / 26	Final	3.15%
Borrowing costs	(4,766)	(5,669)						
<b>Total ENERGISA TOCANTINS</b>	<b>652,791</b>	<b>648,062</b>						
<b>ENERGISA SUL SUDESTE</b>								
Debentures 4 <sup>th</sup> Issuance	74,003	73,655	9/15/2018	70,000 / 70,000	IPCA+5.0797 % p.a	Sep / 25	Annual after Sep/23	5.13%
Debentures 5 <sup>th</sup> Issuance	60,224	-	2/15/2020	60,000 / 60,000	CDI+1.15% p.a	Feb / 25	Final	3.15%
Borrowing costs	(1,139)	(1,362)						
<b>Total ENERGISA SUL SUDESTE</b>	<b>133,088</b>	<b>72,293</b>						
<b>ENERGISA TRANSMISSÃO</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	86,484	82,022	12/15/2018	75,500 / 75,500	IPCA+4.9238 % p.a	Dec / 25	Final	5.01%
Debentures 1 <sup>st</sup> Issuance / 2 <sup>nd</sup> Series	59,164	56,025	12/15/2018	51,462 / 51,462	IPCA+5.1410 % p.a	Dec / 28	Annual after Dec/26	5.17%
Debentures 1 <sup>st</sup> Issuance 3 <sup>rd</sup> Series	141,062	133,733	12/15/2018	123,038 / 123,038	IPCA+4.9761 % p.a	Dec / 25	Final	5.05%
Borrowing costs	(2,359)	(2,676)						
<b>Total ENERGISA TRANSMISSÃO</b>	<b>284,351</b>	<b>269,104</b>						
<b>ENERGISA NOVA FRIBURGO</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	15,053	-	2/15/2020	15,000 / 15,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Debentures 1 <sup>st</sup> Issuance / 2 <sup>nd</sup> Series	26,398	-	2/15/2020	26,300 / 26,300	CDI + 1.15% p.a	Feb / 25	Final	3.15%
Borrowing costs	(167)	-						

Operations	Total		Issuance	No. Securities Issued / free float	Yields	Maturity	Amortization of principal	Effective interest rate
	9/30/2020	12/31/2019						
<b>Total ENERGISA NOVA FRIBURGO</b>	<b>41,284</b>	<b>-</b>						
<b>ENERGISA BORBOREMA</b>								
Debentures 1st Issuance	20,071	-	2/15/2020	20,000 / 20,000	CDI + 0.95% p.a	Feb / 23	Final	3.00%
Borrowing costs	(68)	-						
<b>Total ENERGISA BORBOREMA</b>	<b>20,003</b>	<b>-</b>						
<b>ENERGISA RONDÔNIA</b>								
Debentures 1 <sup>st</sup> Issuance / 1 <sup>st</sup> Series	1,570,888	1,559,152	11/26/2018	155,000 / 155,000	CDI+1.65% p.a	Nov / 23	Final	3.52%
Borrowing costs	(2,066)	(2,868)						
<b>Total ENERGISA RONDÔNIA</b>	<b>1,568,822</b>	<b>1,556,284</b>						
<b>ALSOL</b>								
Debentures 1st Issuance	101,765	101,109	10/23/2019	100,000 / 100,000	CDI+1.20% p.a	Oct / 24	Final	3.19%
Borrowing costs	(313)	(370)						
<b>Total ALSOL</b>	<b>101,452</b>	<b>100,739</b>						
<b>TOTAL</b>	<b>9,268,529</b>	<b>8,708,857</b>						
Borrowing costs (*)	(21,714)	(21,247)						
Borrowing costs	(28,676)	(32,319)						
<b>Total funding costs</b>	<b>(50,390)</b>	<b>(53,566)</b>						
Mark-to-market of debt	262,650	283,335						
<b>Total local currency</b>	<b>9,480,789</b>	<b>8,938,626</b>						
<b>CONSOLIDATED</b>	<b>9,480,789</b>	<b>8,938,626</b>						

(\*) Includes R\$ 132,819 (R\$ 179,663 as of December 31, 2019) denoting the mark-to-market value of debentures conjugated with subscription bonuses.

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

In the last quarter of FY 2015 the Company issued three common debenture series jointly with an underwriting bonus (part of the 7<sup>th</sup> Energisa Debenture Issue 1, 2 and 3), which is equal to converting such debentures into Energisa shares. On the issuance date, the sum of the three series was R\$ 500,001. The debenture value was recorded as debt, while concurrently IFRS9/CPC48 provides that the convertibility option should be priced and stated, which led to recognition of finance expenses in FY 2018 in the amount of R\$ 422,906. Additional losses on securities were recognized in FY 2019 of R\$ 627,823. Gains on securities were recorded in the period ended September 30, 2020 of R\$ 348,693 (loss of R\$ 483,673 as of September 30, 2019) recorded in the statement of income for the period in finance costs - Mark-to-market of derivatives, with the financial instrument's balance amounting to R\$ 702,036 (R\$ 1,050,729 as of December 31, 2019).

The right to exercise the underwriting bonus (convertibility) by debenture holders would take place at the price of one UNIT (ENGI11) at R\$ 17.40, while it was being traded at R\$ 40.85 on September 29, 2020. This is an "in the money" option, which reflects the good likelihood of conversion. Despite this large likelihood of exercising the conversion right, resulting in a debt reduction and an Equity Capital increase, maintaining the indebtedness plus the effect of a derivative financial instrument. The funds raised under the issuance were allocated to investments in electricity distribution infrastructure entailing the expansion, renewal or enhancement of electricity distribution infrastructure.

#### Covenant terms:

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

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

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

(\*) For the 12<sup>th</sup> debentures issuance of Energisa Mato Grosso, 13<sup>th</sup> issuance of Energisa S/A, 8<sup>th</sup> issuance of Energisa Paraíba, 14<sup>th</sup> issuance of Energisa Mato Grosso do Sul, there is a limit of 4.25x until maturity.

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

Failure to maintain these levels could result in early maturity of the debts. These requirements were being

performed as of September 30, 2020.

### Maturities

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

Year	Parent company	Consolidated
2021	251,528	377,877
2022	950,598	1,603,105
2023	191,533	1,870,200
2024	401,043	1,797,712
2024 onwards	731,608	2,140,787
Total	<b>2,526,310</b>	<b>7,789,681</b>

## 23. Operating leases

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

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

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

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

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

	Parent company					
	Average contractual term (years)	Effective rate p.a (%)	Balances at 12/31/2019	Addition	Amortization	Balances at 9/30/2020
Operational leases - property			719	79	(86)	721
<b>Total</b>			<b>719</b>	<b>79</b>	<b>(86)</b>	<b>721</b>
Current			112			63
Non-current			607			658

	Consolidated						
	Average contractual term (years)	Effective rate p.a (%)	Balances at 12/31/2019	Addition	Amortization	Interest	Balances at 9/30/2020
Operational leases - property			48,208	6,432	(10,080)	1,214	41,498
Operational leases - land			4,260	292	(169)	95	4,478
<b>Total</b>			<b>52,468</b>	<b>6,724</b>	<b>(10,249)</b>	<b>1,309</b>	<b>45,976</b>
Current			22,407				13,124
Non-current			30,061				32,852



Parent company							
	Average contractual term (years)	Effective rate p.a (%)	Initial Adoption on 1/1/2019	Addition	Amortization	Interest	Balances at 12/31/2019
Operational leases - property	6	8.89	777	18	(149)	73	719
<b>Total</b>							<b>719</b>
Current							112
Non-current							607

Consolidated									
	Average contractual term (years)	Effective rate p.a (%)	Initial Adoption on 1/1/2019	Acquisition balance	Addition	Amortization	Interest	Write-offs	Balances at 12/31/2019
Operational leases - property	4.57	8.89	39,692	-	22,701	(17,992)	3,818	(11)	48,208
Operational leases - land			-	4,831	1,503	(82)	134	(2,126)	4,260
<b>Total</b>			<b>39,692</b>	<b>4,831</b>	<b>24,204</b>	<b>(18,074)</b>	<b>3,952</b>	<b>(2,137)</b>	<b>52,468</b>
Current									22,407
Non-current									30,061

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

	Parent company 9/30/2020	Consolidated 9/30/2020
2021	62	8,626
2022	57	4,176
2023	57	2,773
2024	57	1,759
2024 onwards	425	15,518
<b>Total</b>	<b>658</b>	<b>32,852</b>

## 24. Taxes and social contributions

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Value-added tax on sales and services - ICMS (a)	-	-	884,295	694,669
Social Charges	6,876	3,194	78,346	56,046
Corporate Income Tax - IRPJ	-	-	48,392	41,273
Social Contribution on Net Income - CSSL	-	-	30,322	29,635
PIS and COFINS Contributions	5,493	2,623	434,707	203,439
PIS and COFINS - on restatement effects due to reduction of ICMS in the calculation base	-	-	10,478	6,752
Services tax - ISS	1,012	1,186	18,623	24,011
Tax on Financial Transactions - IOF	1,571	4,711	2,591	7,017
Income Tax Withheld at Source - IRRF	1,186	1,268	12,323	17,416
Social security contribution on gross revenue - CPRB	-	-	1,313	1,109
Other	929	603	28,502	31,579
<b>Total</b>	<b>17,067</b>	<b>13,585</b>	<b>1,549,892</b>	<b>1,112,946</b>
Current	16,208	13,021	965,019	640,023
Noncurrent	859	564	584,873	472,923

- (a) ICMS - The indirect subsidiary ESS has been awarded an injunction suspending payment of ICMS tax on billing amounts for subsidized low-income consumers of R\$ 36,028 (R\$ 34,486 as of December 31, 2019), with judicial deposit, while the subsidiaries EMT, ESS, ETO, EMS, EPB, ESE, EBO, EMG and ENF have R\$ 456,638 (R\$ 372,803 as of December 31, 2019) relating to ICMS on the use of the distribution and transmission system by free consumers and ICMS on energy demand which has been suspended under injunctions filed by consumers (see note 6, item 6). All amounts are recorded in noncurrent liabilities and charged to sales in noncurrent assets.

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

On 6/28/2019 and 12/21/2018 the direct subsidiary EAC entered the ICMS tax debt financing plan published by the Acre State Finance Office, authorized by Law 3.479 (May 24, 2018) and arrangement ICMS 79/18 where it opted to pay the tax debits at sight in the amount of R\$ 71,339 and R\$ 102,044 on 06/2019 and 12/2018 respectively, as follows:

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

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

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

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

## 25. Financing of taxes - consolidated

The subsidiary ESS has ordinary and tax liability installments of R\$ 40,737 (R\$ 50,517 as of December 31, 2019) owing to the São Paulo state tax authorities.

The subsidiary Denerge has a residual debit financing with the federal tax authorities of R\$ 999 over 60 monthly installments, restated by the Selic base interest rate. Payments of R\$ 640 were made in the period (R\$ 550 up to December 31, 2019). As of September 30, 2020 the balance of the financing is R\$ 359 (R\$ 450 as of December 31, 2019) and the number of installments to be settled is 12 (21 as of December 31, 2019).

In March 2020 the subsidiary ERO financed ICMS debits to Rondônia state for tax proceedings regarding credits on canceled bills in the amount of R\$ 44,914, to be paid in 60 monthly installments restated by the Standard Fiscal Rate-UPF/RO. The amounts were recognized in the income statement for the period, under consolidated deductions from operating revenue - ICMS of R\$ 2,784 and in other finance costs of R\$ 42,130 consisting of interest, fines and monetary restatement. Provisions for tax contingencies were also reversed of R\$ 16,899. Payments were made of R\$ 4,519 in the period. As of September 30, 2020 the balance is R\$ 40,395 and the number of installments to be settled is 53.

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

				Consolidated	
	ERO	ESS	DENERGE	9/30/2020	12/31/2019
ICMS	40,395	40,737	-	81,132	50,517
COFINS/PIS - PRT	-	-	359	359	450
<b>Total</b>	<b>40,395</b>	<b>40,737</b>	<b>359</b>	<b>81.491</b>	<b>50,967</b>
Current	5,961	17,313	151	23,425	17,555
Noncurrent	34,434	23,424	208	58,066	33,412

	Consolidated	
	9/30/2020	12/31/2019
ICMS, COFINS/PIS-PRT and INSS WITHHELD AT SOURCE		
Principal	24,743	22,351
Fine	51,876	24,640
Interest	4,872	3,976
<b>Total</b>	<b>81.491</b>	<b>50.967</b>
Current	23,425	17,555
Noncurrent	58,066	33,412

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

	Consolidated	
	9/30/2020	12/31/2019
2020	6,858	17,555
2021	26,058	15,598
2022 onwards	48,575	17,814
<b>Total</b>	<b>81.491</b>	<b>50.967</b>
Current	23,425	17,555
Noncurrent	58,066	33,412

## 26. Sector charges - consolidated

	9/30/2020	12/31/2019
Energy Development Account - CDE	39,972	3,456
National Scientific and Technological Development Fund - FNDCT	5,536	5,421
Ministry of Mining and Energy - MME	2,750	2,691
National Electricity Conservation Program - PROCEL	4,071	31,527
Research and Development - R&D <sup>(1)</sup>	189,908	185,461
Energy Efficiency Program - PEE <sup>(1)</sup>	244,116	256,609
Alternative Energy Sources Incentive Program - PROINFA	1,479	1,479
<b>Total</b>	<b>487,832</b>	<b>486,644</b>
Current	218,468	245,903
Non-current	269,364	240,741

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

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

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

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

### Probable losses:

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

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

See below the change in provisions for probable losses:

Parent company	Labor claims	
	9/30/2020	12/31/2019
Opening balances - noncurrent - 12/31/2019 and 12/31/2018	3,164	1,286
Making of provisions	3,599	2,668
Reversals of provisions	(3,102)	(382)
Payments made	(3,575)	(451)
Monetary restatement	19	43
Closing balances - noncurrent - 09/30/2020 and 12/31/2019	105	3,164
Restricted and escrow deposits (*)	(286)	(360)

(\*) The Company has restricted and escrow deposits recorded in its noncurrent assets of R\$ 588 (R\$ 382 as of December 31, 2019). No provisions for risks have been made for R\$ 302 (R\$ 22 as of December 31, 2019) of this total, as the chances of loss have been rated as possible or remote.

Consolidated	Labor claims	Civil	Tax	Regulatory	9/30/2020	12/31/2019
Opening balances - noncurrent - 12/31/2019 and 12/31/2018	218,481	615,106	1,229,870	106,268	2,169,725	2,393,125
Business combination balance	-	-	-	-	-	2,177
Making of provisions	88,686	151,432	198,082	41	438,241	606,609
Reversals of provisions	(51,741)	(136,804)	(222,315)	(4,149)	(415,009)	(625,894)
Payments made	(36,609)	(62,048)	-	-	(98,657)	(216,812)
Monetary restatement	3,268	7,468	25,116	3,854	39,706	10,520
Closing balances - noncurrent - 09/30/2020 and 12/31/2019	222,085	575,154	1,230,753	106,014	2,134,006	2,169,725
Restricted and escrow deposits (*)					(60,921)	(93,772)

(\*) The direct and indirect subsidiaries have escrow deposits and pledges in their noncurrent assets amounting to R\$ 633,851 (R\$ 576,694 as of December 31, 2019). Of this total, at the indirect subsidiary ESS R\$ 41,353 (R\$ 38,407 as of December 31, 2019) denotes ICMS deposits on the low-income subsidy subject to legal disputes, R\$ 531,577 (R\$ 444,515 as of December 31, 2019) there being no provision for risks, as the cases are rated as a possible or remote defeat.

### • Labor claims

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

## • Civil

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

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

## • Tax

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

The consolidated statement includes the tax contingency made by the subsidiary ERO of R\$ 536,985 (R\$ 528,743 as of December 31, 2019), in accordance with the negotiating terms and conditions with Rondônia State to settle cases addressing ICMS on these diesel oil acquisitions used to generate electricity, for the periods January 1999 to December 2016.

The Company and its direct and indirect subsidiaries are also subject to several claims due to conflicting interpretations of tax legislation, arising out of the normal course of business.

The Company's determines the chance of defeat based on the opinion of its legal advisers.

Provisions are revised and adjusted to reflect changes in circumstances, such as the applicable statute of limitations, the completion of tax inspections or exposure identified as a result of new issues or court decisions.

## • Regulatory

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

### Possible losses

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

See below the change in provisions for possible losses:

Parent company	Labor claims	Civil	Tax	9/30/2020	12/31/2019
Opening balances - 12/-31/2019 and 12/31/2018	1,127	44,192	77,531	122,850	151,708
New cases	59	300	-	359	18,044
Change in rating and claim amount	799	-	-	799	(53,221)
Close	(62)	-	-	(62)	(101)
Monetary restatement	27	757	1,802	2,586	6,420
Closing balances 9/30/2020 and 12/31/2019	1,950	45,249	79,333	126,532	122,850

Consolidated	Labor claims	Civil	Tax	Regulatory	9/30/2020	12/31/2019
Opening balances - 12/-31/2019 and 12/31/2018	224,211	2,379,253	2,943,398	32,302	5,579,164	7,763,205
Business combination balance	-	-	-	-	-	586
New cases	59,602	599,867	651,191	-	1,310,660	743,820
Change in rating and claim amount	(24,659)	(110,248)	(440,665)	-	(575,572)	(2,065,006)
Close	(30,839)	(104,022)	(143,228)	(1,708)	(279,797)	(1,175,317)
Monetary restatement	3,746	41,740	63,604	747	109,837	311,876
Closing balances 9/30/2020 and 12/31/2019	232,061	2,806,590	3,074,300	31,341	6,144,292	5,579,164

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

- **Labor**

Labor proceedings consist of the following claims: claims submitted by employees seeking overtime, danger hazard allowances, "on call" time, indemnity for work-related accidents, in addition to claims from former employees of service providers hired by the subsidiaries, claiming joint liability for severance pay and salaries and charging union fees, notice, compensation for damages resulting from work-related accidents, public procurements, severance incentivization plan, transposition to federal institutions.

- **Civil**

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

**Main cases:**

**Subsidiaries**

**. Main cases:**

**EPB**

. Case 0002664-83.2015.815.0131 involving R\$ 55,819 (R\$ 54,881 as of December 31, 2019), disputing issues related to contractual severance (annulment action filed by Cooperativa de Eletrificação Rural). The plaintiff is contesting the transfer of the electrification network made by Cervap and Energisa, requiring annulment of the public transaction date between the companies and all resulting effects.

**EMS**

. Collective civil action 00651268720144013800 in the amount of R\$ 177,959 (R\$ 174,968 as of December 31, 2019), by which the Energy Consumer Defense Association is claiming a return of amounts unfairly charged in double. The impact in the case of defeat is possible recalculation of the rates practiced, resulting in a change to the contractual bases of the concession agreement and the entire methodology for creating rates prepared by the Concession authority.

. Public civil action 00081923720034036000 in the amount of R\$ 65,991 (R\$ 64,881 as of December 31, 2019), by which the Federal Prosecutions Department is claiming the annulment of ANEEL Resolution 167, which established the Company's rate replacement index, to establish an index other than the IGP-M price index.



## EMT

- . Case 1004068-45.2018.4.01.3600 for R\$ 318,107 (R\$ 312,760 as of December 31, 2019) involving issues related to a claim demanding compensation for the right-of-way. Plaintiff is claiming recognition of legality and to demand the payment for use of the highway easements awarded to CRO, ordering EMT to pay overdue and outstanding portions for this use and signing the pending contracts and to present the executive plans for the occupied area.
- . Compensation claim 17436-75.2014.811.0041 in the amount of R\$ 73,624 (R\$ 72,386 as of December 31, 2019) filed by Conel Construções Elétricas Ltda, in order to obtain reimbursement for material and moral damages due to the allegedly unjustified termination by the defendant of the service provision agreement.
- . Compensation claim 54570-73.2013.811.0041 in the amount of R\$ 41,722 (R\$ 41,021 as of December 31, 2019), seeking reimbursement of amounts due to excessive cost of the service provision agreements and nonperformance of obligations established in the agreements.
- . Compensation claim 13549-66.2015.811.0003 for R\$ 36,035 (R\$ 35,429 as of December 31, 2019) involving issues related to moral and property damages.

## ETO

- . Case 0007336-94.2008.4.01.3400 for R\$ 35,095 (R\$ 34,505 as of December 31, 2019), disputing contractual issues involving the repossession/expropriation of land to build high-voltage distribution lines and substations.

## ERO

- . Compensation claim 0013664-30.2015.401.4100 in the amount of R\$ 477,351 (R\$ 469,326 as of December 31, 2019), seeking reimbursement of amounts due to excessive cost of the service provision agreements and nonperformance of obligations established in the agreements.
- . Case 7046547-26.2019.8.22.0001 in the amount of R\$ 367,984, filed by candidates in CERON's public competition in 2016, seeking the appointment of successful candidates to replace the outsourced employees. There was a dispute about material jurisdiction, and the company was not summoned in the case previously. Since then privatization took place, which led to the loss of the case grounds, as declared in a decision ruling. The plaintiffs appealed the decision, claiming payment of loss of suit fees by CERON/Energisa.
- . Compensation claim 7040117-63.2016.8.22.0001 in the amount of R\$ 111,410 (R\$ 109,537 at December 31, 2019), filed by Petrobrás Distribuidora S.A. relating to the collection proceeding for the supply of diesel. The claim amount was reduced after reassessing the risk, which merely entails a dispute around success fees.
- . Public Civil Action 0011930-44.2015.401.41000 in the amount of R\$ 52,352 (R\$ 51,472 at December 31, 2019), filed by the Brazilian Bar Association disputing issues related to energy shortages.
- . Ordinary Proceeding 0008746-40.2015.822.0001 in the amount of R\$ 50,979 (R\$ 50,122 as of December 31, 2019), filed by the Brazilian Bar Association disputing issues related to energy shortages.

## Rede Energia Participações

- . Enforcement proceeding 01415375820128260100 for a fixed sum, involving R\$ 38,286 (R\$ 37,462 as of December 31, 2019), to charge alleged credits established in Bank Credit Notes issued by Centrais Elétricas do Pará - CELPA. If CELPA is convicted, this debit could have to be subject to the Judicial Reorganization Plan.

### • Tax

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

## Main cases:

### Parent company

. Assessment notice 18471.000772.2008-26 in the amount of R\$ 62,604 (R\$ 60,555 as of December 31, 2019), seeking collection of the IOF tax in the period 2003 to 2005, on the advance for future capital increase - AFAC on behalf of the subsidiary Energisa SE.

### Subsidiary:

#### ETO

. Case 5003614-42.2012.827.2729 - tax debit collection resulting from assessment notice for ICMS on purchases of property, plant and equipment by the company, in the amount of R\$ 159,142 (R\$ 155,276 as of December 31, 2019). The claim amount was reduced due to payment of the amount involved in the declared risk. Issues related to substance are being disputed in annulment action 0013057-97.2015.8.27-2729, filed by the Company before charging the State.

#### ESE

. Assessment notice 10.510.724763/2011-12 for an amount of R\$ 196,818 (R\$ 192,033 as of December 31, 2019), by which the federal tax authority is asserting the alleged failure to include in the taxable income and social contribution calculation bases expenses considered nondeductible on the amortization of goodwill referring to the privatization of the Company, and the allegedly improper offsetting of tax losses and the social contribution calculation base.

. Assessment Notice 0801303-84.2019.4.05.8500, for R\$ 79,735 (R\$ 77,797 as of December 31, 2019), disputing the IRPJ/CSLL calculation base involving revenue from the extraordinary rate replacement - RTE, had its claim amount changed in December 2019, based on the risk opinion issued by the hired legal advisers and received in August 2019.

. Assessment Notice 201942403 for R\$ 35,629 (R\$ 34,763 as of December 31, 2019), in which Sergipe state is contending the allegedly failure to pay ICMS on electricity sales to the direct public administration agency and its foundations and authorities, received in August 2019.

#### EMS

. Assessment notice 10140720806201057 involving R\$ 52,899 (R\$ 51,613 as of December 31, 2019), issued by the federal tax authority charging PIS and COFINS liabilities for the accrual periods December 2007 to February 2008, deriving from the disallowance of credits appropriated on the non-cumulative basis on amounts to be returned to consumers by order of ANEEL.

#### EMT

. Proceedings involving ICMS on demand amounted to R\$ 649,438 (R\$ 633,648 as of December 31, 2019), for which the Company has not made a provision based on the opinion of its legal advisers. The proceedings related to the ICMS claim result from the assessment for non-collection and non-payment of the tax due to performing court decisions staying the tax payment requirement.

. There are also important proceedings relating to the appropriation of credits on the ICMS rate differential on the acquisitions of permanent assets in the total amount of R\$ 239,964 (R\$ 234,575 as of December 31, 2019), including: (i) tax enforcement 1000985-84.2016.811.0041 in the amount of R\$ 78,768 (R\$ 76,999 as of December 31, 2019); in contravention of the constitution and Supplementary Law 87/96, Mato Grosso State Law 7.098/98 (art. 25,6) forbids the appropriation of this credit; the matter is subject to ADI 4.623/MT, in progress before the STF, where the Federal Attorney General has issued a favorable opinion, and (ii) assessment notice 011178550.20128130699 issued by the Mato Grosso State Finance Department, with ICMS charged for the period January 2010 to January 2012, on the grounds that the Company allegedly improperly appropriated a tax credit on the rate differential on the acquisitions of permanent assets, which after the submission of the statement had its assessment transferred to case 5205023/2012, in the amount of R\$ 82,795 (R\$ 80,936 as of December 31, 2019).

. Administrative proceeding 14094.720008/2018-36, of R\$ 76,101 (R\$ 74,250 as of December 31, 2019) due to nonratification of the changes made to the Declarations of Federal Contributions and Taxes - DCTFs for the period 2014 to 2016.

. Case 0010774-95.2017.4.01.3600, for R\$ 130,638 (R\$ 127,462 as of December 31, 2019), involving a dispute about a tax enforcement filed by the federal government as a result of the company being excluded from the financing program introduced by Law 11.941/09 and therefore losing the benefits awarded.

## ERO

. Assessment Notice 10240-722.819/2020-12 involving R\$ 337,140, received in September 2020, which reduced the value of the tax loss (IRPJ) and negative calculation base of CSLL, due to the disallowance of the expense on non-technical losses in FYs 2016 and 2017.

. Assessment Notice 10240-721.054/2020-95 involving R\$ 237,696, received in September 2020, for the charging of alleged PIS and COFINS debits on disallowed credit contributions related to non-technical losses and incidence of contributions on amounts received as CCC (Fuel Consumption Account) reimbursements in FYs 2016 and 2017.

. Assessment Notice disputing the disallowance of ICMS credits on the acquisition of diesel oil used to generate electricity in the period January 1999 to December 2016, involving R\$ 839,775, consisting of the main cases: (i) Assessment Notice 2016-2700100711 (CDA20160600058378); (ii) Assessment Notice 20192700100392; (iii) Assessment Notice 2009.31.00100058 (CDA nº 20180200007119); (iv) Assessment Notice 2009.31.00100059 (CDA nº 20130301192305); (v) Assessment Notice 2009.31.00100060 (CDA nº 2009060004211600); and (vi) Assessment Notice 2009.31.00100061 (CDA nº 20090600042124).

## EAC

. Administrative proceeding 46.743/2018, for Assessment Notice 11.314/2018, for R\$ 53,164 as of December 31, 2019 involving issues related to charging the calculation base difference, rate differential, CIAP Journal and diesel oil credit reversal. On 6/28/2019 a part of the assessment notice was entered in the State REFIS program, where the Company received the partial debit for the diesel oil part only. The case was filed due to the entry into the Refis program in February 2020.

. Assessment Notice 11.314/2018, for R\$ 44,776 received in August 2020, disputing issues related to charging the calculation base difference, rate differential, CIAP Journal and diesel oil credit reversal.

. Assessment Notice 2019/81/33314 (AI 12.097) issued by Acre state, for R\$ 35,192 (R\$ 34,469 as of December 31, 2019) formalizing the recording of an ICMS tax liability due to “underpayment of ICMS for FY 2015 due to misappropriation of tax credits, difference in the calculation base for electricity sales and monthly payments lower than that effectively owed by the taxpayer”. The tax auditors said the taxpayer incurred the following violations: (i) reversal of ICMS credits on Diesel Oil; (ii) exempt portion (art. 35 (I) of LCE 55/1997); (iii) energy losses (art. 35 (IV) of LCE 55/1997); (iv) sale value lower than acquisition cost (art. 35 (V) of LCE 55/1997); (v) amount referring to the provision (debit) and offset (credit) of the rate differential; (vi) failure to ratify all of the cancellations as per occurrences verified and set out in Article One (VIII) of Conv. ICMS 30/2004, due to the existence of expired credits (art. 33 (1) of LCE 5/1997), situations which mean that such tax credits cannot be recorded by the taxpayer; (vii) differences in the calculation base for electricity effectively sold to the end consumer; and (viii) ICMS difference payable for FY 2015. The Company filed a contestation on September 20, 2019.

## Regulatory

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

## 28. Regulatory fees - consolidated

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

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

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

## 29. Incorporation of grids - consolidated

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

The electricity universal access time frame of the subsidiary EMT in rural areas of Mato Grosso was extended to 2020 respectively. The schedule revision was approved by the National Electricity Regulatory Agency (ANEEL). The balances of private grid acquisitions incur charges calculated by the change in the IGP-M price index plus interest of 0.5% to 1% per month.

See the changes occurring in the period/year:

Description	9/30/2020	12/31/2019
<b>Balance at 12/31/2019 and 12/31/2018</b>	<b>198,522</b>	<b>260,145</b>
Addition in the period/year	20,486	13,445
Monetary restatement and interest	24,628	27,473
Payments/Write-offs	(17,494)	(102,541)
<b>Balance at 9/30/2020 and 12/31/2019</b>	<b>226,142</b>	<b>198,522</b>
Current	78,580	48,239
Non-current	147,562	150,283

## 30. Other liabilities

Description	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Employee profit sharing	961	12,832	5,084	78,728
Payroll payable	6,176	5,907	34,513	39,718
Banco Daycoval Rede Energia RJ	50,693	50,693	50,693	50,693
Other employee benefits	2,375	3,198	23,786	34,538
Provision for pension fund (HSBC)	-	2,000	-	4,000
Insurance premiums	-	62	1,054	6,998
Customer advances	5,233	4,733	213,576	149,136
Withholding of contractual guarantee of contractors	314	314	37,911	40,774
Financing of regulatory fines	-	-	-	1,684
Rate amounts and charges recoverable - TUSD	-	-	12,201	12,201
ANEEL inspection fee - monthly contribution	-	-	1,286	1,248
Emergency charges (ECE and EAE)	-	-	18,166	18,649
Eletrobrás reimbursement - acquisition of the business combination (1)	163,604	163,604	163,604	163,604
EPB Reimbursement - Salto Paraíso (2)	-	-	42,920	40,711
Effects of reducing ICMS on the PIS and COFINS calculation base (3)	-	-	1,030,378	658,796
Other accounts payable (4)	21,005	2,255	188,448	263,640
<b>Total</b>	<b>250,361</b>	<b>245,598</b>	<b>1,823,620</b>	<b>1,565,118</b>
Current	62,802	76,739	329,894	454,613
Noncurrent	187,559	168,859	1,493,726	1,110,505

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

(2) Denotes the integration of the connection of the plants at the SE Salto Paraíso with reimbursement to be paid

by the company to EBP (Enel Brasil Participações) by offsetting the credit deriving from the distribution system usage agreement (“CUSD”) The balance is restated monthly by applying the change in the IPCA price index with monthly settlements, commencing in June 2018.

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

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

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

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

Based on the opinions of its legal advisers and Management’s best estimates, EPB, EBO, ETO, ESS and ESE created a recoverable PIS and COFINS asset in noncurrent assets of R\$ 1,041,242 (R\$ 665,780 as of December 31, 2019) and noncurrent liabilities of R\$ 1,030,378 (R\$ 658,796 as of December 31, 2019, net of attorneys’ fees and taxes. The liability was made because we understand the amounts to be received as tax credits on the contributions passed through in their entirety to consumers in accordance with the electric sector’s regulatory standards. The pass-through to consumers depends on the effective use of the tax credit by the subsidiaries in accordance with the rules of the federal tax authorities and the National Electricity Regulatory Agency - ANEEL, still pending issuance.

Any change or limitation of the STF’s ruling due to hearing the motion for clarification by the STF will result in changes to the asset and liability amounts recorded and consequently the amounts to be passed through by the Company to consumers in the form determined by the new specific regulations to be published by ANEEL.

The impacts are summarized as follows:

	Consolidated			
	9/30/2020		12/31/2019	
	Assets	Liabilities	Assets	Liabilities
Recoverable Pis and Cofins taxes - Effects of reducing ICMS	1,041,242	-	665,780	-
Effects of reducing ICMS on the PIS and COFINS calculation base (*)	-	1,030,378	-	658,796
<b>Total noncurrent assets and liabilities</b>	<b>1,041,242</b>	<b>1,030,378</b>	<b>665,780</b>	<b>658,796</b>

Income statement for the period	Consolidated			
	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
<b>Revenues</b>				
Effects of reducing ICMS on the PIS and COFINS calculation base - other liabilities	(27,679)	(295,328)	(174,939)	(502,313)
Effects of reducing ICMS on the PIS and COFINS calculation base - recoverable taxes	27,679	295,328	174,939	502,313
<b>Financial income</b>				
<b>Other financial revenue</b>				
Restatement of recoverable PIS and COFINS taxes - Effects of reducing ICMS	4,296	80,136	41,098	131,976
<b>Other financial expenses</b>				
Restatement of Other liabilities Effects of reducing ICMS on the PIS and COFINS calculation base	(4,296)	(80,136)	(41,098)	(131,976)
<b>Result found</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Less R\$ 10,864 (R\$ 6,984 as of December 31, 2019, for costs incurred on legal services and taxes.

(4) At the parent company and consolidated they include: (i) R\$ 17,671 denotes the portion of the ALSOL business combination acquisition to be paid on the next 4 years; and (ii) R\$ 139,804 recorded by the subsidiary ERO as provisions for taxes and charges payable on the acquisition of fuel acquired before the enactment of Law 12.111/2009, as Official Circular 2.306/2004 - SFF/ANEEL issued December 24, 2004, introduced the procedures



for closing that year, so that the amounts received from CCC, for reimbursement of the ICMS and PIS/COFINS hitherto (recoverable), could be credited to current liabilities - CCC Funds. The Subsidiary recognized the funds received in the years. In FY 2008 Official Circular 2.775 /2008-SFF/ANEEL issued December 24, 2008 ratified the amounts. The item also includes R\$ 6,437 for the period 1999 to 2006 recognized as a result of acquiring diesel oil to generate electricity in the islanded systems so that consumption could exceed the limit established at the time by ANEEL.

## 31. Equity

### 31.1 Share capital

The share capital is R\$ 3,363,685 (R\$ 3,363,685 as of December 31, 2019), represented by 1,814,561,910 registered shares (1,814,561,910, as of December 31, 2019), consisting of 755,993,938 (755,993,938 as of December 31, 2019) common shares and 1,058,567,972 (1,058,567,972 as of December 31, 2019) preferred shares, with no par value. The amount of shares converted into Units (share certificate denoting ownership of 4 preferred shares and 1 common share of the Company) is 262,337,049 (262,473,249 as of December 31, 2019).

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

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

Irrespective of amendments to the bylaws, the share capital may be increased up to a maximum of 3,000,000,000 shares, consisting of up to 1,000,000,000 common shares and up to 2,000,000,000 preferred shares, via resolution by the Board of Directors, which will determine the payment conditions, features of the shares to be issued an issuance price.

### 31.2 Capital Reserve

	9/30/2020	12/31/2019
Sale of treasury stock	1,849	1,849
Transactions between partners <sup>(4)</sup>	307,309	335,817
Funding cost - capital increase	(65,723)	(65,723)
Tax incentives for reinvestments <sup>(1)</sup>	8,042	8,042
PUT investment <sup>(3)</sup>	53,904	62,576
Variable compensation program (ILP) <sup>(2)</sup>	8,018	4,962
<b>Balances at 9/30/2020 and 12/31/2019</b>	<b>313,399</b>	<b>347,523</b>

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

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

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

(3) PUT Investment - denotes the difference in the shares buyback option paid in by the employees and retirees of the subsidiaries ERO and EAC of R\$ 7,765, consisting of 191,679,293 ERO shares and 14,374,919,056 EAC shares, with R\$ 55,062 recorded in the equity value of shares recorded in non-current assets - Investments - other equity interests and R\$ 1,158 in the item derivative financial instruments in noncurrent liabilities.

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

Transactions between partners	9/30/2020	12/31/2019
<b>Opening balance - 12/-31/2019 and 12/31/2018</b>	<b>335,817</b>	<b>252,204</b>
Transactions between partners - reflection (1)	-	(6,362)
Gain determined on new acquisitions of interests in direct and indirect subsidiaries (2)	(28,508)	132,255
Income and social contribution taxes	-	(42,280)
<b>Closing balance - 09/30/2020 and 12/31/2019</b>	<b>307,309</b>	<b>335,817</b>



- (1) Includes a portion resulting from the percentage interest in the subsidiary EEVP, merged into Denerge, referring to the derivative financial instrument described in note 35.
- (2) The amount of R\$ 28,508 (R\$ 132,255 as of December 31, 2019) denotes the gain made on new acquisitions of interests in direct and indirect subsidiaries, directly recorded in Equity.

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

Because the subsidiaries EPB, ESE, EBO, EMT and ETO operate in the infrastructure sector of the North-East region, central and western and northern regions they obtained a reduction to the income tax payable for the purposes of investments in projects expanding their installed capacity, as determined by article 551 (3) of Decree 3.000, dated March 26, 1999.

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

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

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

See the information about the incentives obtained by:

Subsidiaries	Government Agency	No. of constitutive report	Income tax decrease (consolidated)	
			9/30/2020	12/31/2019
EPB	SUDENE	197/2012	53,647	63,482
ESE	SUDENE	205/2012	24,632	26,841
EBO	SUDENE	206/2012	4,852	7,647
EMT	SUDAM	114/2014	72,550	123,925
ETO	SUDAM	113/2014	4,167	32,426
Total			<b>159,848</b>	<b>254,321</b>

These amounts were recorded directly in the income statement for the period under consolidated "current income and social contribution taxes", and were allocated to the tax incentive reserve in the subsidiaries' shareholders' equity.

### 31.4 Dividends

The corporate bylaws determine the distribution of a mandatory dividend of 35% of the net income for the period, adjusted as stipulated by article 202 of Law 6.404 issued December 15, 1976, and allows dividends to be paid out in interim results.

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

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

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

## 32. Operating revenue

### 32.1 Gross operating revenue - parent company

	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
<b>Operating revenue</b>				
Specialized services (*)	61,099	187,838	61,898	177,952
Deductions from operating revenue				
PIS	(1,008)	(3,099)	(1,021)	(2,936)
COFINS	(4,644)	(14,277)	(4,704)	(13,524)
ISS	(1,423)	(4,427)	(1,466)	(4,367)
<b>Net operating revenue</b>	<b>54,024</b>	<b>166,035</b>	<b>54,707</b>	<b>157,125</b>

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

### 32.2 Operating revenue - consolidated

	9/30/2020				9/30/2019			
	Outside the scope of the independent auditors		7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	Outside the scope of the independent auditors		7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
	No. of consumers	MWh	R\$	R\$	No. of consumers	MWh	R\$	R\$
Residential	6,540,233	10,275,768	2,567,216	7,637,997	6,354,814	9,768,070	2,481,341	7,446,272
Industrial	42,163	1,640,347	403,344	1,134,783	42,267	1,818,443	433,634	1,241,362
Commercial	534,634	4,208,765	1,040,970	3,279,626	535,894	4,746,815	1,240,278	3,681,385
Rural	793,719	2,700,795	596,235	1,579,119	783,298	2,524,458	531,687	1,392,787
Public authorities	71,630	1,063,284	236,708	767,111	70,610	1,305,200	319,165	926,857
Public lighting	7,719	1,278,688	193,646	558,214	7,507	1,301,750	187,962	522,167
Public utility	8,773	868,843	155,993	456,659	8,861	878,585	169,251	463,459
Own consumption	1,728	30,459	-	-	1,692	31,712	-	-
<b>Subtotal</b>	<b>8,000,599</b>	<b>22,066,949</b>	<b>5,194,112</b>	<b>15,413,509</b>	<b>7,804,943</b>	<b>22,375,033</b>	<b>5,363,318</b>	<b>15,674,289</b>
Electricity sales to concession operators	-	2,404,883	105,792	379,587	-	1,723,126	160,938	917,994
Supplies not billed (net)	-	(8,361)	201,467	179,886	-	10,677	73,395	168,072
Provision of the transmission and distribution system	1,165	-	419,034	1,151,561	902	-	359,812	1,002,557
Energy sold to free clients	-	3,961,867	205,224	727,415	-	3,374,518	236,035	645,180
Construction revenue - assets (1)	-	-	523,944	1,527,834	-	-	852,405	1,821,070
Transmission infrastructure maintenance and operation revenue	-	-	2,016	3,363	-	-	-	-
Compensation of contract asset	-	-	50,958	149,350	-	-	93,321	245,265
Specialist services	-	-	22,658	83,585	-	-	17,843	52,221
Regulatory Penalties	-	-	(11,575)	(58,155)	-	-	(8,297)	(62,802)
Effects of reducing ICMS on the PIS and COFINS calculation base - other liabilities	-	-	(27,679)	(295,328)	-	-	(174,939)	(502,313)
Effects of Reducing ICMS on the PIS and COFINS calculation base - recoverable taxes	-	-	27,679	295,328	-	-	174,939	502,313
Other operating revenue	-	-	56,745	163,177	-	-	47,924	150,760
Concession financial asset	-	-	53,173	62,840	-	-	25,751	143,577
(-) Revenue from surplus demand	-	-	(11,868)	(11,868)	-	-	(63)	4,449
(-) Surplus Reactive Energy	-	-	(12,082)	(12,082)	-	-	(471)	6,793
Creation and amortization - CVA assets and liabilities (2)	-	-	35,908	(40,645)	-	-	(148,684)	(129,635)
Subsidies for service awarded under concession (CDE and low-income)	-	-	339,194	1,126,739	-	-	342,743	954,714
<b>Total - gross operating revenue</b>	<b>8,001,764</b>	<b>28,425,338</b>	<b>7,174,700</b>	<b>20,846,096</b>	<b>7,805,845</b>	<b>27,483,354</b>	<b>7,415,970</b>	<b>21,594,504</b>
Deductions from operating revenue								
ICMS	-	-	1,249,561	3,713,755	-	-	1,241,989	3,659,880
PIS	-	-	110,454	323,263	32.3-	-	113,739	332,959
COFINS	-	-	508,713	1,488,984	-	-	523,849	1,533,510
CPRB	-	-	1,458	4,894	-	-	1,924	4,858
ISS	-	-	4,635	14,968	-	-	5,196	14,108
Rate Flag Deductions (3)	-	-	(15,652)	(24,849)	-	-	(15,852)	(12,858)
Energy Efficiency Program - PEE -	-	-	16,399	46,748	-	-	15,548	47,192
Consumer charges - Procel	-	-	3,954	11,541	-	-	3,885	11,796
Energy Development Account - CDE	-	-	370,257	1,110,772	-	-	429,969	1,389,378
Research and Development Program - R&D	-	-	8,598	23,886	-	-	7,774	23,596
National Scientific and Technological Development Fund - FNDCT	-	-	7,909	23,085	-	-	7,774	23,596
Ministry of Mining and Energy - MME	-	-	3,955	11,541	-	-	3,885	11,796
Inspection fee for electricity services - TFSEE	-	-	6,423	18,446	-	-	5,887	17,221
<b>Total - deductions from operating revenue</b>	<b>-</b>	<b>-</b>	<b>2,276,664</b>	<b>6,767,034</b>	<b>-</b>	<b>-</b>	<b>2,345,567</b>	<b>7,057,032</b>
<b>Total net operating revenue</b>	<b>8,001,764</b>	<b>28,425,338</b>	<b>4,898,036</b>	<b>14,079,062</b>	<b>7,805,845</b>	<b>27,483,354</b>	<b>5,070,403</b>	<b>14,537,472</b>



- (1) Of the total Concession infrastructure construction revenue, the amount of R\$ 1,303,709 denotes the construction revenue of the distribution companies and R\$ 224,146 denotes the construction revenue of the transmission companies. Of the total construction cost presented in the Statement of Income of R\$ 1,527,834, the amount of R\$ 1,518,585 denotes the construction cost of the distribution companies and R\$ 214,876 denotes the construction cost of the transmission companies.
- (2) Denotes the sector financial assets and liabilities (CVA) recognized in profit and loss for FY 2018 in accordance with OCPC 08.
- (3) **Rate Flags** - from January 2015 energy bills will start using the Rate Flag System, which aims to balance the distribution companies' exposure to short-term costs in energy generation. ANEEL triggers the use of rate flags monthly in a technical notification, and the proceeds resulting from applying the rate flag can be fully or partly reverted to CCRBT, as per the monthly notice disclosed by Aneel.

This revenue earned by subsidiaries on rate flags in the period ended September 30, 2020 amounted to R\$ 13,899 (R\$ 212,122 as of September 30, 2019), and R\$ 24,849 (R\$ 12,858 as of September 30, 2019) was received from CCRBT. The net effect of the rate flags on the Companies' earnings in the period ended September 30, 2020 was therefore R\$ 38,748 (R\$ 228,980 as of September 30, 2019).

### 33. Electricity purchased for resale:

	Consolidated					
	MWH <sup>(1)</sup>		Electricity purchased for resale (Reais thousand)			
	9/30/2020	9/30/2019	7/1/2020 to 9/30/2020	1/1/2020 to 9/30/2020	7/1/2019 to 9/30/2019	1/1/2019 to 9/30/2019
Energy from Itaipú - Binational	2,517,760	2,479,506	321,981	895,046	265,516	704,499
Auction energy	13,540,785	13,453,924	829,389	2,662,468	936,896	2,872,614
Bilateral energy and other supplies	5,501,574	5,478,839	940,736	2,922,104	864,721	2,882,639
CCC reimbursement	-	-	(238,819)	(827,625)	(123,891)	(712,696)
Angra Quotas Normative Resolution 530/12 <sup>(2)</sup>	856,685	846,201	88,126	252,114	58,308	197,873
Short-term electricity - CCEE	461,601	460,548	124,467	378,299	198,873	973,514
Physical Guarantee Quotas- Ratifying Resolution 1,410	6,057,897	5,948,170	253,453	750,254	302,915	750,386
Alternative Energy Sources Incentive Program - PROINFA	523,386	526,750	61,355	185,907	74,412	223,234
Reserve Energy - ERR	-	-	72,740	116,253	41,563	95,784
(-) Recoverable portion of noncumulative PIS/COFINS	-	-	(228,529)	(671,676)	(243,605)	(710,472)
<b>Total</b>	<b>29,459,688</b>	<b>29,193,938</b>	<b>2,224,899</b>	<b>6,663,144</b>	<b>2,375,708</b>	<b>7,277,375</b>

- (1) Information outside the scope of the independent auditors.
- (2) Includes the value of Normative Resolution 1585/2013.

### 34. Insurance coverage

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

The main items covered are:

Lines	Date of maturity	Amount Insured (R\$ thousand)	Parent company	
			9/30/2020	12/31/2019
Operating Risks	11/7/2020	90,000	106	96
Auto - Fleet	10/23/2021	Up to R\$ 360 / vehicle	15	30
Collective Life Insurance and Personal Accidents (*)	1/31/2021	126,775	368	292
Civil Liability Directors and Officers (D&O)	3/5/2021	75,000	3	3
<b>Total</b>			<b>492</b>	<b>421</b>

Lines	Date of maturity	Amount Insured (R\$ thousand)	Consolidated	
			9/30/2020	12/31/2019
Operating Risks	11/7/2020	90,000	7,021	6,658
General Civil Liability	1/24/2021	90,000	4,291	4,262
Auto - Fleet	10/23/2021	Up to R\$ 1,110 / vehicle	755	2,126
General civil liability to 2nd Risk	11/23/2020	10,000	133	133
Aeronautical - civil liability (RETA)	12/12/2020	1,332	2	2
Aeronautical - Hull/LUC	12/12/2020	141,817	210	210
Collective Life Insurance and Personal Accidents (*)	1/31/2021	126,775	2,859	2,311
National transportation	4/4/2021	Up to 2,000/ transportation	164	180
Civil Liability Directors and Officers (D&O)	3/5/2021	75,000	322	310
Explorer or Transportation Liability - R.E.T.A (Drones)	1/12/2021	228/drone	24	23
Engineering risks + Civil Liability - Works	2/10/2021	44,264	302	280
<b>Total</b>			<b>16,083</b>	<b>16,495</b>

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

### 35. Financial instruments and risk management

#### Fair value hierarchy

The different levels were assigned as follows:

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

Because the distribution subsidiaries have classified the concession financial asset as the best estimate of the fair value through profit and loss, the relevant factors for the fair value appraisal are not publicly observable, meaning the fair value hierarchy is classified at level 3. The change and respective restatements in net income for the period were R\$ 62,840 (R\$ 143,577 as of September 30, 2019) and the main assumptions used, can be seen in note 15.

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

Parent company					
	Level	9/30/2020		12/31/2019	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents		70,388	70,388	68,423	68,423
Receivables		23,560	23,560	40,640	40,640
Notes and credits receivable		25	25	76	76
Related-party credits		1,145,599	1,145,599	668,380	668,380
		1,239,572	1,239,572	777,519	777,519
<b>Fair value through profit or loss</b>					
Money market and secured funds	2	2,191,244	2,191,244	2,486,362	2,486,362
Derivative financial instruments	2	86,740	86,740	35,237	35,237
		2,277,984	2,277,984	2,521,599	2,521,599
<b>Liabilities</b>					
<b>Amortized cost</b>					
Trade accounts payable		2,355	2,355	17,462	17,462
Loans, financing, debentures and debt charges		4,423,711	4,403,531	4,323,338	4,261,194
Operating leases		721	721	719	719
		4,426,787	4,406,607	4,341,519	4,279,375
<b>Fair value through profit or loss</b>					
Derivative financial instruments	2	703,194	703,194	1,051,784	1,051,784
		703,194	703,194	1,051,784	1,051,784

Consolidated					
	Level	9/30/2020		12/31/2019	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>					
<b>Amortized cost</b>					
Cash and cash equivalents		1,330,020	1,330,020	663,103	663,103
Clients, consumers and concessionaires		5,022,826	5,022,826	4,834,041	4,834,041
Credit receivables		28,976	28,976	26,573	26,573
Sector financial assets		1,181,404	1,181,404	2,088,970	2,088,970
		<b>7,563,226</b>	<b>7,563,226</b>	<b>7,612,687</b>	<b>7,612,687</b>
<b>Fair value through profit or loss</b>					
Money market and secured funds	2	4,144,920	4,144,920	2,373,194	2,373,194
Concession financial asset	3	5,596,979	5,596,979	5,130,960	5,130,960
Derivative financial instruments	2	2,115,859	2,115,859	1,190,770	1,190,770
		<b>11,857,758</b>	<b>11,857,758</b>	<b>8,694,924</b>	<b>8,694,924</b>
<b>Liabilities</b>					
<b>Amortized cost</b>					
Trade accounts payable		1,769,153	1,769,153	2,088,174	2,088,174
Loans, financing, debentures and debt charges		19,421,659	19,434,377	17,188,607	17,098,612
Operating leases		45,976	45,976	52,468	52,468
Sector financial liabilities		1,448,717	1,448,717	1,019,428	1,019,428
Tax financing		81,491	81,491	50,967	50,967
Regulatory fees (*)		39,972	39,972	3,456	3,456
		<b>22,806,968</b>	<b>22,819,686</b>	<b>20,403,100</b>	<b>20,313,105</b>
<b>Fair value through profit or loss</b>					
Derivative financial instruments (**)	2	949,202	949,202	1,372,469	1,372,469
		<b>949,202</b>	<b>949,202</b>	<b>1,372,469</b>	<b>1,372,469</b>

(\*) Includes the balance of the Energy Development Account - CDE of R\$ 39,972 and (R\$ 3,456 as of December 31, 2019), disclosed in note 26).  
(\*\*) The Company issued simple debentures conjugated with subscription bonuses. The right to exercise the underwriting bonus (convertibility) by debenture holders would take place at the price of one UNIT (ENGI11). This is an "in the money" option, which reflects the good likelihood of conversion, with the debt record maintained, plus the effect of the derivative financial instrument.

## Derivatives

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

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

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

## Hedge Accounting

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

Swap contracts are designated and effective as fair value hedges in relation to the exchange variance and/or interest rate, when applicable. During the period the hedge was highly effective in the exposure of fair value to change in interest rates and as a consequence, the carrying amount of securities classified as hedge was impacted by R\$ 20,685 (R\$ 148,968 as of September 30, 2019) and recognized in financial income at the same time as the



fair value of the interest rate swap was recognized in profit or loss.

### Fair Value Option

The Company and its subsidiaries opted to formally classify new debt securities secured in the 3<sup>rd</sup> quarter of 2020, for which the Company and its subsidiaries have derivative financial instruments to swap exchange and interest rate variance, as measured at fair value. The fair value option aims to eliminate or reduce inconsistency in the measurement or recognition of certain liabilities, which would otherwise arise. Both the swaps and the respective debts can therefore be measured at fair value and this option is irreversible, and should only be made upon initial recognition of the transaction. As of September 30, 2020 these debt and derivatives, and any other assets and liabilities measured at fair value through profit or loss have any gains or losses resulting from their remeasurement recognized in the Company's profit and loss.

During the period, the carrying amount of debts classified as fair value option was impacted by R\$ 3,566 (R\$ 25,959 as of September 30, 2019) and recognized in financial income at the same time the interest rate swap's fair value was recognized in profit and loss.

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

### Uncertainty

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

### Financial risk management

The Board of Directors is generally responsible for establishing and supervising the risk management model of the Company and its subsidiaries. The Company has therefore implemented operating limits with pre-established amounts and indicators in the "Financial Risk Management policy" (reviewed annually and available on the Company's site) and in the internal regulations of the Executive Board of the Company and its subsidiaries.

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

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

### Credit risk management

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

	Consolidated	
	9/30/2020	12/31/2019
Debt (a)	19,421,659	17,188,607
Cash and cash equivalents	(1,330,020)	(663,103)
<b>Net debt</b>	<b>18,091,639</b>	<b>16,525,504</b>
Equity	6,854,364	5,698,258
<b>Net debt index</b>	<b>2.64</b>	<b>2.90</b>

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

#### a) Liquidity risk

By way of the projected cash flow, Management schedules its obligations to generate financial liabilities to the

flow of receipts or sources of financing in order to ensure the greatest possible liquidity so as to honor its obligations, thereby avoiding default which hinders the operational progress of Energisa and its subsidiaries.

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

Parent company							
	Average effective weighted interest rate (%) months	Up to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total
Trade accounts payable		2,355	-	-	-	-	2,355
Loans and financing, debt charges and debentures.	6.02%	351,315	1,555,588	1,830,473	1,535,806	33,209	5,306,391
Derivative Financial Instruments		(2,936)	(83,804)	-	-	-	(86,740)
Derivative Financial Instruments - Other (*)		-	351,018	352,176	-	-	703,194
<b>Total</b>		<b>350,734</b>	<b>1,822,802</b>	<b>2,182,649</b>	<b>1,535,806</b>	<b>33,209</b>	<b>5,925,200</b>

Consolidated							
	Average effective weighted interest rate (%) months	Up to 6 months	6 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Total
Trade accounts payable		1,660,832	-	-	-	108,321	1,769,153
Loans and financing, debt charges and debentures.	4.17%	2,821,854	3,477,669	8,814,839	7,544,430	5,837,775	28,496,567
Derivative Financial Instruments		(280,886)	(427,644)	(780,112)	(149,184)	(149,211)	(1,787,037)
Derivative Financial Instruments - Other (*)		-	328,351	352,175	-	(60,146)	620,380
<b>Total</b>		<b>4,201,800</b>	<b>3,378,376</b>	<b>8,386,902</b>	<b>7,395,246</b>	<b>5,736,739</b>	<b>29,099,063</b>

(\*) Includes R\$ 1,158 for the commitment to buy back shares paid in by the employees and retirees of the subsidiaries ERO and EAC.

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

## b) Credit risk

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

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

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

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

Part of the receivables referring to sales, energy acquisition and system service charges, incurred at CCEE, are also subject to change depending on the outcome of legal proceedings in progress, filed by a number of companies

in the sector. These proceedings have resulted from the interpretation of market rules in force between June 2001 and February 2002, during which the Emergency Electricity Rationing Program was in force.

### Exposure to credit risks

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

	Note	Parent company		Consolidated	
		9/30/2020	12/31/2019	9/30/2020	12/31/2019
Cash and cash equivalents	5.1	70,388	68,423	1,330,020	663,103
Money market and secured funds	5.2	2,191,244	2,486,362	4,144,920	2,373,194
Clients, consumers and concessionaires	6	23,560	40,640	5,022,826	4,834,041
Credit receivables	7	25	76	28,976	26,573
Financial sector assets, net	11	-	-	(267,313)	1,069,542
Concession financial asset	15	-	-	5,596,979	5,130,960
Derivative financial instruments	35	86,740	35,237	2,115,859	1,190,770

### c) Interest and exchange rate risk

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

The Company's results are susceptible to changes in the liabilities indexed in foreign currencies. The US dollar exchange rate closed the period ended September 30, 2020 up by 39.94% over December 31, 2019, quoted at R\$ 5.6407 / USD. The volatility of the US dollar as of September 30, 2020 was 17.28%, compared with 10.37% as of December 31, 2019. The Euro exchange rate closed the period ended September 30, 2020 up by 45.97% over December 31, 2019, quoted at R\$ 6.6132/Euros. The Euro experienced volatility of 16.27% as of September 30, 2020.

R\$ 4,076,298 (R\$ 3,745,298 as of December 31, 2019) of the Company's consolidated bank debts and issuances of R\$ 19,480,642 (R\$ 17,247,047 as of December 31, 2019) as of September 30, 2020, excluding the effects of unappropriated costs, is denominated in foreign currencies, as per note 21. The operations subject to hedging and the respective financial instruments used are detailed below.

The foreign-currency loans have a short- and long-term maturity (last maturity in December 2023) and maximum costs of USD plus 4.35% per annum plus exchange variance.

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

	Parent company		Consolidated	
	9/30/2020	12/31/2019	9/30/2020	12/31/2019
Current assets	86,740	15,756	758,444	186,303
Noncurrent assets	-	19,481	1,357,415	1,004,467
<b>Total assets</b>	<b>86,740</b>	<b>35,237</b>	<b>2,115,859</b>	<b>1,190,770</b>
Current liabilities	(351,018)	(350,243)	(378,265)	(466,128)
Non-current liabilities	(352,176)	(701,541)	(570,937)	(906,341)
<b>Total liabilities</b>	<b>(703,194)</b>	<b>(1,051,784)</b>	<b>(949,202)</b>	<b>(1,372,469)</b>

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

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

Operation	Notional (USD)	Financial Cost (% p.a.)		Maturity	Description
		Long Position	Short Position		
<b>ENERGISA S/A</b>					
Resolution 4131 - Itaú BBA	40,000	USD + 4.75%	CDI + 1.28%	5/24/2021	Fair Value Option
<b>ESE</b>					
Resolution 4131 - Bank of America ML	34,321	(LIBOR + 1.20%) x 117.65%	CDI + 1.48%	1/29/2021	Fair Value Option
Resolution 4131 - JI Morgan	3,612	(LIBOR + 1.30%) x 117.65%	CDI + 0.85%	9/13/2021	Fair Value Option
<b>EMG</b>					
Resolution 4131 - Bocom BBM	15,503	USD + 3.70%	CDI + 0.27%	4/9/2021	Fair Value Option
<b>EMT</b>					
Resolution 4131 - Bank of America ML	14,351	(Libor + 1.70%) x 117.65%	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Citibank	14,351	(Libor + 1.80%)	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Citibank	24,615	(Libor + 1.20%) x 117.65%	CDI + 1.43%	1/15/2021	Fair Value Option
Resolution 4131 - Bank of America ML	26,709	(LIBOR + 1.05%) x 117.65%	CDI + 1.33%	11/12/2021	Fair Value Option
Resolution 4131 - JPM	10,676	EUR + 0.81%	CDI + 0.85%	12/12/2022	Fair Value Option
Resolution 4131 - Bank of America ML	49,200	USD + 2.58%	CDI + 1.00%	12/29/2022	Fair Value Option
Resolution 4131 - Scotiabank	11,598	(LIBOR + 0.60%) x 117.65%	CDI + 0.65%	2/13/2023	Fair Value Option
Resolution 4131 - Citibank	17,000	USD + 3.33%	CDI + 2.60%	1/15/2021	Fair Value Option
<b>EMS</b>					
Resolution 4131 - Citibank	14,429	(Libor + 1.70%) x 117.65%	CDI + 1.55%	5/26/2022	Fair Value Option
Resolution 4131 - Citibank	14,429	(Libor + 1.80%)	CDI + 1.55%	5/26/2022	Fair Value Option
Resolution 4131 - Bank of America ML	11,313	EUR + 1.16%	CDI + 0.95%	5/9/2022	Fair Value Option
<b>ETO</b>					
Resolution 4131 - Citibank	11,196	(Libor + 1.70%) x 117.65%	CDI + 1.56%	5/16/2022	Fair Value Option
Resolution 4131 - Citibank	11,196	(Libor + 1.80%)	CDI + 1.56%	5/16/2022	Fair Value Option
Resolution 4131 - Bank of America ML	31,032	(Libor + 1.20%) x 117.65%	CDI + 1.47%	1/29/2021	Fair Value Option
Resolution 4131 - Itaú BBA	51,778	USD + 5.12%	CDI + 1.28%	6/1/2021	Fair Value Option
<b>ESS</b>					
Resolution 4131 - Citibank	6,857	(LIBOR + 1.70%) x 117.65%	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Citibank	6,857	LIBOR + 1.80%	CDI + 1.53%	6/21/2022	Fair Value Option
Resolution 4131 - Bank of America ML	19,704	(LIBOR + 1.20%) x 117.65%	CDI + 0.80%	8/31/2021	Fair Value Option
Resolution 4131 - Bank of America ML	24,432	EUR + 1.02%	CDI + 0.85%	6/6/2022	Fair Value Option
Resolution 4131 - Scotiabank	12,300	USD + 2.58%	CDI + 1.00%	12/29/2022	Fair Value Option
Resolution 4131 - Bank of America ML	26,675	EUR + 0.85%	CDI + 0.95%	1/17/2023	Fair Value Option
<b>EAC</b>					
Resolution 4131 - Bank of America ML	79,186	EURO + 1.65%	CDI + 1.65%	12/13/2023	Fair Value Option
Resolution 4131 - Bank of America ML	6,405	EURO + 0.90%	CDI + 0.95%	12/15/2021	Fair Value Option
<b>ERO</b>					
Resolution 4131 - Scotiabank	12,300	USD + 2.58%	CDI + 1.00%	12/29/2022	Fair Value Option
Resolution 4131 - Citibank	13,683	(Libor + 0.60%) x 117.65%	CDI + 0.65%	2/27/2023	Fair Value Option
Resolution 4131 - Citibank	29,000	(Libor + 0.75%) x 117.65%	CDI + 0.65%	3/27/2023	Fair Value Option
<b>ETE</b>					
Resolution 4131 - Citibank	31,314	(LIBOR + 0.60%) x 117.65%	CDI + 0.65%	2/13/2023	Fair Value Option
<b>ESOL</b>					
Resolution 4131 - Bocom BBM	5,249	USD + 3.95%	CDI + 0.43%	3/1/2021	Fair Value Option
<b>ECOM</b>					
Resolution 4131 - Bocom BBM	6,081	(LIBOR + 0.56%) x 133.33%	CDI + 0.59%	9/19/2022	Fair Value Option

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

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

Transaction	Notional (BRL)	Financial Cost (% p.a.)		Maturity	Description
		Long Position	Short Position		
Itaú BBA X EMT	81,885	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EMT	73,494	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X EMT	10,544	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMT	1,965	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMT	3,657	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA X EMT	385,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ETO	39,771	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ETO	35,696	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X ETO	9,526	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ETO	1,775	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ETO	3,304	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x ETO	240,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ESS	24,647	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESS	18,397	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESS	22,121	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
Itaú BBA X ESS	16,511	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X ESS	8,580	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ESS	1,599	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ESS	2,977	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x ESS	70,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
JP Morgan X EMS	10,762	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMS	2,006	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMS	3,733	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x EMS	155,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X EMG	8,392	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EMG	7,532	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X EMG	3,636	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EMG	678	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EMG	1,261	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Itaú BBA x EMG	50,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X EPB	15,173	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X EPB	13,618	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X EPB	11,635	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X EPB	2,169	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X EPB	4,035	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Safra x EPB	135,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Itaú BBA X ESE	9,333	IPCA + 5.60%	101.75% CDI	6/15/2022	Fair Value Hedge
Itaú BBA X ESE	8,376	IPCA + 5.66%	102.65% CDI	6/17/2024	Fair Value Hedge
JP Morgan X ESE	7,126	IPCA + 4.49%	100.90% CDI	10/17/2022	Fair Value Hedge
JP Morgan X ESE	1,328	IPCA + 4.71%	101.60% CDI	10/15/2024	Fair Value Hedge
JP Morgan X ESE	2,472	IPCA + 5.11%	103.50% CDI	10/15/2027	Fair Value Hedge
Safra x ESE	65,000	IPCA + 5.08%	103.70% CDI	9/15/2025	Fair Value Hedge
Santander x ETE	75,500	IPCA + 4.92%	104.25% CDI	12/15/2025	Fair Value Hedge
Santander x ETE	51,462	IPCA + 5.14%	105.15% CDI	12/15/2028	Fair Value Hedge
Santander x ETE	123,038	IPCA + 4.98%	104.50% CDI	12/15/2025	Fair Value Hedge
Itaú x ERO	195,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x ERO	130,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x EAC	105,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge
Itaú x EAC	70,000	IPCA + 4.62%	104.00% CDI	4/15/2026	Fair Value Hedge

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

Operation	Acquisition			Maturity
	Assets	Notional (USD)	Fixed transaction value	
<b>ALSOL</b>				
Santander x Alsol	USD @ 4.95	178	882	06/Oct/20
Santander x Alsol	USD @ 5.62	21	118	02/Oct/20
Santander x Alsol	USD @ 5.64	168	945	11/Jan/21
Santander x Alsol	USD @ 5.64	27	151	18/Jan/21
Santander x Alsol	USD @ 5.64	59	331	20/Jan/21
Santander x Alsol	USD @ 5.65	106	601	03/Mar/21
Santander x Alsol	USD @ 5.65	139	785	24/Mar/21
Santander x Alsol	USD @ 5.66	550	3,111	07/May/21
Bank of America ML x Alsol	USD @ 5.45	278	1,513	22/Feb/21
Bank of America ML x Alsol	USD @ 5.46	1,099	5,999	08/Apr/21

In accordance with CPC 40, the values of the Company and its subsidiaries' derivative financial instruments, which



were not recorded as fair value hedge, as of September 30, 2020 are presented below:

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

#### Parent company

Fair Value Option	Reference value		Description	Fair value	
	9/30/2020	12/31/2019		9/30/2020	12/31/2019
Debt (Hedge Object)	145,600	291,200	Foreign Currency - USD and LIBOR	(234,094)	(328,131)
Forex Swap (Hedge Instrument)	145,600	291,200	<b>Long Position</b>		
			Foreign Currency - USD and LIBOR	234,094	328,131
			<b>Short Position</b>		
			CDI Interest Rate	(147,354)	(292,894)
			Net swap position	86,740	35,237
			<b>Net debt position + Swap</b>	<b>(147,354)</b>	<b>(292,894)</b>

#### Consolidated

Derivatives	Reference value		Description	Fair value	
	9/30/2020	12/31/2019		9/30/2020	12/31/2019
Debt (Hedge Object)	2,319,714	2,319,714	Fixed rate	(2,774,628)	(2,766,464)
Interest swaps (Hedge Instrument)	2,319,714	2,319,714	<b>Long Position</b>		
			Fixed rate	2,781,706	2,770,972
			<b>Short Position</b>		
			CDI Interest Rate	(2,354,135)	(2,384,197)
			Net swap position	427,571	386,775
			<b>Net debt position + Swap</b>	<b>(2,347,057)</b>	<b>(2,379,689)</b>

Fair Value Option	Reference value		Description	Fair value	
	9/30/2020	12/31/2019		9/30/2020	12/31/2019
Debt designated to Fair Value Option	2,722,399	3,318,610	Foreign Currency - USD and LIBOR	(4,084,106)	(3,742,978)
Forex Swap (Derivative)	2,722,399	3,318,610	<b>Long Position</b>		
			Foreign Currency - USD and LIBOR	4,098,814	3,742,978
			<b>Short Position</b>		
			CDI Interest Rate	(2,739,348)	(3,337,056)
			Net swap position	1,359,466	405,922
			<b>Net debt position + Swap</b>	<b>(2,724,640)</b>	<b>(3,337,056)</b>

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

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





## Sensitivity analysis

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

### a) Exchange variance

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

Operation	Exposure	Risk	Scenario I (Probable) (*)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
Foreign-Currency Debt - USD and LIBOR	(145,600)	Forex rise	(122,903)	(175,753)	(228,602)
Change in Debt	-		22,697	(30,153)	(83,002)
Forex Swap					
Long Position					
Derivative Financial Instruments - USD and LIBOR	234,094		211,397	264,247	317,096
Variance - USD and LIBOR	-		(22,697)	30,153	83,002
Short Position					
Derivative Financial Instruments - CDI Interest Rate	(147,354)		(147,354)	(147,354)	(147,354)
Subtotal	86,740		64,043	116,893	169,742
Net Total	(58,860)		(58,860)	(58,860)	(58,860)

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

The derivatives in the "Probable Scenario" calculated based on the net analysis of the above operations until the maturity thereof, net present value by the fixed rate in Brazilian reais as of September 30, 2020, which is reflected in the negative present value of R\$ 58,860, that shows how the adverse exchange variance in existing debts was mitigated. The greater the deterioration of the exchange rate (risk variable considered), the greater the positive results of the swaps. However, there would be negative present value of R\$ 58,860 in the scenarios where the Brazilian real exchange rate lost 25% and 50%, a scenario in which some of the current caps would be exceeded.

### Consolidated

Operation	Exposure	Risk	Scenario I (Probable) (*)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
Foreign-Currency Debt - USD and LIBOR	(2,722,399)	Forex rise	(2,315,137)	(3,238,025)	(4,140,739)
Change in Debt	-		407,262	(515,626)	(1,418,340)
Forex Swap					
Long Position					
Derivative Financial Instruments - USD and LIBOR	4,098,814		3,691,552	4,614,440	5,517,154
Variance - USD and LIBOR	-		(407,262)	515,626	1,418,340
Short Position					
Derivative Financial Instruments - CDI Interest Rate	(2,739,348)		(2,739,348)	(2,739,348)	(2,739,348)
Subtotal	1,359,466		952,204	1,875,092	2,777,806
Net Total	(1,362,933)		(1,362,933)	(1,362,933)	(1,362,933)

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

The derivatives in the "Probable Scenario" calculated based on the net analysis of the above operations until the maturity thereof, net present value by the fixed rate in Brazilian reais as of September 30, 2020, which is reflected in the negative present value of R\$ 1,362,933, that shows how the adverse exchange variance in existing debts was mitigated. The greater the deterioration of the exchange rate (risk variable considered), the greater the positive results of the swaps. However, there would be negative present value of R\$ 1,362,933 in the scenarios where the Brazilian real exchange rate lost 25% and 50%, a scenario in which some of the current caps would be

exceeded.

## b) Interest rate variance

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

Operation	Exposure	Risk	Scenario I (Probable) (*)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Local Currency Debt - Interest Rate</b>	<b>(2,319,714)</b>		<b>(2,319,714)</b>	<b>(2,319,714)</b>	<b>(2,319,714)</b>
Interest swaps		Increase in CDI			
Long Position					
Derivative Financial Instruments - Fixed	2,781,706		2,781,706	2,781,706	2,781,706
Short Position					
Derivative Financial Instruments - CDI	(2,354,135)		(2,354,135)	(2,493,433)	(2,632,189)
Variance - CDI Interest Rate	-		-	(139,298)	(278,054)
<b>Subtotal</b>	<b>427,571</b>		<b>427,571</b>	<b>288,273</b>	<b>149,517</b>
<b>Net Total</b>	<b>(1,892,143)</b>		<b>(1,892.13)</b>	<b>(2,031,441)</b>	<b>(2,170,197)</b>

Considering the exposure of financial instruments indexed to interest rates as of September 30, 2020 is maintained and the respective accumulated annual indexes are (CDI = 2.29%, SELIC = 2.28% TJLP = 3.71%, IPCA = 1.34%, TR = 0.00% per annum) and if the indexes vary in accordance with the three scenarios defined, the net financial result would be affected by:

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)(1)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Receivable financial instruments:</b>					
Money market and secured funds	5,247,149	Increase in CDI	104,943	131,179	157,415
<b>Payable financial instruments:</b>					
Swap	(2,739,348)	Increase in CDI	(54,787)	(68,484)	(82,181)
	(9,506,313)	Increase in CDI	(190,126)	(237,658)	(285,189)
	(1,922)	Increase in TJLP	(94)	(118)	(141)
	(3,843,580)	Rise in IPCA	(51,504)	(64,380)	(77,256)
Loans, financing and debentures	(591)	Increase in SELIC	(12)	(15)	(18)
	(644,894)	High TR	-	-	-
<b>Subtotal (2)</b>	<b>(16,736,648)</b>		<b>(296,523)</b>	<b>(370,655)</b>	<b>(444,785)</b>
<b>Total -losses (2)</b>	<b>(11,489,499)</b>		<b>(191,580)</b>	<b>(239,476)</b>	<b>(287,370)</b>

(1) Considers the CDI rate at September 30, 2021 (2.00% per annum), quote of the estimates presented by the recent BACEN survey, dated September 30, 2020, Selic rate of 2.00% per annum, TJLP of 4.91% per annum, TR of 0.00% per annum and IPCA of 1.34% per annum.

(2) Does not include fixed-interest transactions worth R\$ 2,743,994.

## c) Change in energy price curve

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

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Financial instruments:</b>					
Future energy contracts - Purchase	(229,024)	Increase in PLD	(4,850)	(6,063)	(7,275)
Future energy contracts - Sale	311,838		31,835	39,794	47,753
<b>Total Net - Increase in PLD</b>	<b>82,814</b>		<b>26,985</b>	<b>33,731</b>	<b>40,478</b>

Instruments	Exposure (R\$ thousand)	Risk	Scenario I (Probable)	Scenario II (Deterioration of 25%)	Scenario III (Deterioration of 50%)
<b>Financial instruments:</b>					
Future energy contracts - Purchase	(229,024)	Decrease in PLD	4,744	5,930	7,116
Future energy contracts - Sale	311,838		(7,963)	(9,954)	(11,945)
<b>Total Net - Decrease in PLD</b>	<b>82,814</b>		<b>(3,219)</b>	<b>(4,024)</b>	<b>(4,829)</b>
<b>Total</b>			<b>23,766</b>	<b>29,707</b>	<b>35,649</b>

### Liquidity risk management

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

## 36. Post-employment benefits

### 36.1 Retirement and Pension Plans

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

In the period ended September 30, 2020 the expense on sponsoring these plans was R\$ 1,576 (R\$ 1,320 as of September 30, 2019) at the parent company and R\$ 29,861 (R\$ 44,146 as of September 30, 2019) in post-employment benefits in the consolidated statement of income for the period.

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

### 36.2 Retirement Bonus and Premium:

The Company and its subsidiaries EMG, ENF, Energisa Soluções S/A, ETO, ESE, ECOM, Energisa Planejamento and Parque Eólico Sobradinho, are parties to a collective agreement under which employees are entitled to a retirement bonus/premium paid upon application for retirement at the National Social Security Institute (INSS). At the subsidiary ETO the bonus ranges from 2.0 to 5.5 times the employee's salary, depending on seniority (at least 5 years, but limited to 35 years) upon applying for the retirement benefit. Employees admitted after May 01, 1997 are not entitled to this bonus.

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

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

In the period ended September 30, 2020 the expense on maintaining this plan amounted to R\$ 1,262 (R\$ 1,078 as of September 30, 2019) at the parent company and R\$ 3,160 (R\$ 2,918 as of September 30, 2019) in post-employment benefits in the consolidated statement of income.

### 36.3 HealthCare plan:

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

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

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

In the period ended September 30, 2020 the expenses on this benefit amounted to R\$ 3,838 (R\$ 3,238 as of September 30, 2019) at the parent company and R\$ 77,592 (R\$ 70,908 as of September 30, 2019) in the consolidated statement. Includes R\$ 151 (R\$ 98 as of September 30, 2019) for the actuarial calculation of the post-employment benefit plan at the parent company and R\$ 7,007 (R\$ 4,556 as of September 30, 2019) in the consolidated statement.

### 37. Consolidated commitments

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

#### (1) Sale of electricity

	Energy sale contract - reais thousand					
	Effective date	2020	2021	2022	2023	2023 onwards
Energisa Comercializadora de Energia Ltda	2020 to 2037	206,554	400,774	251,109	185,955	877,242

#### (2) Electricity purchases

	Energy purchase contract - reais thousand (*)					
	Term	2020	2021	2022	2023	2023 onwards
Energisa Nova Friburgo Distribuidora Energia S/A	2020 to 2030	20,261	83,499	85,893	88,421	695,623
Energisa Minas Gerais Distribuidora Energia S/A	2020 to 2054	90,131	356,569	354,744	389,504	5,619,638
Energisa Paraíba Distribuidora Energia S/A	2020 to 2054	192,657	731,772	622,959	677,672	12,465,371
Energisa Sergipe Distribuidora Energia S/A	2020 to 2054	136,896	512,912	467,184	524,244	9,077,490
Energisa Borborema Distribuidora Energia S/A	2020 to 2054	27,466	106,170	91,060	86,725	1,549,767
Energisa Mato Grosso Distribuidora Energia S/A	2020 to 2054	437,803	1,858,960	1,613,588	1,746,501	24,814,569
Energisa Tocantins Distribuidora Energia S/A	2020 to 2054	107,078	439,117	421,531	465,828	7,474,459
Energisa Mato Grosso do Sul Distribuidora S/A	2020 to 2054	199,873	788,415	746,171	844,584	14,811,313
Energisa Sul - Sudeste Distribuidora Energia S/A	2020 to 2054	131,073	508,657	532,725	528,411	9,073,846
Energisa Comercializadora de Energia Ltda.	2020 to 2037	206,861	381,055	214,230	188,834	1,203,682
Energisa Rondônia - Distribuidora de Energia S/A	2020 to 2054	173,419	641,559	513,022	664,603	15,970,443
Energisa Acre - Distribuidora de Energia S/A	2020 to 2054	66,357	283,909	294,086	312,724	5,304,100
		<b>1,789,875</b>	<b>6,692,594</b>	<b>5,957,193</b>	<b>6,518,051</b>	<b>108,060,301</b>

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

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

	Rental of land to build power plants					
	Effective date	2020	2021	2022	2023	2023 onwards
Alsol Energias Renováveis S/A	2020 to 2030	1,919	2,226	2,226	2,226	15,942

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

### 38. Additional information to the cash flows

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

	9/30/2020	12/31/2019
<b>Other noncash transactions</b>		
Concession Financial Asset - Segregation of Assets	417,595	1,023,482
Concession financial asset - Fair value compensatable asset	62,840	232,689
Compensation and restatement of concession contract asset	149,350	281,229
<b>Operating activities</b>		
Acquisition of intangible assets	79,318	208,078
Acquisition of grids - transfer to special obligations	20,486	13,445
Other accounts receivable - Tocantins state government	-	35,571
Leasing - CPC 06 (R2)	2,448	68,727
Recoverable Pis and COFINS taxes - Effects of reducing ICMS	375,462	665,780
<b>Investment activities</b>		
Credit acquisition of intangible assets	79,318	208,078
Special obligations - transfer for acquisition of grids	(20,486)	-
Dividends offset Tocantins state government	-	35,571
Other investments sold for the loans program	-	33,333
Intangible assets - CPC 06 (R2)	2,448	68,727
<b>Financing activities</b>		
Payment of loans by selling other investments	-	(33,333)
<b>Business combination</b>		
Cash and cash equivalents	-	11,739
Clients, consumers and concessionaires	-	28,407
Inventory	-	4,703
Recoverable taxes	-	1,322
Tax credits	-	1,956
Other accounts receivable	-	5,654
Property, plant and equipment, intangible assets and contractual assets	-	11,095
Trade accounts payable	-	12,100
Loans, financing and debt charges	-	116
Operating leases	-	4,831
Deferred income and social contribution taxes	-	1,385
Provision for labor, civil, tax and regulatory risks	-	2,177
Other liabilities	-	39,299
Taxes and social contributions	-	2,910
NCI	-	266

### 39. Earnings per share

Diluted profit per share is calculated by adjusting the weighted average number of outstanding shares to assume the conversion of all diluted shares by exercisable share call options. The number of shares calculated is compared with the number of shares issued assuming the exercise of the stock options. Basic and diluted earnings per share are as follows:

	9/30/2020	9/30/2019
Net income for the period - parent company	1,329,422	117,037
Weighted average in thousands of shares	1,814,562	1,814,562
Basic net income per share - R\$	0.73	0.06
Net income for the period - consolidated	1,415,426	173,826
Earnings on continued operation:		
Shareholders of parent company	1,329,422	117,037
Noncontrolling shareholders	86,004	56,789
Net income for the period - parent company	1,329,422	117,037
Weighted average in thousands of shares	1,814,562	1,814,562
Dilutive effect of subscription bonus convertible into shares and ILP program	36,055	34,871
Basic and diluted net income per share - R\$ (*)	0.7184	0.0633
<b>Net income for the period - consolidated</b>	<b>1,415,426</b>	<b>173,826</b>
<b>Earnings on continued operation:</b>		
<b>Shareholders of parent company</b>	<b>1,329,422</b>	<b>117,037</b>
<b>Noncontrolling shareholders</b>	<b>86,004</b>	<b>56,789</b>

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

## 40. Cyber attack

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

## 41. Subsequent events

### 41.1 Debentures Issuance - Parent Company and Subsidiaries

#### Parent company

On October 15, 2020 the Company made its 14<sup>th</sup> debentures issuance in local currency in the amount of R\$ 480,000, with: (i) R\$ 55,000 of Series 1 maturing on 10/15/2027 and yielding IPCA plus 4.2297% per annum; (ii) R\$ 425,000 of Series 2 maturing on 10/15/2030 and yielding IPCA plus 4.4744% per annum; the funds were placed in a current account on 10/27/2020 and will be used to finance investment projects in the issuer's electricity distribution infrastructure;

#### Subsidiaries

The direct and indirect subsidiaries issued debentures worth R\$ 750,000, in local currency in two series as follows: (i) series 1 yielding IPCA plus 4.2297% per annum; (ii) series 2 yielding IPCA plus 4.4744% per annum. The funds were placed in a current account on 10/27/2020 and will be used to finance investment projects in the issuers' electricity distribution infrastructure, as follows.

Issuer	Issuance	Date issued	Series 1		Series 2		Total
			Amount	Maturity	Amount	Maturity	
ETE	2 <sup>nd</sup>	10/15/2020	57,400	10/15/2027	82,600	10/15/2030	140,000
EMT	13 <sup>th</sup>	10/15/2020	60,100	10/15/2027	69,900	10/15/2030	130,000
EMS (*)	15 <sup>th</sup>	10/11/2020	8,590	10/11/2027	66,410	10/11/2030	75,000
ESS (*)	6 <sup>th</sup>	10/11/2020	6,880	10/11/2027	53,120	10/11/2030	60,000
ETO (*)	6 <sup>th</sup>	10/11/2020	6,880	10/11/2027	53,120	10/11/2030	60,000
EPB (*)	9 <sup>th</sup>	10/11/2020	8,020	10/11/2027	61,980	10/11/2030	70,000
ESE (*)	9 <sup>th</sup>	10/11/2020	3,440	10/11/2027	26,560	10/11/2030	30,000
EBO (*)	5 <sup>th</sup>	10/11/2020	1,720	10/11/2027	13,280	10/11/2030	15,000
EMG (*)	13 <sup>th</sup>	10/11/2020	4,010	10/11/2027	30,990	10/11/2030	35,000
ENF (*)	2 <sup>nd</sup>	10/11/2020	1,140	10/11/2027	8,860	10/11/2030	10,000
ERO (*)	3 <sup>rd</sup>	10/11/2020	9,740	10/11/2027	75,260	10/11/2030	85,000
EAC (*)	2 <sup>nd</sup>	10/11/2020	4,580	10/11/2027	35,420	10/11/2030	40,000
<b>Total</b>			<b>172,500</b>		<b>577,500</b>		<b>750,000</b>

(\*) The sole debentureholder of the issuances uses was S/A.

### 41.2 Construction License - Subsidiary ETT

On October 19, 2020 the subsidiary Energisa Tocantins S/A. obtained from Instituto Natureza do Tocantins - NATURATINS the Construction License ("LI"), to build 2 (two) transmission lines for the construction of the venture in lot 04 of Transmission Auction 4/2018, held in December 2018.

### 41.3 Energization of the transmission line at the subsidiary EPA I

On November 02, 2020, the subsidiary EPA I energized the 230kV Xinguara II - Santana do Araguaia transmission line, and finished the new 230/138kV 300MVA Santana do Araguaia substation and expanded the Xinguara II substation. This section has 296 kilometers of transmission lines and an Annual Permitted Revenue (RAP) of R\$ 51,900 for the 2020-2021 cycle. The works were completed 38 months after the award date and the operation began 16 months before the operational start-up date established in the concession agreement. The investments amounted to approximately R\$ 318,000.

EPA I is a venture consisting of the facilities in lot 26 of ANEEL Auction 05/2016, located in Pará, and this new



operation, the second of the four lots acquired, between 2017 and 2018 will enable integration into the SIN in the city of Santana do Araguaia in south Pará state, which is currently served by a thermal power plant, in addition to bolstering the supply capacity for north Mato Grosso state and west Tocantins state.

#### 41.4 Operation of two new photovoltaic plants - Alsol

On November 10, 2020 we started up operations of the two new photovoltaic plans of our subsidiary ALSOL in the municipalities of Piumhi and Iraí de Minas, connected to the distribution grid in the concession area of CEMIG in Minas Gerais state. The investments amounted to R\$ 23,551 and add an extra 5.9 MWp to ALSOL's portfolio, which already offers its clients 27 MWp of clean and renewable solar energy. Alsol has already invested R\$ 64,995 in 2020, out of an approximate amount of R\$ 99,821 invested since its acquisition in May 2019.

#### 41.5 Public offering via equity interest increase - subsidiary Rede Energia Participações S.A.

The Energisa S.A. Board of Directors' meeting held November 12, 2020 approved the application to register a public offering via an equity interest increase for the acquisition - by Energisa S.A. - of up to all the common shares issued by Rede Energia Participações S.A. ("Rede Energia") held by noncontrolling shareholders of Rede Energia ("OPA Rede Energia") at the Brazilian Securities Commission ("CVM"), in accordance with CVM requirements under CVM Process 19957.0006377/2020-53.

The effective realization of the Rede Energia OPA (and consequent setting of the auction date) still depends on acceptance of the registration by the CVM and authorization by B3 S.A. - Brasil, Bolsa, Balcão for the auction to take place in its trading system.

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

On November 12, 2020 the Energisa S/A Board of Directors approved the distribution of interim dividends based on the statement of financial position of the subsidiaries as of September 30, 2020, as follows:

Subsidiaries	Dividend amount	Amount per share (R\$)	Payment date
Energisa Borborema	1,265	4.3170755055 ON	From November 13, 2020
Energisa Nova Friburgo	47	1.5486452384 ON	From November 13, 2020
Energisa Mato Grosso	81,403	0.567615317431 PN	At November 26, 2020
Energisa Mato Grosso do Sul	14,904	23.035402518 ON	From November 13, 2020
	<u>97.619</u>		

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

## **Independent Auditor's Review Report on Quarterly information**

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

### **Introduction**

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

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

### **Scope of review**

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

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

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

### **Other matters**

#### *Statements of value added*

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

Rio de Janeiro, November 12, 2020.

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

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

