EARNINGS RELEASE

4Q20

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4Q20 Results Conference Call

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ENEVA Discloses Results for the Fourth Quarter of 2020

Adjusted EBITDA reached R$614.7 million, driven by higher energy sale prices, dispatch and lower operating costs

Rio de Janeiro, March 10, 2021 - ENEVA S.A. (B3: ENEV3), an integrated power generation company with supplementary businesses in electric power generation and hydrocarbon exploration and production in Brazil, announces today the results of the three-month period ended December 31, 2020 (4Q20). The following information is presented on a consolidated basis in accordance with the accounting practices used in Brazil, except where otherwise stated.

Financial and Operational Highlights of 4Q20

- Adjusted EBITDA of R$614.7 million, an increase of 16.3% compared to 4Q19 reflecting higher energy sale prices in the regulated and free markets and cost reductions;
- Disbursement of R$779.4 million in financing installments for Parnaíba V from BNB and Azulão-Jaguatirica from BASA, to fund ongoing investments;
- Pre-paid financing for Itaqui and short-term debentures raised in April 2020, totaling R$1.1 billion in principal and interest;
- Investments in the quarter amounted to R$630 million with the advance in the construction of Azulão-Jaguatirica and Parnaíba V and works on sites are progressing on a revised schedule published on 3Q20 with commercial startup expected 4Q21and1Q22, respectively.
- Acquisition of the Juruá Field (Solimões Basin) and 7 exploratory blocks in the 2nd Open Acreage cycle of ANP, with 3 blocks near the Azulão Field in the state of Amazonas and 4 blocks in the Paraná basin, entering a new exploratory front;
- Incorporation of 3.25 billion cubic meters (bm^3) of reserves in 2020 in Parnaíba, an equivalent reserve replacement ratio of 241%, as well as a 62% increase in reserves in the Azulão field in the same period;
- Declaration of Commerciality of the Fortuna accumulation (Gavião Belo Field), with an estimated Pmean volume of gas-in-place of 6.78 billion m^3;

Main Indicators						(R$ million)
	4Q20	4Q19	%	2020	2019	%
Net Operating Revenues	1,223.5	1,111.9	10.0%	3,243.3	3,137.4	3.4%
EBITDA (as of ICVM 527/12)	606.1	524.5	15.5%	1,598.9	1,456.7	9.8%
EBITDA excluding dry wells [1]	614.7	528.6	16.3%	1,616.9	1,493.7	8.2%
EBITDA Margin excluding dry wells	50.2%	47.5%	2.7 p.p.	49.9%	47.6%	2.2 p.p.
Net Income	686.5	365.4	87.9%	1,007.6	600.8	67.7%
Investments	629.9	416.6	51.2%	2,272.4	1,056.2	115.1%
Operating Cash Flow	264.7	514.1	-48.5%	1,292.0	1,413.6	-8.6%
Net Debt (R$ Bi)	5.2	3.9	35.6%	5.2	3.9	35.6%
Net Debt/EBITDA LTM [2]	3.3	2.7	23.5%	3.3	2.7	23.5%

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

[2] Calculated considering the accumulated EBITDA according to the guidelines of ICVM 527/12 of the last 12 months.

Message from Management

Dear Fellow Shareholders,

As I write to you, we are still enduring an unimagined period marked by the deep and wide-ranging effects of the Covid-19 pandemic, an unprecedented event in our time. Great catastrophes, by their nature, lead us to live life in the moment as we seek to do everything we possibly can to protect and tend to the day-to-day needs of our families, friends, colleagues and communities. These periods also present new opportunities while accelerating transformational plans that were already in place.

Looking back on the last six years, Eneva has weathered unprecedented challenges — nothing compared to the current pandemic — that never stopped us from accomplishing some extraordinary things. Once again, you should know how grateful and proud I am of our more than 1,000 employees. I also want to thank my partners, Lino Cançado, Marcelo Habibe, Damian Popolo, Thiago Freitas and Renato Cintra, for the exceptional leadership they have demonstrated under the most difficult of circumstances. Of course, we have had differences and debates over time, but sharing similar values and a grounding common sense has helped us overcome most turbulent times.

The complexities we faced in 2020 certainly made it one of the most challenging years in our recent memory. Entering a crisis is not the time to figure out what you want to be. You must already be a well-functioning organization prepared to rapidly mobilize your resources, take your losses and survive another day for the good of all your stakeholders. **No matter the challenge, we manage our company consistently with principles that have stood the test of time.** I have written about these principles in past letters: i) the need for extremely talented and motivated team; ii) a sound balance sheet that allows us to invest in good times and in bad times; iii) clear, comprehensive and accurate risk assessment to let us make quick and accurate decisions on capital allocation; iv) a devotion to health & safety and communities; and; v) a continuous investing in technology to better cope with the significant changes we expect in the energy market.

We ended this year in a position of strength. **2020 was another strong year for Eneva, with the firm generating record revenues and net income as well as setting numerous other records across our lines of business. We earned R$ 1.0 billion in net profits on revenues of R$ 3.2 billion and an EBITDA of R$ 1.6 billion, reflecting a strong underlying performance**. We now have delivered record results in four of the last five years and are confident we will continue to do so in the future. We have increased our EBITDA by 9.8%, incurred in 8.6% reduction in operating cash-flows – due to a momentary decrease in accounts payable and increase in coal stocks –, and generally maintained the high efficiency of our TPPs – all while maintaining capital allocation discipline and a fortress balance sheet.

While we don't run the company worrying about the stock price in the short run, in the long run our stock price is a measure of the progress we have made over the years. **In 2020 we have delivered a total shareholder return of 42%, and looking back over the past four years, since Eneva´s Re-IPO, our stock has significantly outperformed the B3 Index and the IEE Index: 426%, compared to 55% and 96%, respectively.** This progress is a function of continual investments, in good and bad times, to build our capabilities and develop a strong asset base. These important investments drive the prospects of our company and position it to grow and prosper for decades.

We recognize that the nature of our business subjects us to continuous changes and we must be prepared to adapt. At Eneva, we have always taken a long-term view on our investments as well as our shared environment. To stay ahead of challenges, we will continue driving change within the company to build a sustainable business, fit for the future.

Our long-standing commitment to maintaining high corporate governance standards and sustainable practices underpins our approach to business. We are pleased to see increasing interest in environmental, social and governance issues in society, particularly among investors and regulators. Properly addressing these issues, which accelerated with the Covid-19 pandemic, requires vision and a commitment to manage with a long-term view, two things which have always been a hallmark of Eneva.

The Drums of Change: ESG and the Infinite Game

In 2018, Larry Fink, the founder, chairman and of CEO of Blackrock, caused a bit of stir in the business world when he wrote an open letter to CEOs, titled “A Sense of Purpose”. In the letter he urged leaders to build their companies with more idealistic goals than near-term financial gains. As Mr. Fink stated “Without a sense of purpose, no company either public or private, can achieve its full potential. It will ultimately lose the license to operate from key stakeholders. It will succumb to short-term pressures to distribute earnings, and in the process, sacrifice investments in employee development, innovation and capital expenditures that are necessary to long term growth.” I couldn’t agree more.

In a watershed article from 1970, Milton Friedman, a Nobel Prize-winning economist, who is considered one of the greatest theorists of today’s form of capitalism, laid out the foundation for what is known as shareholder primacy. According to Friedman “In a free enterprise, private property system, a corporate executive is an employee of the owners of the business; ... there is one and only one social responsibility of business, to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game”. Here I partially (and respectfully) disagree.

I do not intend to have the intellectual arrogance to question Friedman’s view, but I share the belief of critics (despite of being a University of Chicago alumnus) that we need a new definition of the responsibility of business, that is better aligned with the idea that driving a company should encompass decisions considering an infinite game. When we engage in a finite game, we play the game to win a single or a specific number of rounds. The motivation to play an infinite game is completely different. Instead of only focusing on winning you have to think about keep playing. Friedman proposed that a business has a single responsibility: profit. We need to build on Friedman’s definition with one that goes beyond profit and considers the dynamics and additional facets that drive business environment. Business, like any infinite pursuit, is a more powerful force when it is empowered for the people, by the people. Where Friedman’s finite definition of the responsibility focuses on maximizing resources, a revised infinite definition also considers the will of the people and society.

Simon Sinek, in his book The Infinite Game, states that “any leader who wishes to lead in the infinite game must have a crystal clear just cause.” According to him “A just cause is a specific vision of a future state that does not yet exist; a future state so appealing that people are willing to make sacrifices in order to help advance toward that vision.”

In a meritocratic culture as ours, “winning” provides a temporary thrill of victory; an intense, but momentary, boost to our self-confidence. But none of us is capable to hold on indefinitely to the incredible feeling of accomplishment for the target we hit, promotion we earned, or tournament we won a year ago.

Those feelings pass by. To get that feeling again, we need to try to win again. However, when there is a just cause, our days take on more meaning and feel more fulfilling. A just cause is about the future. It defines where we are going. It describes the world we hope to live in and will commit to help build.

Electricity generation sits at the heart of the transition to clean energy, making it fundamental to addressing climate change, limiting global warming and addressing stakeholders expanding ESG demands. Despite the growth and increasing cost competitiveness of renewables, decarbonization is likely to be a multiyear and multi-solution process proceeding at different rates around the world. We still need big breakthroughs in technologies that will allow us to supply the power grid with clean energy even during windless days, cloudy weather, and nighttime. Potentially, for instance, our path to a net-zero carbon electricity generation will also encompass carbon capture and storage (CCS), which separates and permanently stores $CO2$ pollution from an energy plant's exhaust to keep it out of the atmosphere, and further development of grey and green hydrogen solutions. Investing in innovation is crucial to decarbonization.

Our view is that addressing greenhouse gas emissions by itself won't be enough, especially in the poverty-stricken regions where we operate. We must play a bigger role. **Perhaps one of the greatest challenges ahead of us is how to balance the need to eliminate carbon emissions with socio-economic advancement.** Recent studies in economics, political sciences and epidemiology have shown that unless economic inequality is reduced it will be extremely difficult to attain other sustainable development goals. The destruction of the environment, generally thought as a harm handed down by one generation to the next, also exacerbates social inequalities within generations. It therefore has the effect of strengthening preexisting imbalances. In pretty much all countries, the relationship between environmental inequalities and economic inequalities resembles a vicious circle. The injustice of environmental inequalities mechanically reinforces the injustice of socio-economic inequalities: deteriorating health due to pollution makes the situation of the most impoverished still more precarious and, as a consequence, worsens their position in relation to the rest of society.

We won't get to the bottom-line solution in the short-term, but we have to start with something. **We ended 2020 by launching what we call our Purpose Blueprint – the roadmap that will guide our company for the foreseeable future and help us deliver on our just cause: to provide reliable and accessible energy solutions to society, improving socio-economic welfare.**

The blueprint includes five "bold measures" intended to effectively pivot Eneva from a financial turnaround phase to a path of sustained growth that our stakeholders expect.

- **Commitment to Highest Standards of Ethics & Governance**: we commit ourselves to the most rigorous standards of ethics and corporate governance, working with all stakeholders to adopt the same practices

- **Enable a sustainable clean energy matrix**: we want to be the enablers of the replacement of more pollutant energy (i.e, diesel and coal) leading the transition into a clean and more reliable energy matrix

- **Prepare for the "energy of the future"**: engaging in research and development, evaluating and developing options for expansion in different energy sources to address climate change goals

- **Foster the development of local suppliers and communities**: we want to ensure the safety and sustainable development of communities in the locations where we operate, generating income and education opportunities in some of the country's most remote regions

- **Conservation of biodiversity and natural resources**: we commit to protect biodiversity in the ecosystems where we operate and use natural resources consciously, prioritizing efficiency and reducing the impact on the environment

In an environment of rising global temperatures and growing needs for energy, decarbonization becomes an even more relevant topic, not only in the development of our portfolio but also in considering the energy matrix transition scheme.

The implementation of Jaguatirica II TPP, in Roraima, is a good example of the role we are playing in this transition, as we are displacing generation from diesel engines and reducing CO2 emissions by 178,700 ton/ year. Along these lines, our combined-cycle projects in the Parnaiba complex will be adding 477 MW of generation capacity to the system – without additional gas consumption – reducing emissions equivalent to an open-cycle thermal power plant of 1,110,330 ton/year!

We are very much aware of the impacts from our activities on the environment and climate related issues. As so, we have set stricter internal limits – in comparison to regulated emissions targets and measures – to control emissions originating from our operations. **Through the GHG Protocol inventory of emissions, we managed to reduce emission intensity from our operations from 0.66 tCO2e/MWh to 0.60 tCO2e/MWh within a year.**

We will continue to grow responsibly by providing safe energy, creating jobs, income, and continuously monitoring the environmental impacts of our operations. **In order to enable this clean energy transition and guarantee the country's growth, we will continue to expand our business model.** We made a commitment to refrain from developing new coal-powered projects without compromising the assured energy under our current contracts. Alongside our stakeholders, we are driven to find more sustainable solutions that will not hinder the stability of the system but will accelerate the transition to a cleaner matrix.

The value and perpetuity of our business fundamentally depends on our ability to create and leverage synergies between technology and energy generation. We are continuously focusing on increasing the efficiency of our operations and fostering new opportunities for growth to reposition in the infinite game. The Brazilian ecosystem of energy start- ups has grown and is maturing quickly, requiring a more agile interface. **In order to engage start-ups more efficiently, we created Eneva Ventures in 2019: a vehicle for identifying and selecting start-ups aligned with our pillars of innovation and ongoing digital transformation.** After an initial evaluation of over 1,000 companies, we selected seven start-ups and engaged with five of them. The goal for selected companies, among others, is to find solutions for the digitalization of our operations, electrification of transportation matrix, decarbonization of the industry, efficient replenishment of reserves, and decentralization of energy chain with the advance of the free market.

Over the next few years, renewable energy generation (from wind and solar power) will continue to grow significantly. As a result, there will also be an increasing need for generation methods that makes the system reliable. For this reason, it is necessary to complement "natural batteries" with new sources, preferably those that are controllable, less polluting, and more competitive. Without these additions, the sustainability of the national integrated system would be at risk.

We believe our gas reserves can play that role. They have a flexible dispatch and can be used whenever the system requires. They also have lower costs compared to offshore gas reserves or imported liquefied gas and are cleaner than diesel or fuel oil options. **In conclusion, gas functions as a transition fuel, and plays a key role in system reliability with a cleaner, more competitive, and domestic solution.**

We want to continue to lead the development of projects that deliver safe, stable, and affordable energy to society, as well as support the transition and growth of renewable energy. We know the large-scale development of new energy storage technologies has significantly evolved within the last few years. Soon we will have solutions that complement gas and hydropower generation, which is the case for batteries. Old solutions, such as reversible hydroelectric power plants, could regain momentum due to the need for modulate load variations. This is why we study new business models, monitor regulatory changes required for implementation, and assess various possibilities to develop new solutions.

We have been investing in multiple ESG initiatives and have provided increased visibility on the topic through our sustainability report, issued last September. We take the matter serious and don't want to commit ourselves to specific KPI's and targets ahead of a thorough assessment on the key metrics that are directly linked to our strategy. The purpose blueprint and a clearly stated just cause are a big step in the right direction.

Our growth has happened fast. We've grown from R$ 3.5 billion in market capitalization in 2017 to more than R$ 20 billion now, increasing our generation capacity by more than 30% and expanding our business along the value chain. We're a bit like parents who look around one day and realize their kids are grown – you blink, and it happens. One thing that's exciting about our current scale is that we can put our inventive culture to work on moving the needle on sustainability and social issues.

Culture as a Driver of High Performance

The pressure investors can exert on companies to do things in the name of short-term objectives can be, and often is, devastating to the long-term prospects of the company. There is no such thing as constant growth, nor is there any rule that says high-speed growth is necessarily a great strategy when building a company to last. Where a finite minded leader sees fast growth as the goal, an infinite-minded leader views growth as an adjustable variable. Sometimes it is important to strategically adjust the rate of growth to help ensure the security of the long-term or simply make sure the organization is properly equipped to withstand the additional pressures that come with high-speed growth. Building a fit for purpose organization does not guarantee success but not having the right resources in place to cope with growth is a lead indicator of failure.

At Eneva's current scale, planting seeds that will grow into meaningful new businesses takes some discipline, a bit of patience, and a nurturing culture. Our established businesses are well-rooted young trees. They are growing, enjoy high returns on capital, and operate in growing market segments. These characteristics set a high bar for any new business we would start. But before we invest our shareholders' money in a new business, we must convince ourselves that the new opportunity can generate the returns on capital our investors expected when they invested in Eneva. And we must convince ourselves that the new business can grow to a scale where it can be significant in the context of our overall company and society needs.

There are some subtle traps that even high-performing large organizations can fall into as a matter of course, and we'll have to learn as an institution how to protect ourselves against them. One common pitfall for large organizations – one that hurts speed and inventiveness – is "one-size-fits-all" decision making.

Some decisions are consequential and irreversible or nearly irreversible and these decisions must be made methodically, carefully, slowly, with great deliberation and consultation. If you walk through and don't like what you see on the other side, you can't get back to where you were before. But most decisions aren't like that. They are changeable, reversible – they're two-way doors. If you've made a suboptimal decision, you don't have to live with the consequences for that long. You can reopen the door and go back through. The two-way doors decisions can and should be made quickly by high judgment individuals or small groups.

As organizations get larger, there seems to be a tendency to use the heavy weight irreversible decision-making process on most decisions. The end result of this is slowness, unthoughtful risk aversion, failure to experiment sufficiently, and consequently diminished performance. We'll have to figure out how to fight that tendency. We'll work hard to avoid it... and any other large organization maladies we can identify. **As we always said, we think big but want to nurture the culture of small and agile corporations.**

Thinking about the future made us reflect on the journey we have taken since our Re-IPO. Though we are proud of our past achievements, we are interested in what we can learn from them, and also what we can learn from our mistakes. **We found that our achievements have been underpinned by three main characteristics: our entrepreneurial spirit, our financial discipline and our effective trust network.** Using this as a starting point, we have gone on to define the firm´s culture.

Our objective is to build a great company, and great companies perform to the highest standards, are distinctive in what they do, act in a responsible way and seek renewal and change.

The values that we apply in delivering these objectives are:

- **Ambition & Humility:** We set high aspirations but remain grounded;
- **Curiosity & Focus:** We seek new ideas while prioritizing what matters;
- **Patience & Drive:** We take a long-term perspective but are relentless in getting things done;
- **Courage & Responsibility:** We take bold actions while being mindful of their consequences;
- **Trust & Grit:** We respect each other and take risks responsibly.

In defining our culture this way, we believe we capture the strength of our historic entrepreneurial spirit, the trust in building effective networks and our financial discipline. Of course, what matters more than these words is how we translate them into the actions that we take each day. We achieve this by appointing directors and leaders who share our purpose and values and establishing a governance that aligns those behaviors with actions.

The one characteristic I find extremely important for our long-term success is the lack of complacency. That combined with openness, a lack of pomposity and a down to earth approach are key enablers to deliver on our promises. One key learning from our past successes and mistakes is that the behaviors our leaders exhibit are as important as their skills and knowledge. **We look for people who embody our values, who are results oriented, who fight complacency especially during periods of success and who**

are always aware of what they do not know. We are grateful to the leaders who have been part of our history and look forward to working with those who will accompany us in the future.

Trust is a relevant component in our culture. As difficult as it is to build and maintain trust within organizations, it's critical. If people trust each other and their leaders, they'll be able to work through disagreements. They'll take smarter risks. They'll work harder, stay with the company longer, contribute to better ideas, and dig deeper than anyone who has a right to ask. If they don't trust the organization and its leaders, though, they'll disengage from their work and focus instead on rumors, politics, and updating their résumés. As a team we know this because we have seen it happen before. Having had the chance of working in big corporations we are aware of the wrong incentives and behaviors resulting in the lack of trust.

But trust within organizations, ours, isn't easy to pin down. It's hard to measure, even in a quick-and-dirty way. And suppose you could measure it perfectly; the truth is that no company would ever get a perfect score. Organizations and people are too complicated for that. Nor is it easy to define the trustworthy leader. Some exude emotional intelligence; others appear to be rather boring, and extremely consistent bureaucrats. And, being human, even the best of them occasionally make mistakes that erode trust. **But trust is the crucial ingredient in Eneva's organizational effectiveness. Building it, maintaining it, and restoring it when it is damaged, is at the top of our agenda.**

In sum, the past years success is the product of a talented, smart, trustful, hard-working group, and as I mentioned before, I take great pride in being a part of this team. **Setting the bar high in our approach to hiring has been, and will continue to be, the single most important element of Eneva's success.** It's not easy to work here. But we recognize that we are working to build something important, something that matters to our stakeholders, something that we can all tell our grandchildren about. Such things aren't meant to be easy but bring an enormous sense of ownership and pride. We are incredibly fortunate to have this group of dedicated leaders and associates whose sacrifices and passion build Eneva.

Thinking about Owners not only executives: Eneva's Partnership Program

At Eneva, we try to be as logical about compensation as about capital allocation. In setting compensation, we like to hold out the promise of large carrots, but make sure their delivery is tied directly to results. For 2020 we have set 10 corporate goals and deployed them into 110 managerial and 229 individual goals across the different levels of the company – all of them with owners, deliverables, and targeted completion dates, following the SMART concept (Specific, Measurable, Attainable, Relevant and Time-bound).

The product of this money's-not-free approach is definitely visible within the company. We recognize that it has become fashionable at public companies to describe almost every compensation plan as aligning the interests of management with those of shareholders. **At Eneva, alignment means being a partner in both directions, not just on the upside.** Many "alignment" plans flunk this basic test, being artful forms of "heads I win, tails you lose."

To go a step further, and permeate the culture ownership, we have to think about owners, or partners, not only executives. Hundreds of partnerships have been formed worldwide during the past two decades. Some of them lasted only a short period; others have been operating a long time. **A successful partnership enhances the impact and effectiveness of decisions through combined and more efficient use of resources; promotes innovation; and is distinguished by a strong commitment from each partner.**

In its essence, a partnership is about aligning incentives and sharing values and culture. These are the cornerstones in the partnership program we designed at Eneva, which has been approved by the Board of Directors in early 2021. The culture component has already been thoroughly addressed in this letter, but it is important to highlight the **key principles and values which we stand for**:

i. **We focus on efficient capital allocation.** Our experience shows that if we allocate capital well, we will maximize shareholder value and social-welfare.

ii. Our assets are people, capital and reputation.

iii. **We take great pride in the professional quality of our work.** We have uncompromising determination to achieve excellence in everything we do. Although we may be involved in a wide variety of activities, and committed to grow our business, we would, if it came to choose, rather be the best than biggest.

iv. **We stress creativity and imagination in everything we do.** While recognizing that we are in industries of centenaries activity we constantly strive to find a better solution to problems. We pride ourselves on having pioneered some of the practices and techniques that have become benchmark in the industry.

v. **We make an unusual effort to identify and recruit the very best person for each position.** Although our activities are capital intensive and measured in billions of dollars, we select our people one by one.

vi. **We offer people the opportunity to move ahead.** Advancement depends on people's ability, performance and collaboration to the company's success, without regard to race, color, age, creed, gender or national origin.

vii. We stress teamwork and collaboration in everything we do.

viii. **The dedication of our people to the company and the intense effort they give their jobs are greater than one find in most other organizations.** We think this is an important part of our success.

ix. **We have a tremendous genuine curiosity**, as we constantly strive to anticipate the changing needs of our stakeholders and to develop new services to meet those needs.

x. **Integrity and honesty are at the heart of our business.** We assure our people maintain high ethical standards in everything they do.

Cultures self-propagate. Winston Churchill once said, "You shape your houses and then they shape you." That wisdom applies to businesses as well. Bureaucratic procedures beget more bureaucracy, and imperial corporate palaces induce imperious behavior (as one humorist put it, "You know you're no longer CEO when you get in the back seat of your car and it doesn't move."). **As long as we – executives and partners – treat shareholders capital as if it were our own, Eneva's managers are likely to be careful with it as well.**

On incentives alignment, agency theory suggests that managerial mischief may occur when the interests of owners and managers diverge, and that a solution to this agency problem is an alignment between owner and agent interests through agent compensation and equity ownership. As so, **we have designed a stock ownership guideline – as part of our partnership program – whereas key executives of Eneva**

commit to hold a significant share of their compensation over time through an equity stake in the company.

Through the ownership requirement each partner is expected to acquire, and continue to hold during the term or his or her employment with the company, ownership of Eneva' stock having a value equal to the multiple of his or her annual base salary indicated in the table below, based upon seniority.

Position	Annual Salary Multiple
Chief Executive Officer	6x
Executive Directors	4x
Directors	3x
General Managers	1x

As highlighted before we are true believers of short-term incentive plans, with well defined metrics and KPIs, as they serve an important purpose: communicate a company's priorities and provide incremental annual feedback on performance. However, any analysis of compensation's alignment with shareholders that focuses on annual bonus and doesn't include the overwhelming influence of long-term incentives and stock ownership is incomplete.

Considering the nature of our business, our capital allocation philosophy and our long-term commitment to society, holding a partnership program is a key element for the success of business.

General Acquisition Behavior and Growth Strategy

We have made few acquisitions since 2017 and **our focus has been on organic growth, adding approximately 613MW in additional capacity with high double digits real returns. However, not engaging in an M&A transaction doesn't mean that we don't have a strong pipeline and a good deal flow; quite the opposite — over the past years we've evaluated all deals across the whole spectrum of the energy sector.** We like to see our M&A team not as an investment bank (IB) unit, with the sell side bias, but as an M&A boutique within the company. Conventional wisdom says that, typically, 70-80% of acquisitions fail. Forecasts become inflated, prices get superficial and not enough rigorous analysis is carried out. The main reason for failure, though, is that the buyer wants too much.

We have built a strong balance-sheet, with strong cash generation and sizable cash position. A fat wallet, however, is the enemy of superior investment results. Though there are as many good businesses as ever, it is useless for us to make purchases that are inconsequential in relation to Eneva's capital. (as Charlie Munger, Warren Buffet's partner, reminds us, "If something is not worth doing at all, it's not worth doing well"). We should spend time and effort in asset purchases only if we believe that such investment can significantly increase marginal returns in our portfolio.

Our acquisition decisions have been, and will always be, aimed at maximizing real economic benefits, not at maximizing either managerial domain or reported numbers for accounting purposes. We suspect that there are two big motivations — traps that we do not expect to fall for — in most high-premium takeovers:

1) Animal spirits usually prevail within management and relish increased activity and challenge. **At Eneva the corporate pulse never beats faster when an acquisition is in prospect.**
2) Most organizations measure themselves, or are measured by others, and compensate their managers far more by the yardstick of size than by any other yardstick. **We will continue to focus on value.**

Some years back I saw a CEO of a big corporation unintentionally describe the pathology of many big deals. He was explaining to his directors why he wanted to acquire a certain company. After droning rather unpersuasively through the economics and strategic rationale for the acquisition, he abruptly abandoned the script. With a naughty look, he simply said: "Ok, fellas, all the other kids have one."

Having the strength to walk away from a deal is helped by having choices. This provides us a better perspective and less tendency to get wedded at a transaction. Of course, you have to deal with the frustration of losing a deal, but far more important is to have the discipline to know when to walk away, avoiding non-accretive decisions.

The AES Tiete transaction is a very good example where we avoided the trap. Back in March 2020, after almost a year of careful analysis and in-depth studies, we sent an unsolicited proposal for a combination of assets with AES Tiete. The transaction, if successful, would result, for AES Tiete shareholders, in an immediate 10% premium, a relevant amount of cash on-hands and the option to take part in a well-diversified energy powerhouse.

Just a few days after our proposal the Covid-19 crisis reached Brazil at full steam. Despite the difficulties raised by the crisis, among them a less liquid capital markets, we continued to perceive value in the transaction. After the refusal of our first offer from AES Tiete management team, we decided to reformulate a new proposal, offering more premium and a higher equity content.

We also engaged with BNDES, AES Tiete's second largest shareholder at the time, who perceived value in the transaction and decided to launch a formal process in order to divest its position. At this point there were two potential bidders in the process: Eneva and AES Corp.

The end-game is well known: considering BNDES risk-aversion positioning, the development bank prioritized the cash component in AES Corp proposal and decided to sell half of his position up-front in cash, with the formal commitment from AES Tiete to do a follow-on in the capital markets in 2021 and provide an exit for the remaining stake of the bank.

After getting involved in such a complex deal for almost six months, involving the Brazilian Exchange (B3), the local SEC (CVM), and many other stakeholders, it was natural to end-up in long debates about how far we should persist the deal. We are happy that we sticked to your approach and did not let the animal spirits nor the yardstick size syndromes prevail.

In some large companies, it might be difficult to grown new businesses from tiny seeds because of the patience and nurturing required. **At Eneva we are unusually supportive of small business with big potential (after all that's how we started), and firmly believe that's a driver of building competitive advantage.**

Our recent exploration & production asset acquisitions provide good evidence of how we nurture our business: i) new exploration acreage around Azulão and the Paraná Basin; ii) acquisition of Juruá field in ANP's recent bidding round; and iii) the advancement in the acquisition of Urucu asset from Petrobras' divestment process. Added to the continuous success in the exploratory campaigns in Parnaiba basin, these recent acquisitions will result in a significant large amount of natural gas resources under the company operatorship. **These resources are located in regions that are currently poorly served by infrastructure (pipelines) and are mostly not reached by the national electricity grid. Such constraints generate a unique opportunity for Eneva´s to bridge the gap and transform the region.**

We have also pioneered the small-scale LNG value chain in the north of Brazil with the implementation of the Azulão-Jaguatirica project. The replication of this value chain, backed by significant gas resources, will enable Eneva to supply cleaner, more effective and competitive fuel to a large variety of clients across the country, accelerating the energy transition. **But we want to go a step further. We want to deliver complete energy solutions to our clients: be it electricity in an isolated system, customized solutions for industrial processes, or even the conversion of heavy equipment for fluvial and land transportation.** Early marketing studies indicated a wide potential for these applications, and we are positioning ourselves as the partner of choice on energy supply solutions. In addition to double digit expected returns, once implemented, these solutions will also result in significant regional development, providing new opportunities for local communities and contributing to reduce environmental impact.

In addition to that, **Petrobras' ongoing divestment process presents another great set of opportunities to leverage our competencies.** Recognized as a best in class on shore E&P operator, we are well positioned for the acquisition of selected mature fields in Petrobras' divestment process as several of these assets still hold considerable amounts of recoverable hydrocarbons, including natural gas, GLP, condensate and oil, in addition to access to infrastructure. Considering that the majority of these assets lacked sustaining capex in the recent years, Eneva´s competencies come well on hand to redevelop the fields and boost short term production, improving cash flows and accessing stranded gas. This additional natural gas production and processing facilities will further improve our ability to implement Eneva´s small scale LNG (SSLNG) energy solutions businesses.

A good first step in that direction is the Urucu pole, which contains large amounts of proved remaining reserves of natural gas, GLP, condensate and light oil, combined with the infrastructure to produce these products. Under Eneva´s view, the potential is far greater, with a plan to boost field output, and consequentially natural gas production, which in turn will be used to fuel our SSLNG and energy solutions business line. Additionally, the existing infra structure can also be used to integrate the Juruá field into the production system and further extend the asset lifecycle. These opportunities, together with some other value propositions, are already mapped and will further improve asset value and return to the invested capital.

A Recap of 2020 Results

It was an atypical year, even when setting aside the effects of the pandemic. The beginning of the rainy season arrived later than expected, and water reservoirs began the year at historically lower-than-average levels – indicating high dispatch volumes for our thermal power plants (TPPs), which were operating at full capacity in January and remained so until the end of February.

Looking back to the beginning of 2020, we foresaw a year with reasonable economic growth, higher levels of energy consumption, and consequently, the need for increased thermal power dispatch to guarantee reliable power supply. However, the onset of Covid-19 significantly changed our base case scenario, resulting in a year over year reduction in energy consumption on Brazil of almost 12% in April. It was not until July that we started to observe a pick-up in demand.

A material drop in the country's energy demand would lead to very low thermal dispatch levels, negatively impacting our cash flows. At that point, considering we were executing the largest ever capex plan in our brief history, we had to adapt and replan.

In times of change we must adapt, quickly develop ways to effectively respond to the unknown unknowns and be prepared for the worst. General Pericles (461 to 429 B.C.), a prominent and influential Greek Statesman, led the Athenian army during its golden age, building one of the greatest empires in history. In one of his speeches, when questioned about the secret for succeeding in countless battles, even when against stronger adversaries, he stated: “The key is not to predict the future, but to prepare for it”.

To prepare we have to adapt. Imagine a crisis that forces your company’s employees to change the way they work almost overnight. Despite initial fears that the pressure would be too great, we discovered that this new way of working could result in a long-term optimal solution. **We then changed our processes; implemented tougher health & safety procedures; reviewed expenses priorities; and improved monitoring and forecasting.** Our managers experienced a learning curve in leading teams virtually as they built social capital and in maintained cohesion without the benefit of informal coffee, lunch, or corridor chats. As we contemplated returning to the workplace, we understood that a new set of skills emerged for this transition, with more mobility and increased efficiency in more transactional activities. **However, we also quickly concluded that, considering the nature of our business and the complexity of our projects, there is an enormous amount of value derived from a face-to-face working environment – with all the safety procedures in place.** We were probably one of the first companies to adopt the “back-in-the-office” concept. Despite the remote location of most of our operations, we were successful in controlling contagion in our assets, maintaining productivity and supporting stakeholders in addressing Covid-19 related challenges.

In all, even considering the unexpected, we ended-up with steady cash-flows and zero delinquency rates, thus maintaining our financing capabilities and securing the ongoing construction of the Parnaiba V and Azulão-Jaguatirica projects, and the continuity of our growth strategy. In the end, the worst-case scenario did not materialize but we came out stronger:

i. **Our thesis that our regulated energy sales contracts are robust even under stress market conditions was confirmed**, as we had zero default and no requests to engage in contract renegotiations.
ii. **The timeline of our projects under construction suffered minimal delays.**
iii. **Debt capital markets remained open to companies with sound balance sheets.** Not only were we able to maintain a cost-competitive funding plan for the existing projects but also put in place an active liability management strategy to refinance more expensive debt held in our balance sheet.
iv. **We kept the commitment to our exploratory campaigns in the Parnaíba and Amazonas basins**, as these are one of the key value drivers of our long-term strategy and ended-up with **additional certified reserves of 3.25 Bcm and 2.24 Bcm in both regions, respectively.**

We presented an **EBITDA of R$ 1.60 billion**, compared to R$ 1.46 billion reached in 2019, representing a **YoY growth of 9.8%.** Overall, we were capable of maintaining fixed costs below inflation rates and improve variable margins – as a result of higher variable revenues and average spot prices.

As one might recall, in 2019 we highlighted, as part of our strategy, a revamp in our energy trading business. Our investment has started to pay-off! **In 2020, EBITDA from our trading unit reached R$ 35 million, on net revenues of R$ 490 million and with 1.2 GWm of energy traded volume.** This compares to an EBITDA of R$ 1 million in 2019, on net revenues of R$ 413 million. We maintained our conservative approach to Eneva Comercializadora with a maximum VaR of R$ 4 million through the year. **With a stockholder's equity of R$ 40 million and an average VaR for the period of R$ 1.8 million, Eneva Comercializadora presented a risk-return ratio of 22x!** As the energy and gas markets become increasingly more open and less regulated, we continue to believe that positioning of our trading unit will be fundamental to fulfil the demand of a prosumer market.

The year was also marked by a strong sign of trust on the management team and by a statement of long-term commitment to the company's prospects when, in an innovative positioning for the Brazilian capital markets, **three of the country's largest and most prestigious long-only asset managers (Atmos, Dynamo and Velt), decided to combine their equity stake under a minority shareholder's agreement.** According to the agreement allows the establishment of an independent, agile and articulated block of shareholders which will act to benefit Eneva's best long-term best interest. Furthermore, Atmos, Dynamo and VELT believe that **the creation of this block of shareholders reinforces their support for Eneva's management to continue executing its strategies with a long-term vision.** We feel very honored by such positioning and expect to deliver on our promises, as we did over the past years, and continue to deliver shareholders value.

In December, we were **successful in another bidding round** (permanent offering) sponsored by the Oil & Gas Regulatory Agency (ANP) and **acquired i) three blocks in the Amazonas basin; ii) the Juruá field in the Solimões; and iii) four blocks in the Paraná basin – this one in a partnership with Enauta.** Through this increased acreage we have now expanded our presence in the four most important Brazilian onshore basins (Parnaíba, Amazonas, Solimões and Paraná) and **moved forward with the backbone of our strategy: access to the gas molecule.**

Our **reserve replacement ratio reached 241%**, continuing the positive trend observed in past years. In the Azulão field after drilling and testing the production wells, our 2P gas reserves increased by 2.24 BCM, or 62% YoY. **Our total 2P reserves in the Parnaiba and in Amazonas now accounts for 31.8 BCM, a 15% increase compared to 2019 figures.** Exploration campaign efforts continues at full steam with a total capital allocation of R$ 82 million in our exploration campaign. In the Parnaiba basin we acquired another 5,000 Km of 2D seismic – which has been processed and interpreted – generating prospects and targets for new exploratory wells to be drilled in 2Q21. In the Amazon basin, prospects were also identified, and an exploratory drilling campaign will resume in 4Q21 extending through the first half of the following year.

Sustaining capex reached R$ 189 million, mainly destined to Itaqui (R$ 22 million) major overhaul and the HGPs of Parnaíba I, II e III turbines – which amounted to approximately R$ 110 million. We have also allocated R$ 90 million in the development of cluster connections and R$ 1.9 billion in growth projects.

As part of our financial restructuring, in 2019 we started a **sizable liability management program** aiming at i) exchanging approximately R$ 4 billion of high cost and short duration debt; and ii) targeting full leverage structures for the capital raising of Parnaíba V and Azulão-Jaguatirica projects.

Over the following 18 months we have delivered on our promises. We extended terms, reduced costs and settled project financing structures withheld with BNDES that prevented our coal subsidiaries from paying dividends to the holding. Considering our growth strategy, avoiding cash-trap structures is extremely important to prevent liquidity bottlenecks. With the solutions implemented cash circulates more efficiently among subsidiaries, enabling the acceleration of dividend payments from Pecém II and Itaqui as early as 2021.

We have also issued another R$ 1.0 billion of infrastructure debentures and an additional R$ 1.8 billion from Banco do Nordeste and Banco da Amazonia to finance Parnaíba V and Azulão-Jaguatirica projects. Both projects were fully financed with third party capital, with a weighted average cost of debt below inflation + 2.75% and an average payment term of approximately 10 years. We now hold a comfortable short-term debt position that supports the debt financing of our Capex commitment for our projects and enable us to use our excess cash generation to reinvest in attractive projects and/or distribute dividends.

Finally, in the last business day of the year, B3 confirmed the **inclusion of ENEV3 in the Ibovespa index**. This was a long-awaited achievement that crowns Eneva the hard work of our team and success of our strategy in the years since our Re-IPO.

After a year when we overcame the unknown, we enter 2021 stronger and more confident that we are on the right path. We are in a different position as one of the few companies (or perhaps the only one) that has distinguished expertise in the energy and E&P sector, positioned in a sector that is at the epicenter of a regulatory (re)evolution (New Law of Gas), with a robust balance sheet and a notable team qualified to make quick decisions.

Goals for 2021

We take our performance management and goal setting process very seriously. Taken as a whole, the set of goals is indicative of our fundamental approach. We can’t assure you that we’ll meet all this year’s goals. However, we can assure you that we’ll continue to obsess over capital allocation as we have strong conviction that this approach – in the long term – is every bit as good for owners as it is for all our stakeholders.

In 2021 we have set five major goals: i) maintain our reserve replacement ratio of at least 100% and further develop our exploration portfolio in Parnaiba and Amazonas Basin; ii) conclude the implementation of Azulão and Jaguatirica II projects and execute the bottoming of the cycle of Parnaiba I (Parnaiba V project); iii) expand along the gas-to-power and SSLNG value chains; iv) enhance our marketing capabilities; and v) disclose long-term commitments to a more sustainable future and develop ESG KPIs to track our progress in achieving our goals.

i) Reserve replacement ratio and exploration portfolio – the most value-added strategy to maintain our competitive advantage and expand our business model is to find and develop more reserves. **We have set a target of drilling 12 wells, out of which 2 will be in Amazonas Basin and 10 will be in Parnaíba Basin.** This continuous annual investment in exploration is crucial to guarantee the long-term objective of expansion along the gas-energy value chain.

ii) Implementation of Parnaiba V and Azulão-Jaguatirica projects – as we said before we believe the delivery of these projects will definitely set the stone on our execution capability. Despite the pandemic, we continue to follow our plan with **the COD of Parnaiba V in the 1st quarter of 2022 and Azulão-Jaguatirica in the 4th quarter of 2021.**

iii) Expand along the gas-to-power value-chain – We have taken significant steps in the partnership with originators to develop and build a TPP complex. Depending on market conditions we expect to exercise the optionality to expand along the gas-to-power value chain with the two scheduled energy auctions for year. In addition to that, throughout 2020 we have engaged with potential clients to commercialize SSLNG and/or provide energy solutions for them. This is a promising market, where we see many companies moving forward on the substitution of oil by gas on their production chain. In the north of Brazil it can achieve a capacity of more than 13 million m3/day. **The target is to close at least one commercial contract this year and start the rollout the business model as we enhance our marketing capabilities in the north and northeastern regions.**

iv) Enhance our marketing capabilities – The dynamics of the energy market is changing and will continue to change even faster. Climate change issues will keep pushing for increased use of variable energy — wind, sun or waves, for example — with increased need of backup power plants to bridge the gap of unattainable energy demand.

Before grid scale renewables came to live, slow and steady always won the race. There was not much competition in the electricity business (mostly based on long term contracts with assured capacity) and a protection in law that made each utility a master of its realm. **We expect a shift in customer profile, from the "Grid" to prosumers, and we are preparing ourselves to positioning in this free market environment, delivering energy solutions to our clients and society.** Developing our marketing capabilities will help ourselves to better respond to market changes and go a step further in our just cause. We want to possess the ability to generate, disseminate, and respond to market information in a better way and will make the required organizations changes to put us in that place.

v) Disclose long-term commitments to a more sustainable future and develop ESG KPIs to track our progress in achieving our goals – Climate change is a shared global challenge and energy is at the heart of any solution. We need to address this challenge by investing in innovations that will help power the world with carbon-free energy. At the same time, we must find ways to deliver affordable and reliable energy and foster economic growth in our communities so they can live healthier lives and find a path out of poverty. **We are committed to aligning our long-term growth strategy with targets that will balance environmental and socio-economic development goals.** We intend to set clear roles and responsibilities at different stages of the ESG management process to make sure comprehensive action plans are put in place and the tracking data is accurate and reliable.

In closing, consider this important point: a different set of major shocks is sure to occur in the next decade. We will neither try to predict these nor to profit from them. If we can identify businesses similar to those we have invested in the past, external surprises will have little effect on our long-term results. Imagine the cost to us, then, if we had let a fear of unknowns cause us to defer or alter the deployment of capital. Indeed, we have usually made our best purchases when apprehensions about some macro event were at a peak. Fear is the foe of the faddist, but the friend of the fundamentalist.

In this turbulent global economy, **our fundamental approach remains the same. Stay heads down, focused on the long term and obsessed over capital allocation.** Long-term thinking levers our existing abilities and lets us do new things we couldn't otherwise contemplate. It supports the failure and iteration required for a successful result in the infinite game, and it frees us to pioneer in unexplored spaces. Seek instant gratification – or the elusive promise of it – and chances are you'll find a crowd there ahead of you. **Long-term orientation interacts well with ESG best practices and the path ahead of us. Our approach permits us to work patiently for multiple years to deliver a solution that will contribute to a cleaner and reliable energy matrix.**

As always, we at Eneva remain grateful to our stakeholders for their business and trust, to each other for our hard work, and to our shareholders for their support and encouragement. Many, many thanks.

Pedro Zinner

CEO

Key Operating Data

Operational Data		4Q20	4Q19	2020	2019
Itaqui	Availability (%)	94%	99%	97%	99%
	Dispatch (%)	94%	97%	37%	46%
	Net Generation (GWh)	640	668	1,007	1,277
	Gross Generation (GWh)	700	755	1,115	1,442
	Generation for Regulated Market (%)	99%	100%	99%	99%
	Generation for Free Market (%)	1%	0%	1%	1%
Pecém II	Availability (%)	96%	86%	98%	81%
	Dispatch (%)	84%	98%	34%	70%
	Net Generation (GWh)	582	605	919	1,463
	Gross Generation (GWh)	634	674	1,013	1,635
	Generation for Regulated Market (%)	*99%*	*100%*	*99%*	*63%*
	Generation for Free Market (%)	*1%*	*0%*	*1%*	*37%*
Parnaíba I	Availability (%)	93%	94%	91%	98%
	Dispatch (%)	94%	98%	39%	45%
	Net Generation (GWh)	1,254	1,328	2,087	2,456
	Gross Generation (GWh)	1,304	1,375	2,166	2,544
	Generation for Regulated Market (%)	*99%*	*100%*	*98%*	*100%*
	Generation for Free Market (%)	*1%*	*0%*	*2%*	*0%*
Parnaíba II	Availability (%)	94%	95%	95%	97%
	Dispatch (%)	98%	100%	73%	64%
	Net Generation (GWh)	1,005	1,023	2,962	2,617
	Gross Generation (GWh)	1,068	1,074	3,136	2,748
	Generation for Regulated Market (%)	*100%*	*100%*	*100%*	*100%*
	Generation for Free Market (%)	*0%*	*0%*	*0%*	*0%*
Parnaíba III	Availability (%)	97%	95%	97%	98%
	Dispatch (%)	65%	82%	25%	27%
	Net Generation (GWh)	240	295	365	382
	Gross Generation (GWh)	248	304	377	393
	Generation for Regulated Market (%)	*78%*	*99%*	*84%*	*97%*
	Generation for Free Market (%)	*22%*	*1%*	*16%*	*3%*
Parnaíba IV	Availability (%)	92%	90%	97%	96%
	Dispatch (%)	97%	98%	37%	45%
	Net Generation (GWh)	104	102	159	193
	Gross Generation (GWh)	113	107	171	202
	Generation for Regulated Market (%)	*0%*	*0%*	*0%*	*0%*
	Generation for Free Market (%)	*100%*	*100%*	*100%*	*100%*
Upstream	**Parnaíba Basin**				
	GTU Dispatch (%)	86%	91%	44%	46%
	Production (Bi m^3)	0.66	0.70	1.35	1.41
	Remaining Reserves (Bi m^3)	26.0	24.1	26.0	24.1

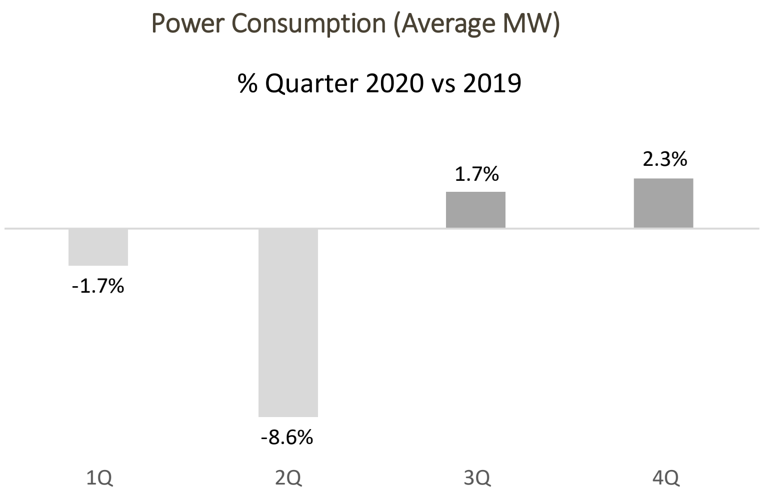
Note: Generation data from the plants refer to provisions made based on measurements made internally, which are subsequently determined and disclosed by the CCEE.

Power Generation

Industry Environment

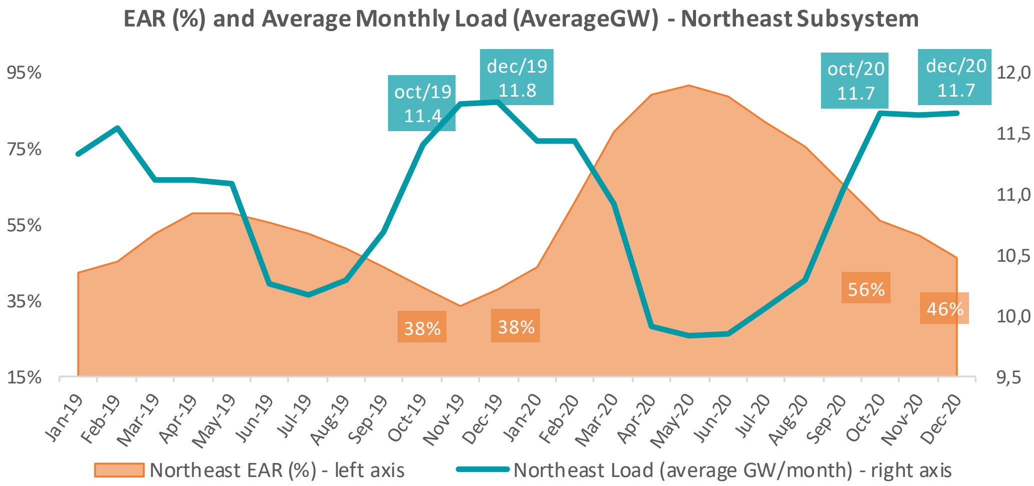
- Energy prices and demand for thermal power dispatch increased in 4Q20, driven by the resumption of consumption and deterioration of the hydrological scenario

The second half of 2020 was marked by the resumption of growth in electricity consumption in the country. The fourth quarter saw the highest year over year consumption growth. The recovery in consumption was not expected by official forecasts following the contraction resulting from the impacts of COVID-19, and reflects both the resumption of economic activity throughout the second half of the year as well as the impact of weather factors.

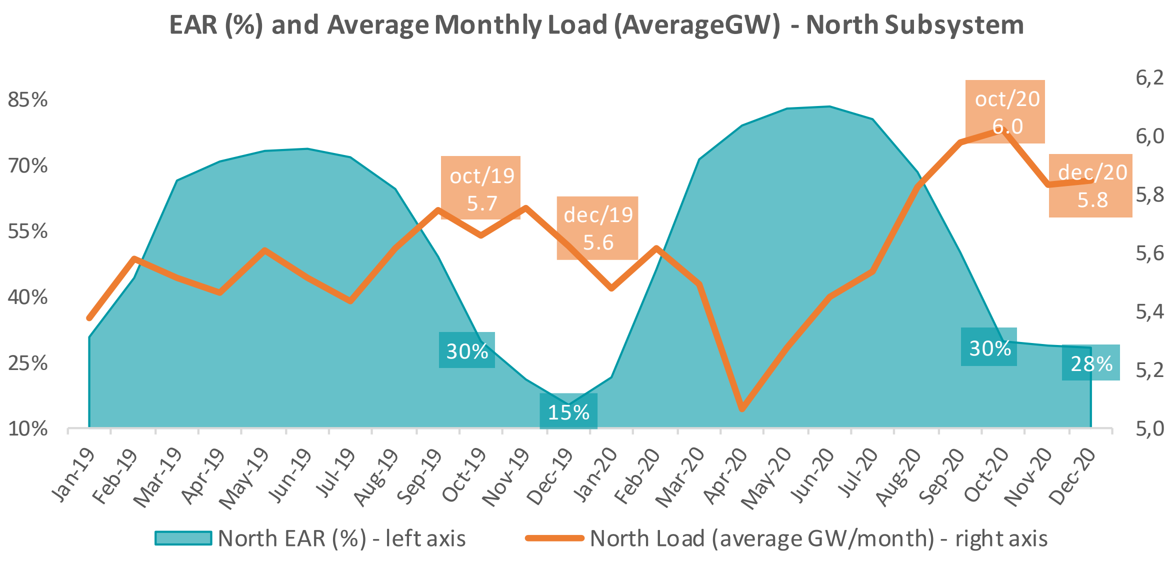


Source: Data available on the website of the National System Operator (ONS).

The lower-than-expected rainfall at the end of 3Q20 affected the storage level of the reservoirs, which, associated with the low rainfall during 4Q20 and high average temperatures recorded in the period, impacted the formation of the Affluent Natural Energy (ENA) and reduced the volume of Stored Energy (EAR) in reservoirs, contributing to an increase in load in 4Q20.

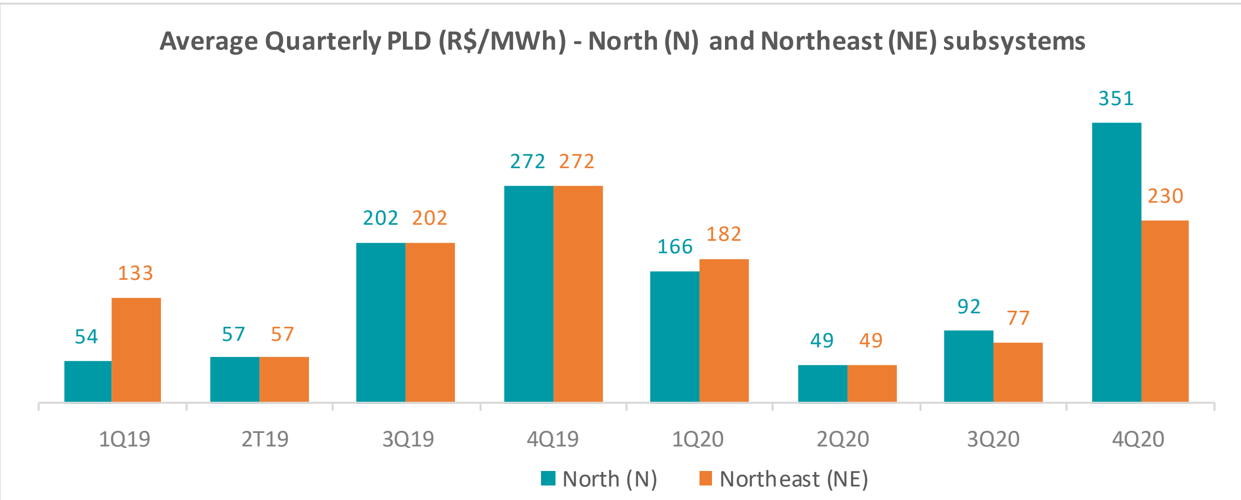


Source: Data available on the website of the National System Operator (ONS).



Source: Data available on the website of the National System Operator (ONS).

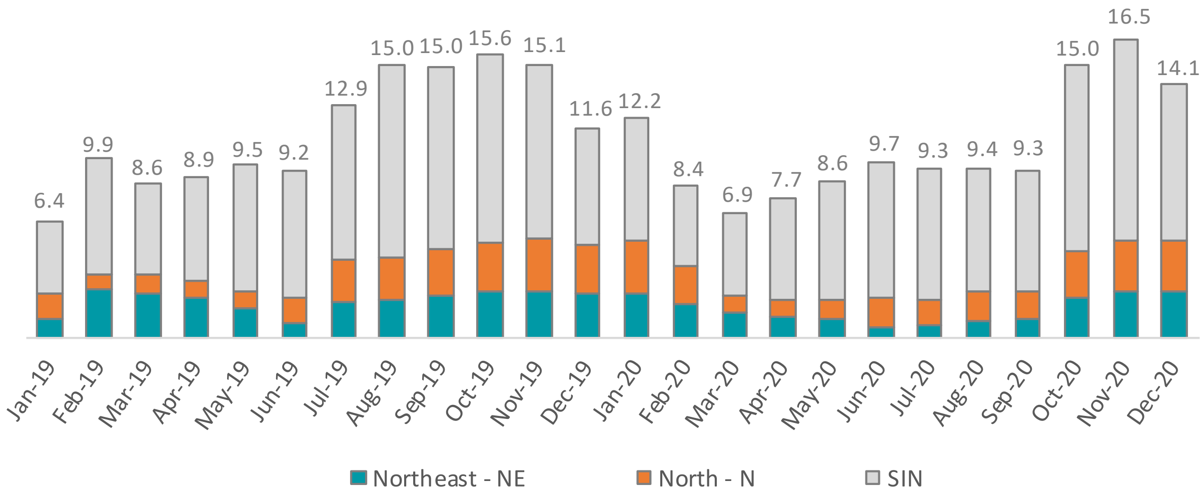
Due to the combined effect of lower than expected rainfall, lower levels of water volumes stored in the reservoirs, and a higher-than-expected load, the Differences Settlement Price (PLD) soared throughout 4Q20, reaching the regulatory ceiling in some periods. The average PLD for the Northeast (NE) submarket in 4Q20 was R$229.75/MWh, 198% higher than the average for 3Q20, while the average PLD for the North (N) submarket was R$351.31/MWh, an increase of 284% in the same period. Compared to 4Q19, the average quarterly PLD NE increased 29%, while the average quarterly PLD N decreased by 16%.



Source: Data available on the website of the Electric Power Trading Chamber (CCEE).

The increase in PLD in the period is explained by the greater need for thermal power dispatch, required to close the SIN’s electrical/power balance in an environment of scarce rain and unexpected increase in load. This combination of factors affected the operation of the SIN (National Interconnected System), and on October 16, 2020, the CMSE (Monitoring Committee of the Electric Sector) authorized the ONS to dispatch thermal power generation outside the order of merit. Although this type of generation is not part of the price settlement (PLD and CMO), it contributes to energy security, as it preserves hydroelectric reservoirs. As a result, in addition to higher prices that, alone, reflect greater thermal power dispatch, the ONS exercised its option of dispatching other thermal power plants that were not part of the optimal decision of the official hydro-thermal dispatch models, to ensure electrical and energy security

Thermal Power Generation - NE, N and SIN subsystems (AverageGW/mês)



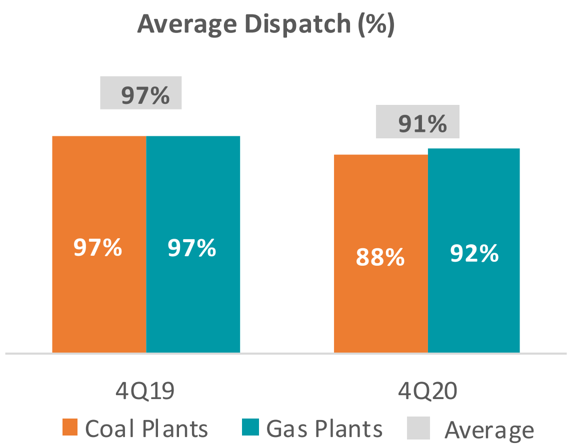
Source: Data disclosed by the National Electric System Operator (ONS).

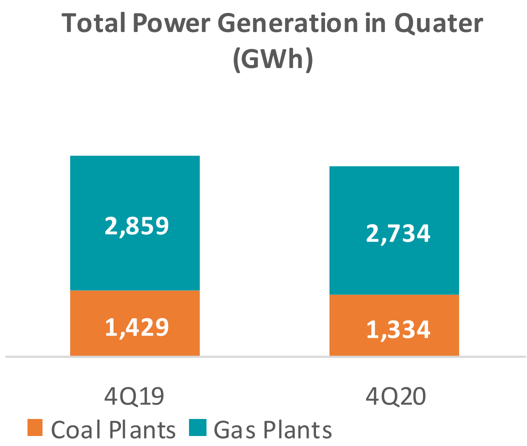
Eneva Performance

- Dispatch recovery in 4Q20

Responding to the increased demand for thermal power, during most of 4Q20 all of ENEVA's plants remained in the merit order of dispatch or dispatched for Energy Guarantee, as authorized by the CMSE. Throughout 3Q20, one of the turbines at Parnaíba I TPP was under scheduled maintenance for installation of the diverter damper[1] (implementation of the Parnaíba V TPP) for about 8 days in 4Q20, affecting the availability of this plant.

The average dispatch weighted by installed capacity in 4Q20 was 91%, with total gross generation of 4,068 GWh, compared to 97% average dispatch in 4Q19, with total gross generation of 4,288 GWh.





- Increases in fuel prices, exchange rate and contractual inflation adjustment impact the CVU of plants

In addition to the volume effect associated with the higher amount of thermal power dispatch required by the SIN (National Interconnected System), prices also benefitted in the period. The Variable Unit Costs (CVU[2]) of all Eneva plants operating in the regulated market (ACR)[3] are linked to inflation indexes and/or fuel and exchange rate indexes, as shown in the table below.

[1]Diverter damper is a log installed at the base of the chimney. It determines whether the plant will work in a simple cycle (only with a gas turbine) or combined, and it works by opening the exhaust gas to pass to the boiler (combined cycle), or by closing the gas up through the chimney (simple cycle).

[2] The CVU of the thermal plants is composed of 2 parcels: Ccomb and Co & m. The Ccomb refers to the price of fuel and is indexed to the price of fuel, with monthly variation. Co & m refers to the plant's operation and maintenance cost and is updated annually by the IPCA. To understand more, see the Modeling Guide made available by Eneva: https://ri.eneva.com.br/informacoes-financeiras-e-operacionais/guia-de-modelagem/

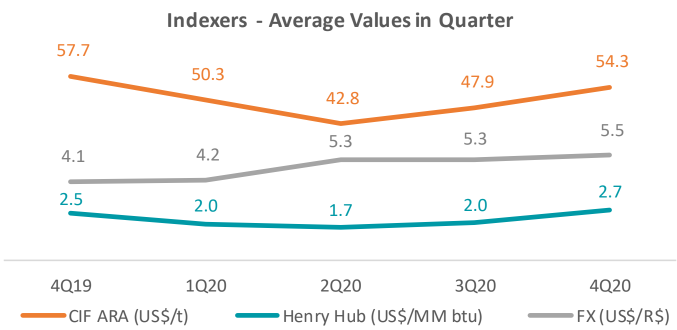
[3] The CVU of UTE Parnaíba IV was fixed by ANEEL at R$151.69 / MWh through order No. 3,203 (December / 2018).

CVU (R$/MWh) Average Values in Quarter	4Q19	1Q20	2Q20	3Q20	4Q20	Indexers	Readjustment Periodicity
Parnaíba I TPP	124.4	102.0	111.6	126.8	171.0	Henry Hub & FX / IPCA	Fuel: Monthly Inflation: Annually
Parnaíba II TPP	81.8	82.5	82.5	82.5	84.4	IPCA	Inflation: Annually
Parnaíba III TPP	221.6	223.5	223.5	223.5	228.7	IPCA	Inflation: Annually
Parnaíba IV TPP	151.7	151.7	151.7	151.7	151.7	-	-
Pecém II TPP	153.9	140.2	147.5	163.1	186.3	CIF ARA (API #2) & FX / IPCA	Fuel: Monthly Inflation: Annually
Itaqui TPP	148.6	134.8	142.1	157.7	180.6	CIF ARA (API #2) & FX / IPCA	Fuel: Monthly Inflation: Annually

For plants with a CVU that is only linked to inflation, the CCEAR contracts provide for an annual restatement in November, taking into account the inflation (IPCA) for the prior 12 months. As for thermal power plants that also have a fuel component in the CVUs, in addition to the annual restatement of the CVU portion linked to inflation in November, there is a monthly update of the portion indexed to the fuel cost, which follows the variation of the indexers and the exchange rate for each period.

As established in the Contract for Energy Trading in the Regulated Environment (CCEAR), the CVUs of the Parnaíba II and III TPPs, fully indexed to the IPCA, were restated in November 2020 in accordance with the IPCA for the 12-month period ended in October 2020, increased by 3.92%.

The CVUs of the Parnaíba I, Pecém II and Itaqui TPPs also increased in 4Q20, not only due to the effect of the annual restatement of the portion indexed to inflation. The increase in the international price of the Henry Hub natural gas commodity, together with the exchange rate depreciation in the period, increased the CVU of the Parnaíba I TPP by 37.5% compared to 4Q19. At coal-fired power plants, although the international CIF-ARA price has decreased compared to 4Q19, the effects of the exchange rate increase in 4Q20 and the restatement of the portion linked to inflation fully offset the lower price of the commodity and the quarterly average CVUs of both plants were 3.2% above 4Q19.



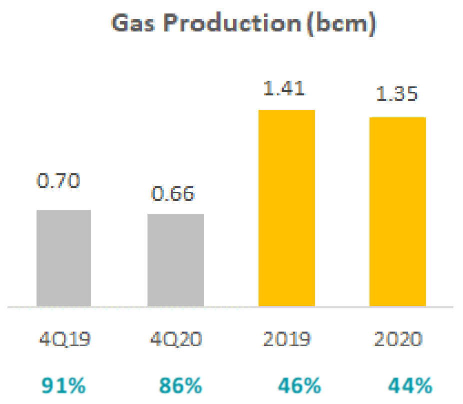
Source: Data available at Reuters. Quarterly averages calculated using Henry Hub monthly prices for the third last day of the month and CIF-ARA prices and foreign exchange rate related to the month's average.

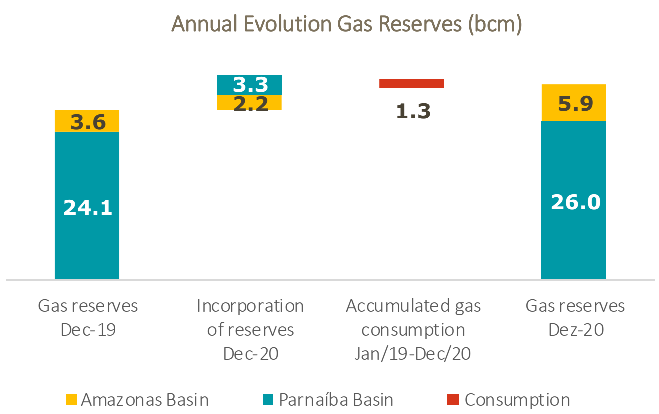
Upstream

Eneva Performance

- Slight decrease in gas production and net increase in reserves of 4.2 billion m³ of gas

In 4Q20, the Company produced 0.66 billion m³ of natural gas to meet the dispatch of the thermoelectric plants of Parnaíba Complex, a 5.1% reduction from the volume produced in 4Q19. The Gas Treatment Unit dispatch in 4Q20 was 86%.





GTU[1] Dispatch

In January 2021, the Company published an updated report for December 31, 2020 on reserve certification, prepared by Gaffney, Cline & Associates. The report revealed an increase in 2P certified reserves of 3.3 billion m³ in the Parnaíba Basin and 2.2 billion m³ in the Amazonas Basin.

- In the Parnaíba Complex, the increase was related to the incorporation of reserves in almost all fields, due to the positive results obtained with the drilling of the fields still under development and a slower pressure decline than initially expected for producing fields;
- In the Amazonas Basin, the increase in reserves was due to the incorporation of the results obtained from the drilling of the 3 producing wells in the Azulão Field under the geological model.

Taking into account gas consumption in Parnaíba in 2020, the total net increase in the Company's reserves (considering both basins) year over year was 4.2 billion m³. At the end of 4Q20, the Company's total gas reserves amounted to 31.8 billion m³, considering the Parnaíba and Amazonas Basins, with a reserve replacement index in the Parnaíba Basin of 241% in the year.

Over the course of 4Q20, 1,032 linear km of 2D seismic were acquired, concentrated in blocks PN-T-102A, 133, 134, 146, 163 and in the Gavião Tesoura field. In 4Q19, the Company had just begun the seismic campaign, with 360 km of 2D seismic acquired in the period.

4- GTU – Gas Treatment Unit.

Acquisitions and Updates - Exploration & Development

- Sucessful bids in the second round of the ANP's Open Acreage and advances in exploration of the Commerciality of the Fortuna field (Gavião Belo Field)

In December 2020, ENEVA acquired 7 exploratory blocks in the 2nd Open Acreage round of ANP, with 3 blocks near the Azulão Field, in the Amazonas Basin (AM-T-62, AM-T-84 e AM-T-85), and 4 blocks in the Paraná Basin (PAR-T-86, PAR-T-99, PAR-T-196 e PAR-T-215), the latter with a 70% working interest and in consortium with Enauta Energia S.A., with the remaining 30% working interest. At the same time, the Juruá Field, located in the Solimões Basin, was also acquired. The signing of the concession contracts is scheduled for June 2021, according to the schedule of the auction notice.

Within the scope of the Fortuna Discovery Assessment Plan (PAD), in February 2021, ENEVA submitted to the ANP the Declaration of Commerciality of the field, located in Block PN-T-102A, requesting the adoption of the name Gavião Belo Field. The gas-in-place estimate (VGIP) is in the statistical range between 4.49 billion m^3 (P90) and 9.45 billion m^3 (P10), with 6.78 billion m^3 being the Pmean. As a result, activities at PAD Fortuna were closed and the Company must submit to the ANP a Development Plan (PD) for the field by August 25, 2021. Eneva also has an existing PAD - Fazenda Tianguar, located in Block PN-T-48, due in March 2022.

The Development Plan (PD) of the Gavião Carijó Field (GVCA), formerly PAD Araguaína, is being analyzed by the ANP, under the terms submitted by the Company in June 2020. In October and December 2020, letters containing additional information requested were sent to the Agency.

The Company also initiated the procedure to extend its concession contracts by 9 months, due to the pandemic and in light of the provisions of ANP Resolution No. 815/2020. The request was accepted for blocks PN-T-146 and PN-T-163 (Round 13) in November 2020, and the other exploratory assets are under analysis by the ANP. There is expectation about new postponements by ANP by the end of the 1st quarter of 2021.

Consolidated Financial Performance

Consolidated Income Statement	4Q20	4Q19	%	2020	2019	%
(R$ million)						
Net Operating Revenues	**1,223.5**	**1,111.9**	**10.0%**	**3,243.3**	**3,137.4**	**3.4%**
Operating Costs	(668.8)	(705.7)	-5.2%	(1,745.4)	(1,899.2)	-8.1%
Depreciation and amortization	(122.4)	(127.7)	-4.1%	(419.2)	(414.1)	1.2%
Operating Expenses	(140.4)	(121.6)	15.5%	(448.5)	(373.5)	20.1%
Dry Wells	(8.6)	(4.1)	112.2%	(17.9)	(37.0)	-51.5%
Depreciation and amortization	(15.0)	(17.5)	-14.4%	(62.9)	(75.9)	-17.1%
Other revenue/expenses	54.8	94.0	-41.7%	76.1	104.3	-27.0%
Equity Income	(0.4)	0.8	N/A	(8.8)	(2.3)	274.7%
EBITDA (as of ICVM 527/12)	**606.1**	**524.5**	**15.5%**	**1,598.9**	**1,456.7**	**9.8%**
EBITDA excluding dry wells [1]	**614.7**	**528.6**	**16.3%**	**1,616.9**	**1,493.7**	**8.2%**
Net Financial Result	(74.3)	(121.5)	-38.9%	(299.7)	(410.2)	-26.9%
EBT	**394.4**	**257.9**	**52.9%**	**817.1**	**556.5**	**46.8%**
Current taxes	(7.6)	(16.6)	-54.1%	(33.9)	(39.5)	-14.2%
Deferred taxes	299.5	123.2	143.1%	223.3	82.1	171.9%
Minority Interest	(0.2)	(1.0)	-75.3%	(1.1)	(1.7)	-37.7%
Net Income	**686.5**	**365.4**	**87.9%**	**1,007.6**	**600.8**	**67.7%**

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

As of the first quarter of 2020, the Company started presenting EBITDA according to the guidelines of CVM Instruction No. 527/12 (ICVM 527/12). EBITDA and adjusted EBITDA (excluding dry wells) started to incorporate the item "Other Revenues and Expenses", previously recorded after the EBITDA line. **In 3Q20, the EBITDA calculation formula was updated to incorporate the "Equity Income" line item**, which was also presented after the EBITDA line item. **For comparison purposes, the historical values of these indicators were updated according to ICVM 527/12**.

In 4Q20, **Consolidated Adjusted EBITDA (excluding dry well expenses)** totaled R$614.7 million, an increase of R$86.1 million compared to 4Q19, driven by the increase in operating revenue in an environment of higher energy prices combined with lower operating costs. These effects were partially offset by higher operating expenses in the period and the impact of a non-cash impairment reversal in 4Q19 in the coal generation segment, which positively impacted “Other Income and Expenses” by R$127.0 million in the period, compared to also an impairment reversal of R$ 52.8 million in 4Q20.

The **natural gas generation segment EBITDA** increased R$89.3 million compared to 4Q19, primarily due to the increase in the CVU of the plants, as explained in the Energy Market section and the higher amount of energy settled in the ACL, in an environment of higher average energy prices in 4Q20 when compared to 4Q19. The revision of physical guarantees of the Parnaíba I and III TPPs in December 2019, reduced the percentage of energy committed to the ACR and contributed to the increase in the amount of energy sold on the free market in 4Q20.

The increased energy sold and higher prices also benefitted the **Trading segment**, which posted its highest-ever quarterly EBITDA in 4Q20, of R$16.8 million, compared to R$1.8 million in 4Q19. This reflects the strategy established by the Trading for the 2020 second half, with the fulfillment of expectations in the period.

In **Upstream, Adjusted EBITDA (excluding expenses with dry wells)** slightly increased 2.5%, to R$256.7 million in 4Q20. The impact of the increase in the variable margin, due to the higher volume of variable leasing received by the plants, was almost totally offset by the drop of the fixed margin with the increase in operating and maintenance costs and by the increase in expenses related to exploration in the period.

The lower **EBITDA contribution** from **coal generation** and **Holding** partially offset the positive effects in the Consolidated results. EBITDA from **coal generation** was impacted by a R$127.1 million non-cash impairment reversal related to Itaqui, due to the positive valuation obtained in the most recent impairment test of property, plant and equipment and intangible assets, with the improvement of the plant's operational performance. In 4Q20, revenue was also recorded due to the reversal of impairment in Itaqui, in the amount of R$ 52.8 million. At the **Holding**, the increase in general and administrative expenses was the main driver of the decrease in the segment's EBITDA (*ex*-Equivalence) by R$6.6 million versus 4Q19.

The Company's net income totaled R$686.5 million in 4Q20, increasing 87.9% from 4Q19. In addition to the increase in EBITDA, net result in 4Q20 benefitted from an improvement in Financial Result as well as the increase in deferred taxes, due to the higher volume of deferred assets on tax losses and negative bases supported by the net income future expectations.

Consolidated Cash Flow

Free Cash Flow						(R$ million)
	4Q20	4Q19	Absolute Change	2020	2019	Absolute Change
EBITDA excluding dry wells [1]	**614.7**	**528.6**	**86.1**	**1,616.9**	**1,493.7**	**123.2**
(+) Changes in Working Capital	(402.1)	(55.9)	(346.2)	(315.4)	(199.6)	(115.8)
(+) Income Tax	(10.6)	(9.2)	(1.4)	(45.4)	(31.9)	(13.5)
(+) Other Assets & Liabilities	62.7	50.7	12.0	36.0	151.4	(115.4)
Cash Flow from Operating Activities	**264.7**	**514.1**	**(249.4)**	**1,292.0**	**1,413.6**	**(121.5)**
Cash Flow from Investing Activities	**(542.9)**	**(264.4)**	**(278.5)**	**(2,071.3)**	**(830.9)**	**(1,240.4)**
Cash Flow from Financing Activities	**(417.2)**	**34.0**	**(451.2)**	**887.7**	**(153.7)**	**1,041.3**
New Debt and Others	779.4	1,414.0	(634.6)	3,371.1	3,414.0	(42.9)
Debt amortization	(1,136.0)	(1,284.7)	148.7	(2,024.3)	(3,083.1)	1,058.9
Interest	(140.9)	(183.9)	43.1	(308.9)	(371.6)	62.7
Other	80.2	88.6	(8.4)	(150.3)	(112.9)	(37.4)
Total Cash Position [2]	**1,896.3**	**1,788.2**	**108.0**	**1,896.3**	**1,788.2**	**108.0**
Total Cash Position + Escrow Account [2]	**1,972.7**	**1,909.8**	**62.9**	**1,972.7**	**1,909.8**	**62.9**

1 – Calculated considering accumulated EBITDA as per ICVM 527/12 guidelines, excluding dry wells.
2 – Includes cash and cash equivalents.

Operating cash flow (FCO) amounted to R$264.7 million in 4Q20, compared with R$514.1 million in 4Q19. Despite the higher EBITDA in 4Q20, this was offset by the increase in working capital needs, mainly due to the R$426.5 million growth in accounts receivable in December 2020 versus September 2020, with the higher energy dispatch in 4Q20. The impact on working capital was partially offset by:

(i) a reduction in inventories of R$37.7 million due to the higher consumption usage of coal compared to new purchases, given the dispatch return;
(ii) elimination of the negative non-cash impact on EBITDA of R$40.4 million, mainly due to the increase in provisions and labor charges due to an adjustment, in 4Q20, of the profit-sharing provision for July and September 2020 and the provision for Income Tax and Social Security Tax on the exercise of the SOP – Stock Option Program;
(iii) R$22.3 million in advances paid in the period, the highlight being the companies Parnaíba II and Itaqui.

The **cash used for investment activities (CFI)** was (R$542.9) million in 4Q20, mainly due to disbursements related to plants under construction, exploration and development activities and maintenance. The disbursements related to the development of the Azulão field and construction of the Jaguatirica II TPP totaled R$261.0 million, while R$169.0 million was related to the construction of the Parnaíba V TPP. Other relevant disbursements include R$56.4 million for natural gas exploration and development activities in the Parnaíba Basin, as well as R$27.6 million for the Pecém II TPP, mostly related to remaining amounts from the 2019 Major Overhaul and other maintenance and revamp activities carried out in 2020.

The **cash flow from financing activities (CFF)** was a use of R$417.2 million in 4Q20, driven by principal and interest amortizations in the period, with full prepayment of the following loans: (i) Itaqui financing with BNB and BNDES (R$680.1 million of principal and R$9.4 million of interest) and (ii) short-term debenture under CVM Instruction 476 raised in April 2020 at Eneva S.A. - Holding (R$410.0 million as principal and R$13.4 million as interest). Additionally, other amortizations of principal and interest in the period, totaling more than R$160.0 million, contributed to this outflow, following the original schedule, in connection with FINEP, Banco da Amazônia S.A. (BASA), debentures raised for refinancing of Parnaíba I debts in 2018 and Parnaíba II debts in 2019, as well as 3 debentures raised at the Holding in 2019 and 2020.

The use of cash was partially offset by funds raised in 4Q20, of which R$202.5 million represented disbursements made to Banco do Nordeste do Brasil S.A. (BNB) for the construction of the Parnaíba V TPP and R$576.9 million disbursed to BASA to fund investments in the Azulão-Jaguatirica Integrated Project.

FCF was also offset by the following impacts on the "Other" line: (i) consumption of a reserve account of restricted deposits in a larger volume than in the remainder of the period, with the net effect of a lower balance of restricted deposits at R$124.2 million, due to the redemption of the total balances related to Pecém II and Itaqui after the prepayment of debts, as well as the payment of debentures as contractually foreseen in the guarantee package of the 1st Issuance of Debentures of Parnaíba I. These factors offset the payment of *fees* and transaction costs related to the early settlement of the aforementioned debts, in the amount of R$17.6 million.

ENEVA ended 4Q20 with a **consolidated free cash balance of R$1.9 billion**, excluding the balance of deposits linked to the Company's financing agreements, in the amount of R$76.4 million.

Economic-Financial Performance by Segment

Parnaíba Complex

Natural Gas Thermal Generation

This segment is composed of subsidiaries Parnaíba II Geração de Energia S.A. (which owns Parnaíba II, Parnaíba III and Parnaíba IV TPPs), Parnaíba Geração e Comercialização de Energia S.A. – PGC (which owns Parnaíba I TPP, in addition to being the SPE in charge of developing the Parnaíba V TPP) and Azulão Geração de Energia S.A. (the SPE in charge of implementing the Azulão-Jaguatirica integrated project, with the exception of the development of Azulão Field).

Income Statement Gas-Thermal Generation						(R$ million)
	4Q20	4Q19	%	2020	2019	%
Gross Operating Revenues	**757.7**	**745.1**	**1.7%**	**2,023.8**	**1,953.0**	**3.6%**
Fixed Revenues	**326.8**	**316.5**	**3.3%**	**1,282.4**	**1,249.0**	**2.7%**
Variable Revenues	**430.9**	**428.7**	**0.5%**	**741.4**	**703.9**	**5.3%**
CCEAR[1]	226.4	253.6	-10.8%	348.0	411.9	-15.5%
Short Term market	204.5	175.0	16.8%	393.4	292.0	34.7%
Reestablishment of commercial backing -FID	21.0	70.1	-70.0%	106.8	136.1	-21.6%
Hedge ADOMP	-	36.0	N/A	-	52.4	N/A
Others	183.5	69.0	166.0%	286.6	103.5	176.9%
Deductions from Gross Revenues	**(77.1)**	**(83.7)**	**-7.8%**	**(204.1)**	**(210.4)**	**-3.0%**
Unavailability (ADOMP)	(0.2)	(8.1)	-97.0%	1.3	(12.5)	N/A
Net Operating Revenues	**680.6**	**661.4**	**2.9%**	**1,819.7**	**1,742.5**	**4.4%**
Operating Costs	**(505.0)**	**(557.2)**	**-9.4%**	**(1,268.8)**	**(1,300.2)**	**-2.4%**
Fixed Costs	**(114.5)**	**(126.8)**	**-9.7%**	**(438.1)**	**(463.0)**	**-5.4%**
Transmission and regulatory charges	(21.3)	(20.8)	2.3%	(84.1)	(82.2)	2.4%
O&M	(27.0)	(42.7)	-36.8%	(89.2)	(116.5)	-23.5%
GTU fixed lease	(66.2)	(63.2)	4.7%	(264.8)	(264.3)	0.2%
Variable Costs	**(359.1)**	**(401.5)**	**-10.6%**	**(712.7)**	**(720.3)**	**-1.1%**
Fuel (natural gas)	(215.4)	(221.6)	-2.8%	(428.4)	(429.5)	-0.3%
Gasmar - Gas distribution tariff	(16.3)	(16.3)	0.3%	(31.9)	(33.0)	-3.3%
GTU variable lease	(84.6)	(41.7)	103.1%	(109.1)	(49.7)	119.4%
Reestablishment of commercial backing (FID)	(18.9)	(63.6)	-70.3%	(97.9)	(122.2)	-19.9%
Hedge ADOMP	-	(29.7)	N/A	-	(46.3)	N/A
Trading (P.IV)	-	(21.6)	N/A	-	(21.5)	N/A
Others	(23.9)	(7.1)	235.2%	(45.4)	(18.0)	151.5%
Depreciation and Amortization	**(31.5)**	**(28.9)**	**8.7%**	**(118.0)**	**(116.9)**	**0.9%**
Operating Expenses	**(6.3)**	**(16.5)**	**-61.5%**	**(26.0)**	**(34.4)**	**-24.4%**
SG&A	(6.2)	(16.0)	-61.3%	(25.6)	(34.1)	-25.1%
Depreciation and Amortization	(0.1)	(0.5)	-69.7%	(0.4)	(0.3)	67.5%
Other revenue/expenses	**(1.4)**	**(7.1)**	**-79.9%**	**(20.9)**	**(7.8)**	**167.6%**
Equity Income						
EBITDA (as of ICVM 527/12)	**199.4**	**110.0**	**81.2%**	**622.4**	**517.2**	**20.3%**
% EBITDA Margin	**29.3%**	**16.6%**	**12.7 p.p.**	**34.2%**	**29.7%**	**4.5 p.p.**

[1] CCEAR = Regulated Market Power Purchase Agreement

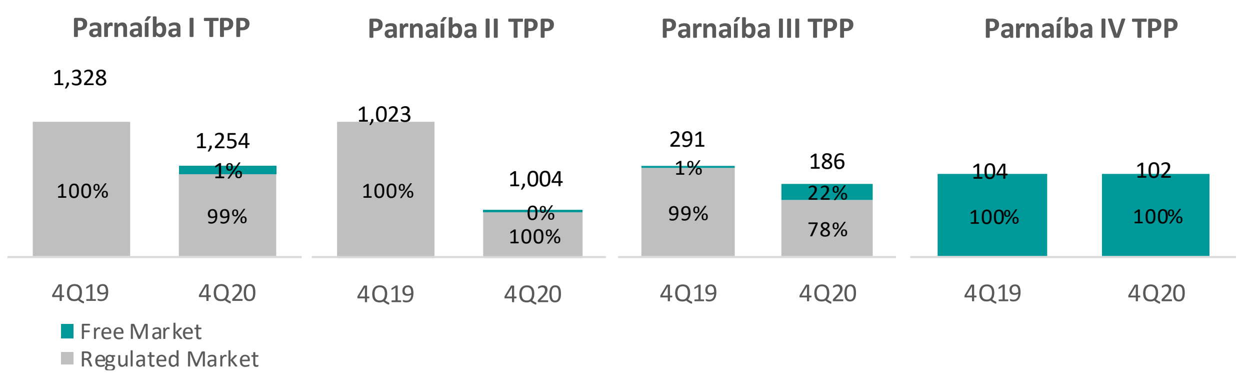
Net operating revenues (ROL) from natural gas thermal generation was R$680.6 million in 4Q20, up 2.9% from 4Q19, mainly due to the increase of R$10.4 million in gross fixed revenue, according to the annual contractual adjustment for inflation, as well as an increase in gross variable revenue traded in the ACL ("Other" line in "Short-Term Market" revenue) of R$114.5 million. The significant variation in other short-term revenue was due to the following effects, which offset the lower average dispatch of gas-fired plants in 4Q20 (92% in 4Q20 vs. 97% in 4Q19):

(i) increase in the physical guarantee of the Parnaíba I and III TPPs in December 2019, reducing the amount of committed power in the ACR and enabling a greater allocation of energy for sale in the ACL and settlement in PLD, with an effect of R$42.0 million in the quarter;

(ii) higher average energy prices in the spot (PLD) market in 4Q20 compared to 4Q19, with energy settlement in the ACL at higher prices.

In 4Q20, all the plants contracted in the regulated environment (ACR) combined - Parnaíba I, II and III - generated 2,499 GWh vs 2,646 GWh in the same period of last year, contributing to the decrease of R$27.3 million in variable contractual revenue ("CCEAR" line). At the Parnaíba I TPP, the effect of the lower dispatch was partially offset by the higher *Henry Hub* price, an index of the share of revenue destined to cover the plant's fuel costs, as previously described. The Parnaíba II TPP generated by inflexibility in October and November, when the plant's generation is not entitled to the receipt of CVU and, similarly to 2019, in December 2020 it dispatched by merit order, accounting for variable revenue in the period.

Net Generation (GWh)



Despite the increase in short-term variable revenue sold in the ACL in 4Q20, revenue from FID decreased by R$49.1 million compared to 4Q19, and revenue related to unavailability compensation costs and the hedge operations (Reimbursement[6]) were not recorded, while in 4Q19 the latter totaled R$36.0 million.

The **NOR** was also impacted by the R$7.8 million decrease in deductions from gross revenue relating to unavailability compensation (Reimbursement[6]), due to the lower volume of energy for calculating the reimbursement in 4Q20 when compared to 4Q19. The increase in the physical guarantee of the Parnaíba I and III TPPs significantly reduced the volumes to be reimbursed.

[6] Reimbursement refers to the old term "ADOMP", whose nomenclature has been updated in the CCEE reports and rules.

Fixed operating costs declined 9.7% in 4Q20 compared to 4Q19, mainly due to the decrease of R$15.7 million in operating and maintenance costs in the period. In 4Q19, the Company recorded an impact of R$16.2 million related to the provision for ICMS on the transfer of the Santo Antônio dos Lopes substation to Eletronorte[7]. The decrease in O&M costs verified in 4Q20 was partially offset by the 4.7% increase in costs related to the payment of the fixed lease of the Gas Treatment Unit (GTU) to Upstream, due to the impact of a R$ 3.0 million reversal, realized in 4Q19 under this item, which reduced the cost in that quarter. The reversal recorded in 4Q19 referred to an adjustment of PIS/COFINS on the fixed lease paid by Parnaíba III to Upstream, which was accounted for in 3Q19, an effect that was excluded from the consolidated result of the Complex.

In 4Q20, **variable operating costs** decreased R$42.4 million compared to 4Q19, due to lower costs related to energy purchased for reserve replacement - FID (a decrease of R$44.7 million in 4Q20 vs. 4Q19), and no *hedge* amount recorded for unavailability compensation costs (reimbursement) or trading costs with the Trading segment in 4Q20, compared to a total of R$51.2 million in 4Q19. In contrast, GTU's variable lease costs related to fuel supply contracts increased by R$43.0 million in 4Q20, partially offsetting the decrease in total variable costs. The increase in costs related to variable leases in an environment of reduced dispatch in the period, is due to the increase in the CVUs of the plants, specifically the Parnaíba I TPP.

Operating expenses (SG&A), excluding depreciation and amortization, amounted to R$6.2 million in 4Q20, compared to R$16.0 million in 4Q19. In 4Q19, there was a R$7.2 million impact related to the corporate restructuring concluded in January 2020, through which Parnaíba Geração e Comercialização S.A (PGC), holder of the Parnaíba V TPP concession, incorporated Parnaíba I Geração de Energia S.A. Fixed costs related to Personnel and a portion of Parnaíba I's fixed costs with Outsourced Services have gradually (since October 2019) been accounted for as expenses at PGC, as it was a non-operational SPE until the end of 2019.

The segment's **EBITDA** was R$199.4 million in 4Q20, an increase of 81.2% compared to 4Q19, driven by the combination of the following effects: (i) increase in variable margin with the increase in the amount of energy sold in the ACL and settled at higher prices; (ii) increase in fixed margin, with the adjustment of the fixed contractual revenue regulated in the year combined with the decrease in operation and maintenance costs in 4Q20; (iii) lower SG&A expenses and (iv) decrease of R$5.7 million in expenses in "Other Revenues/Expenses" in 4Q20, whereas in 4Q19 an expense of approximately R$6.0 million was recorded due to an inventory adjustment.

[7] The substation was built by ENEVA in 2012, next to UTE Parnaíba I, so that this plant could connect to the basic network, and in 1Q20 the transfer of the substation to the transmission line concessionaire was completed. The provisioned ICMS related to the operation was disbursed in April and July 2020.

Upstream (E&P)

This segment is composed by Eneva S.A. and Parnaíba B.V. It is worth noting that the previous subsidiary Parnaíba Gás Natural S.A. (PGN) was incorporated into Eneva S.A. at the end of 2018. Upstream results are presented separately to facilitate the segment's performance analysis.

Income Statement Upstream						(R$ million)
	4Q20	4Q19	%	2020	2019	%
Gross Operating Revenues	405.8	378.2	7.3%	899.2	840.8	6.9%
Fixed Revenues	73.5	75.5	-2.6%	302.6	302.2	0.1%
Variable Revenues	332.2	302.7	9.8%	596.6	538.7	10.7%
Gas Contract Sales	237.3	254.7	-6.8%	472.2	479.7	-1.6%
Variable leasing Contract	93.3	45.9	103.1%	120.2	54.6	120.4%
Condensate Sales and Others	1.7	2.1	-19.7%	4.1	4.4	-5.2%
Deductions from Gross Revenues	(51.5)	(47.6)	8.1%	(107.5)	(98.0)	9.7%
Net Operating Revenues	354.3	330.6	7.2%	791.7	742.8	6.6%
Operating Costs	(104.0)	(100.3)	3.7%	(251.2)	(238.9)	5.1%
Fixed Costs	(21.0)	(16.1)	31.0%	(62.0)	(56.7)	9.3%
O&M Cost (OPEX)	(21.0)	(16.1)	31.0%	(62.0)	(56.7)	9.3%
Variable Costs	(40.3)	(34.9)	15.4%	(71.0)	(68.7)	3.3%
Government Contribution	(39.4)	(33.4)	18.1%	(65.5)	(60.9)	7.6%
Lifting Cost/Compression	(0.9)	(1.5)	-41.7%	(5.5)	(7.9)	-30.2%
Depreciation and Amortization	(42.7)	(49.3)	-13.4%	(118.2)	(113.5)	4.1%
Operating Expenses	(50.4)	(45.6)	10.5%	(171.4)	(149.6)	14.6%
Exploration Expenses_Geology and geophysics (G&G)	(39.5)	(25.0)	57.5%	(129.1)	(92.7)	39.4%
Dry Wells	(8.6)	(4.1)	112.2%	(19.3)	(37.0)	-47.8%
SG&A	(6.3)	(8.2)	-23.4%	(20.0)	(23.9)	-16.2%
Depreciation and Amortization	(4.7)	(12.4)	-62.3%	(22.2)	(33.0)	-32.6%
Other revenue/expenses	0.7	(0.0)	N/A	5.5	30.9	-82.2%
Equity Income	(21.0)	0.0	N/A	(21.0)	0.0	N/A
EBITDA (as of ICVM 527/12)	227.0	246.5	-7.9%	494.1	531.8	-7.1%
EBITDA excluding dry wells [1]	235.8	250.6	-5.9%	513.4	568.8	-9.7%
% EBITDA Margin excluding dry wells	66.5%	75.8%	-9.3 p.p.	64.8%	76.6%	-11.7 p.p.

[1] EBITDA calculated according to the ICVM 527/12 guidelines and its Explanatory Note, adjusted to exclude the impact of dry wells.

In 4Q20, **net operating revenue** from the Upstream segment was R$354.3 million, an increase of 7.2% when compared to 4Q19, mainly due to the R$47.4 million increase in variable lease revenue received from gas-fired thermal plants, supported by the higher average CVU of the Parnaíba I TPP in 4Q20, as explained above. This increase was partially offset by the R$17.4 million decrease in revenue from the sale of gas to the thermal plants, due to the reduced dispatch, as well as the R$2.0 million decrease in revenue related to fixed lease, as a result of the termination of the leasing agreement between Upstream and Parnaíba B.V. in October 2020.

In 4Q20, **fixed operating costs** increased 31.0% compared to 4Q19, reflecting an accounting adjustment to the physical inventory of the Gas Treatment Unit (GTU) recorded in the last quarter of 2019, with a cost-reducing effect of R$5.0 million. **Variable operating costs** also increased in the period, reflecting the R$6.0 million increase in costs related to the payment of government interest in 4Q20. Despite lower natural gas production in 4Q20 compared to 4Q19, the increase in the reference gas price for the payment of royalties over 4Q20 more than offset the effect of the lower production volume.

In 4Q20, the Upstream **operating expenses**, excluding depreciation and amortization expenses, increased R$12.5 million in relation to 4Q19, primarily impacted by: (i) dry well (remaining amounts with wells 3-ENV-12D-MA and 1-ENV-14-MA, as well as all drilling expenses of well 1-ENV-16-MA) expenses of R$8.6 million, up from R$4.1 million in 4Q19, and (ii) by an increase of R$9.8 million in exploration expenses (excluding dry wells), with acceleration of the seismic project initiated in 4Q19.

Depreciation and amortization expenses declined 62.3% to R$4.7 million 4Q20 compared to 4Q19. This decrease mainly refers to the reclassification of goodwill amortization and capital gains to the Holding segment.

Adjusted EBITDA (excluding dry wells) was R$256.7 million in 4Q20, up R$6.2 million compared to 4Q19. The increase in variable margins in 4Q20 was partially offset by the contraction in fixed margin and the increase in operating costs and expenses in the period.

Other Generation Assets

Coal Thermal Generation

This segment is composed of subsidiaries Itaqui Geração de Energia S.A and Pecém II Geração de Energia S.A.

Income Statement Coal-Thermal Generation						(R$ million)
	4Q20	4Q19	%	2020	2019	%
Gross Operating Revenues	**499.1**	**469.8**	**6.3%**	**1,322.0**	**1,450.1**	**-8.8%**
Fixed Revenues	**214.4**	**208.0**	**3.1%**	**841.4**	**818.8**	**2.8%**
Variable Revenues	**284.7**	**261.8**	**8.7%**	**480.6**	**631.3**	**-23.9%**
CCEAR[1]	214.0	192.2	11.3%	316.2	326.5	-3.2%
Short Term market	70.7	69.6	1.6%	164.4	304.7	-46.1%
Reestablishment of commercial backing (FID)	50.4	47.6	5.8%	124.5	136.5	-8.8%
Hedge ADOMP	12.8	21.7	-41.2%	29.7	43.6	-31.9%
Other	7.6	0.3	2436.5%	10.2	124.6	-91.8%
Deductions from Gross Revenues	**(59.1)**	**(58.8)**	**0.6%**	**(148.1)**	**(165.4)**	**-10.4%**
Unavailability (ADOMP)	(7.8)	(10.5)	-25.8%	(11.4)	(16.0)	-29.0%
Net Operating Revenues	**440.1**	**411.0**	**7.1%**	**1,173.9**	**1,284.7**	**-8.6%**
Operating Costs	**(330.0)**	**(335.8)**	**-1.8%**	**(803.4)**	**(990.2)**	**-18.9%**
Fixed Costs	**(65.1)**	**(61.7)**	**5.6%**	**(224.5)**	**(234.3)**	**-4.2%**
Transmission and regulatory charges	(14.1)	(13.6)	3.9%	(55.5)	(52.6)	5.5%
O&M	(51.0)	(48.1)	6.1%	(169.1)	(181.8)	-7.0%
Variable Costs	**(215.9)**	**(222.8)**	**-3.1%**	**(389.5)**	**(564.5)**	**-31.0%**
Fuel (natural gas)	(147.6)	(151.2)	-2.3%	(227.7)	(374.6)	-39.2%
Reestablishment of commercial backing (FID)	(46.0)	(43.2)	6.5%	(113.3)	(124.1)	-8.7%
Hedge ADOMP	(8.4)	(15.9)	-46.9%	(22.8)	(35.3)	-35.4%
Other	(13.8)	(12.5)	10.3%	(25.7)	(30.5)	-15.6%
Depreciation and Amortization	**(48.9)**	**(51.4)**	**-4.8%**	**(189.4)**	**(191.3)**	**-1.0%**
Operating Expenses	**(7.7)**	**(6.9)**	**11.4%**	**(24.2)**	**(23.8)**	**1.6%**
SG&A	(7.4)	(6.7)	10.7%	(23.4)	(22.7)	3.0%
Depreciation and Amortization	(0.3)	(0.2)	34.7%	(0.8)	(1.1)	-26.9%
Other revenue/expenses	**56.3**	**112.6**	**-50.0%**	**60.9**	**104.7**	**-41.8%**
Equity Income	**(0.1)**	**-**	**N/A**	**(0.1)**	**-**	**N/A**
EBITDA (as of ICVM 527/12)	**207.7**	**232.4**	**-10.6%**	**597.3**	**567.8**	**5.2%**
% EBITDA Margin	**47.2%**	**56.5%**	**-9.3 p.p.**	**50.9%**	**44.2%**	**6.7 p.p.**

[1] CCEAR = Regulated Market Power Purchase Agreement

Net operating revenue for the coal-fired thermal generation segment was R$440.1 million in 4Q20, an increase of R$29.0 million compared to 4Q19, mainly due to:

(i) a R$21.8 million increase in the contractual variable gross revenue (CCEAR), due to the higher average CVU of the plants in 4Q20 as a result of the effect of the change in CIF-ARA (an index to calculate the fuel component in the CVU of the Company's coal plants) and the exchange rate in comparison with 4Q19, offsetting the reduced dispatch in the period;

(ii) growth of R$7.3 million in other spot market revenues, with provision adjustments related to the accounting of the previous months;

(iii) impact of the annual contractual adjustment for inflation that occurred in November 2020, which increased the gross fixed revenue by R$6.5 million in 4Q20 vs. 4Q19.

The effects listed above were partially offset by the decrease in revenue related to the hedge of unavailability compensation costs (Reimbursement) of R$8.9 million, with an offset in costs.

In 4Q20, the segment's **operating costs** totaled R$330.0 million, down R$5.9 million, compared to 4Q19, driven by a R$7.5 million decrease in variable costs related to hedge costs for Reimbursement and a R$3.5 million contraction in fuel costs in the quarter, given the lower dispatch and the settlement of cheaper coal in stock compared to average cost in 4Q19. The decrease was partially offset by an increase of R$3.5 million in fixed costs in 4Q20, mainly due to a reversal in the provision for maintenance service providers in 4Q20, as well as higher variable costs related to energy purchased for reserve replacement - FID when compared to 4Q19.

EBITDA from the coal segment was R$207.7 million in 4Q20, down R$24.7 million compared to 4Q19, primarily due to a lower non-cash impairment reversal in 4Q20 compared with 4Q19 that impacted “Other Income / Expenses.” In 4Q19, this amounted to a R$127.0 million, while in 4Q20, the reversal was R$52.8 million. This higher contribution in 4Q19 boosted EBITDA and, in the annual comparison, completely canceled out the effect of the expansion of the variable and fixed margins of the plants in 4Q20. It is worth mentioning that the reversals accounted for in both quarters were related to the constitutions evaluations made in previous years at Itaqui Geração de Energia, carried out after positive results obtained in the tests of recoverability of assets in 2019 and 2020, which evidenced the improvement of the plant's operational performance, reflecting the management implemented in recent years and the investments made.

Excluding "Other Revenues/Expenses," the segment's EBITDA increased 26.4% in 4Q20 compared to 4Q19, driven mainly due to the increase in the variable margin with the positive result of the mismatch between the higher contractual variable revenue (CVU) received from the sale of coal in the quarter versus the average cost of the coal inventory previously acquired. As the CVUs of both coal plants are pegged to the price of the CIF-ARA commodity and to the exchange rate of the month prior to the month in which the generation is due, and the variation in these indexes raised the CVU in 4Q20, the energy sold in 4Q20 was remunerated at a higher value than the average cost of the coal inventory.

Energy Trading

This segment is composed of the indirect subsidiary ENEVA Comercializadora de Energia Ltda.

Income Statement Energy Trading	(R$ million)					
	4Q20	4Q19	%	2020	2019	%
Net Operating Revenues	**166.8**	**178.2**	**-6.4%**	**489.7**	**412.8**	**18.6%**
Operating Costs	**(147.7)**	**(175.1)**	**-15.7%**	**(447.8)**	**(406.8)**	**10.1%**
Power acquired for resale	(147.6)	(175.1)	-15.7%	(447.1)	(406.5)	10.0%
Other	(0.1)	(0.1)	8.1%	(0.7)	(0.3)	169.5%
Operating Expenses	**(2.4)**	**(1.4)**	**67.5%**	**(7.3)**	**(4.9)**	**49.1%**
SG&A	(2.4)	(1.4)	68.1%	(7.3)	(4.9)	49.6%
Depreciation and Amortization	(0.0)	(0.0)	0.0%	(0.0)	(0.0)	-0.6%
Other revenue/expenses	**0.0**	**0.2**	**-95.6%**	**0.0**	**0.2**	**-95.6%**
Equity Income	-	-	**N/A**	-	-	**N/A**
EBITDA (as of ICVM 527/12)	**16.8**	**1.8**	**807.5%**	**34.6**	**1.4**	**2341.4%**
% EBITDA Margin	**10.1%**	**1.0%**	**9.0 p.p.**	**7.1%**	**0.3%**	**6.7 p.p.**

EBITDA for the trading segment reached its highest-ever quarterly level in 4Q20, totaling R$16.8 million, an increase of R$15.0 million compared to 4Q19. This positive result reflects the successful strategy of capturing early the price increase trend in 4Q20 when compared to 3Q20, in addition to an increase in traded volume when compared to 4Q19.

In 4Q20, the trading segment's **net operating revenue** totaled R$166.8 million, compared to R$178.2 million in 4Q19. In contrast, **operating costs** decreased R$27.5 million in the period, benefitting trading margins. The volume of energy sold in 4Q20 reached 1,631 GWh compared to 1,552 GWh in 4Q19, an increase of 5%.

Holding & Others

This segment consists of ENEVA S.A. and ENEVA Participações S.A. holding companies, in addition to the subsidiaries created for origination and development of projects. Eneva S.A. also incorporates businesses in the Upstream segment. However, to allow for a better analysis of the performance of the Company's business segments, the Company is presenting the results of the Holding & Others segment separately.

Income Statement Holding & Other	(R$ million)					
	4Q20	4Q19	%	2020	2019	%
Net Operating Revenues	**0.1**	**0.2**	**-54.9%**	**0.3**	**0.5**	**-44.2%**
Operating Costs	**(0.5)**	**0.0**	**N/A**	**(1.6)**	**(0.1)**	**1331.9%**
Operating Expenses	**(70.2)**	**(54.0)**	**30.1%**	**(205.9)**	**(147.6)**	**39.5%**
SG&A	(63.8)	(53.0)	20.4%	(180.2)	(125.6)	43.5%
Depreciation and Amortization	(6.4)	(1.0)	551.3%	(25.7)	(22.0)	16.8%
Other revenue/expenses	**(0.6)**	**(5.4)**	**-89.3%**	**32.9**	**(26.4)**	**N/A**
Equity Income	**346.3**	**233.8**	**48.1%**	**704.8**	**438.1**	**60.9%**
EBITDA (as of ICVM 527/12)	**281.5**	**175.6**	**60.3%**	**556.1**	**286.5**	**94.1%**
EBITDA ex Equity Income	**(64.8)**	**(58.2)**	**11.3%**	**(148.6)**	**(151.6)**	**-2.0%**

1 - Equity Income consolidates the results of the subsidiaries of Eneva S.A. and ENEVA Participações S.A. and is nearly 100% offset in the consolidated result.

Operating expenses, excluding depreciation and amortization, were R$63.8 million in 4Q20, compared to R$53.0 million in 4Q19. This increase was mainly due to the impact of R$4.3 million of non-cash expenses related to the Long-Term Incentive Plan and higher provisioning of tax expenses in the exercise SOPs and higher personnel expenses to support the Company's growth, with higher expenses for salaries and charges. The increase was offset by a reversal in insurance expenses in 4Q20, which were impacting the Holding’s SG&A unduly and were recorded for Upstream, as well as lower expenses related to outsourced services, bonus/profit sharing and travel expenses in 4Q20.

In 4Q20, the Company recorded an expense of R$0.6 million under Other Revenues/Expenses, compared to the expense of R$5.3 million in 4Q19. In 4Q20, this included total expenditures of R$1.1 million related to initiatives to prevent and fight COVID-19, including outsourced services, first aid station and cleaning supplies. In 4Q19, the main effect was related to a general inventory adjustment of approximately R$3.0 million accounted as an expense in that period. The increase of R$5.4 million in depreciation and amortization expenses in the quarter is explained by the reclassification of goodwill amortization and capital gains from Upstream to the Holding Company.

According to CVM Instruction No. 527/12, considering the Equity Income effect, EBITDA totaled R$346.3 million in 4Q20, compared to EBITDA of R$233.8 million in 4Q19. Excluding the effect of Equity Accounting, which, at the consolidated level is not significant, the EBITDA *ex*-Equity Accounting for segment, was a negative R$64.8 million in 4Q20, compared to a negative R$58.2 million in 4Q19.

Consolidated Financial Result

Net Financial Result	4Q20	4Q19	%	2020	2019	% (R$ million)
Financial Revenues	**14.6**	**24.1**	**-39.2%**	**67.5**	**125.4**	**-46.2%**
Income from financial investments	11.6	17.8	-34.6%	56.5	96.0	-41.1%
Fines and interest earned	0.3	0.0	535.0%	2.8	4.7	-41.3%
Interest on debentures	-	-	N/A	-	-	N/A
Others	2.8	6.3	-56.2%	8.2	24.7	-66.8%
Financial Expenses	**(76.3)**	**(136.8)**	**-44.2%**	**(366.8)**	**(525.7)**	**-30.2%**
Fines interest	(0.3)	(0.1)	109.0%	(3.9)	(3.1)	27.3%
Debt charges[1]	(28.4)	(65.6)	-56.8%	(165.6)	(258.4)	-35.9%
Interest on provisions for abandonment	(5.3)	(2.8)	93.7%	(7.6)	(6.9)	9.9%
Fees and emoluments	(1.3)	(0.6)	126.2%	(4.7)	(2.4)	95.5%
IOF/IOC	(0.7)	(1.2)	-43.1%	(2.9)	(4.0)	-29.1%
Debentures Cost	(31.8)	(61.5)	-48.3%	(149.5)	(214.2)	-30.2%
Others	(8.5)	(5.0)	71.4%	(32.5)	(36.6)	-11.3%
FX Exchange and monetary variation	6.5	(5.2)	N/A	3.5	(21.3)	N/A
Losses/gains on derivatives	(19.1)	(3.6)	432.1%	(3.9)	11.4	N/A
Net Financial Income (Expense)	**(74.3)**	**(121.5)**	**-38.9%**	**(299.7)**	**(410.2)**	**-26.9%**

1 - Includes amortization on transaction costs.

In 4Q20, the Company recorded a negative net financial result of R$74.3 million, compared to a negative result of R$121.5 million in 4Q19. The main effects that contributed to the improvement in this net financial result in the annual comparison were:

i) A R$37.3 million decrease in expenses associated with debt, due to two effects: (a) capitalization of financing carried out by the Company for projects not yet operational (Parnaíba V and Azulão-Jaguatirica), following the CPC 20 Accounting Standard, which allows, during the implementation period of the projects, the reclassification of interest, monetary adjustment and charges to property, plant and equipment in progress, until start-up of the operation; and (b) the restructuring of the Company's debts, in which more costly debts were pre-paid and replaced by new debenture issues throughout 2020, taking advantage of better market conditions.

ii) Decrease of R$29.7 million in interest expense on debentures. In addition to the effect of the capitalization of new debenture issues, the decrease in CDI also contributed to a decrease in expenses in the period (Average CDI: 5.9% in 2019 vs. 2.8% in 2020);

iii) Recognition of revenue from foreign exchange and monetary variation totaling R$6.5 million in 4Q20, compared to an expense of R$5.2 million in 4Q19, related to the impact from terminating the loan and leasing in foreign currency between the Holding and Parnaíba B.V.

This was partially offset by a reduction in income contribution of R$6.1 million revenues from financial investments, mainly due to the contraction in the average CDI of 4Q20 compared to 4Q19, as well as higher expenses related to derivative losses in 4Q20, concentrated in the Trading segment.

Investments

Capex (R$ million)	1Q19	2Q19	3Q19	4Q19	2019	1Q20	2Q20	3Q20	4Q20	2020
Coal Generation	**4.5**	**11.2**	**34.8**	**33.0**	**83.6**	**2.7**	**17.3**	**(2.2)**	**20.2**	**37.9**
Pecém II	0.5	1.8	29.1	17.7	49.1	0.8	1.2	(7.2)	7.8	2.5
Itaqui	4.0	9.3	5.7	15.4	34.4	1.9	16.1	5.0	12.4	35.4
Gas Generation	**11.8**	**7.4**	**35.3**	**54.6**	**109.0**	**4.5**	**92.3**	**31.4**	**6.9**	**135.2**
Parnaíba I [1]	10.4	(1.4)	32.7	(3.8)	37.9	0.7	59.0	17.5	3.9	81.1
Parnaíba II [2]	1.3	8.8	2.6	58.4	71.2	3.8	33.4	13.9	3.0	54.1
Parnaíba V [3]	**42.1**	**75.5**	**104.5**	**142.7**	**364.7**	**190.6**	**165.3**	**79.1**	270.3	**705.3**
Azulão-Jaguatirica	**0.5**	**53.7**	**144.0**	**101.9**	**300.2**	**285.7**	**383.8**	**255.4**	284.3	**1,209.3**
Upstream	**28.4**	**37.1**	**37.0**	**61.3**	**163.8**	**41.0**	**43.0**	**47.9**	42.8	**174.8**
Dry wells	0.5	26.1	6.4	4.1	37.0	0.1	0.5	10.1	8.6	19.3
Distributed Generation	**-**	**-**	**-**	**14.5**	**14.5**	**(1.7)**	**7.1**	**(7.2)**	0.8	**(0.9)**
Holding	**2.9**	**4.8**	**4.2**	**8.5**	**20.5**	**2.0**	**1.2**	**3.0**	4.6	**10.7**
Total	**90.2**	**189.6**	**359.8**	**416.6**	**1,056.2**	**524.9**	**710.1**	**407.4**	**629.9**	**2,272.4**

The amounts above refer to the economic capex view (competence).
1 - The capex for Parnaíba I is shown separately from Parnaíba V and Trading, to distinguish the sustaining amounts for Parnaíba I from the construction project amounts for Parnaíba V. According to the corporate restructuring announced in 1Q20, SPE Parnaíba I was incorporated by PGC in January 2020.
2 - The capex for Parnaíba II includes the capex for the Parnaíba III and Parnaíba IV TPPs, according to the corporate restructuring announced in 4Q18.
3 - Includes capex for Eneva Comercializadora.

The consolidated Capital Expenditures totaled R$629.9 million in 4Q20 up from R$416.6 million in 4Q19. In 4Q20, 88% of this amount was invested in the ongoing construction of the Azulão-Jaguatirica Integrated Project and the Parnaíba V TPP. The main investments and advances in the period are shown in the following table:[8]:

Project	Installed Capacity (MW)	Sold Energy Auction (MWm)	Start Date CCEAR[1]	Duration CCEAR[1]	Max Gas Consumption/day (MM m³/day)	Forecasted CAPEX [2]	CAPEX accrued until 4Q20 [3]
Parnaíba V	385	326	Jan/24	25 years	-	R$1.5 billion	R$1.1 billion
Parnaíba VI	92	70	Jan/25	25 years	-	R$0.5 billion	-
Azulão-Jaguatirica[3]	141	117	Jun/21	15 years	0.57	R$ 2.1 billion	R$1.5 billion

1 - Parnaíba V and Parnaíba VI: CCEAR; Jaguatirica II: CCESI - Energy Commercialization Contract in the Isolated System.
2 - The amounts refer to the economic view (competence) and the expected CAPEX of each project may change during the course of implementation.
3 - The amounts refer to the economic view (competence).
4 – Includes investments related to Upstream (Azulão gas field), as well as investments related to the Jaguatirica II TPP.

- **Parnaíba V:** Completion of detailed engineering; assembly of the boilers; receipt and placement of the generator on the base; receipt and placement of the main and auxiliary transformers on the base; receipt of the steam turbine; receipt and placement of the water treatment plant equipment on the base; assembly of the 6cell cooling tower structure; receipt and assembly of the pipe racks.

[8] For more information about the projects under construction, see the following sections of the Company's Investor Relations website: https://ri.eneva.com.br/a-eneva/principais-ativos/ e https://ri.eneva.com.br/informacoes-financeiras-e-operacionais/apresentacao-e-teleconferencia/

- **Azulão-Jaguatirica:**
    - Azulão Field: Liquefaction System: 33 cryoboxes delivered and installed, from a total of 34; 100% of the isotanks on definite bases. Assembly phase of the pedestrian overpasses and interconnection of the modules. 85 cryogenic trucks delivered (48 in Manaus, 19 in transit and 18 at the plant), out of a total of 110.
    - Jaguatirica II TPP: Assembly of metallic structures on buildings and on the Air-Cooled Condenser, as well as the pipe rack structures; receipt of the regasification equipment; laying of electrical cables; assembly of equipment for the power island and transmission line towers, etc.

Among 4Q20 investments in the Company's generating plants and administrative areas, the following are the key highlights:

- **Coal-fired TPPs:**
    - Itaqui: various maintenance activities, including replacement of the ECO system's ash belts, calibration of safety valves, removal of the condensate extraction pump to be sent for maintenance, maintenance of the boiler's feed pump, 9,000-hour maintenance of the mills. For the overhaul of the CSU[9] scheduled for 1Q21, parts were received, the coal haulage system was checked and the *Stacker Reclaimer* boom lift cylinder was replaced. Industrial painting, maintenance to comply with NR10, N12, effluent quality measurement, boiler lift adaptation, among others, were also carried out.
    - Pecém II: Revamping of chillers and structures; acquisition of spare parts for the coal yard; one-off investments to meet NRs 10, 12, 13 and 20, overhaul of critical pumps and contract termination with GE regarding the Major Overhaul completed in 2019. Construction and expansion of the operations building and the warehouse began.

- **Gas-fired TPPs:** Receipt of parts for the Hot Gas Path (HGP) maintenance at the Parnaíba II TPP, which will be carried out in 2021, and start of the current transformer replacement service, with 45 out of a planned total of 63 having been completed in the quarter. Amounts related to HGP maintenance carried out on the gas turbines of the Parnaíba I TPP, remaining from 2Q20, were also accounted for.
- **Upstream:**
    - Exploration: Conclusion of the drilling of wells 1-ENV-16DA (in block PN-T-67A) and 3-ENV-17D-MA (extension of ENV-15, in block PN-T-102A);
    - Development: Completion of drilling of well 7-GVBN-1D-MA (Gavião Branco Norte); Completion of implementation services of cluster 6 de Gavião Branco Oeste and its interconnection to Cluster 3 of Gavião Branco through an 8’’ gas pipeline. Completion of the basic design for Gavião Preto and topography and drilling services for the clusters. The remaining amounts related to the drilling of well 7-GVTE-1-MA (Gavião Tesoura) in 3Q20 were also accounted for.

- **Holding:** Implementation of internal projects in various departments and IT infrastructure.

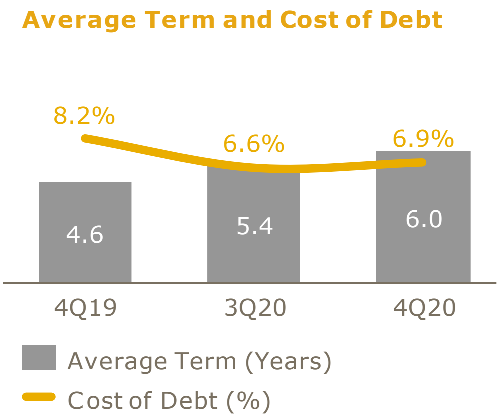
[9] CSU is the equipment responsible for the unloading of coal into the plant.

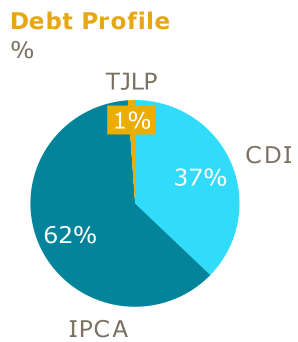
Indebtedness

As of December 31, 2020, the consolidated Gross Debt (net of the balance of deposits linked to financing agreements and transaction costs) totaled R$7,143.6 million, an increase of 26.3% when compared to year end 2019 but a decrease of 2.8% when compared with 3Q20.

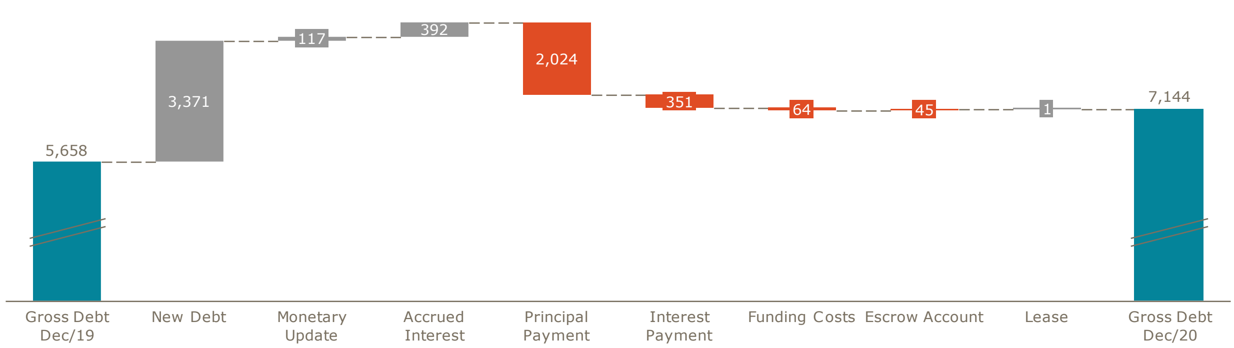
At the end of 4Q20, the average maturity of consolidated debt was 6.0 years, and the average effective cost of debt was 6.9% [10], compared to 4.6 years and 8.2% at the end of 4Q19. In comparison with 4Q19, the reduction in the cost of debt and the increase in the term are a reflection of the constant efforts made to improve the debt profile in recent years, with the prepayment of older financing and new funding more in line with the Company's strategy. Compared to the average cost of 3Q20, the slight growth is due to the increase in the IPCA in the period, with a greater share of debt indexed to this index.

Consolidated Gross Debt





Gross Debt (R$ Million)



In October 2020, the Company received a new disbursement related to the contract signed with BNB in June 2019, for the implementation of Parnaíba V TPP. The amount disbursed in 4Q20 was R$202.5 million, out of a total expected contractual amount of R$842.6 million. At the end of 2020, the total amount disbursed was R$423.2 million, considering the withdrawal made in the quarter.

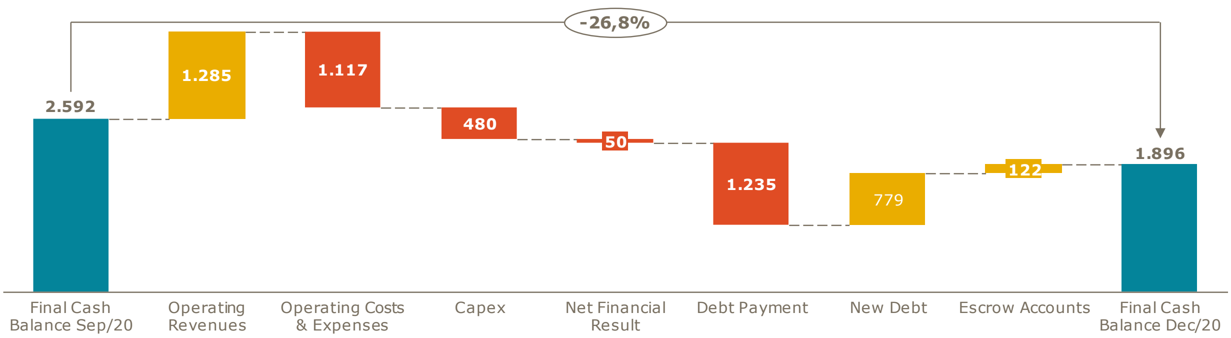
[10] The calculation of the cost of debt takes into account the accumulated indexes of 2020: CDI of 2.77%, IPCA of 4.52% and TJLP of 4.87%.

In December 2020, the Company received two disbursements for a total of R$576.9 million, related to the contract signed with the BASA in January 2020, for the construction, operation and maintenance of the Azulão Jaguatirica Integrated Project. This contract foresees a total amount of R$1.0 billion, of which R$850.0 million had already been accessed by the Company by the end of 2020, considering the amount disbursed in the quarter.

As part of its liability management strategy, in 4Q20 the Company pre-paid the total remaining balance of the Itaqui financing with BNB and BNDES (total of R$680.1 million as principal and R$9.4 million as interest), as well as the full amortization of the 4th issue of Debentures of Eneva S.A., with R$410.0 million as principal and R$13.4 million as interest. With these initiatives, the Company lengthened the consolidated debt maturity dates.

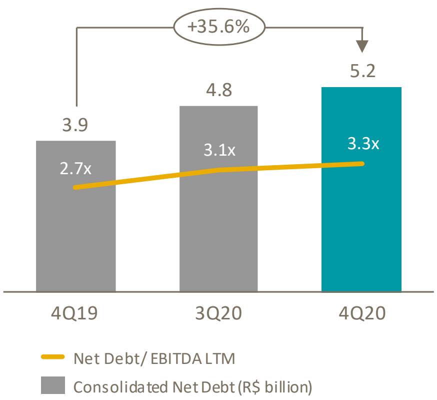
At the end of December 2020, the Company's consolidated cash balance (cash, cash equivalents and marketable securities) was R$1,896.3 million, an increase of R$108.0 million from the end of September 2020, excluding the balance in deposits linked to the Company's financing contracts of R$76.4 million.

Evolution of cash balance and securities in 4Q20 (R$ million)

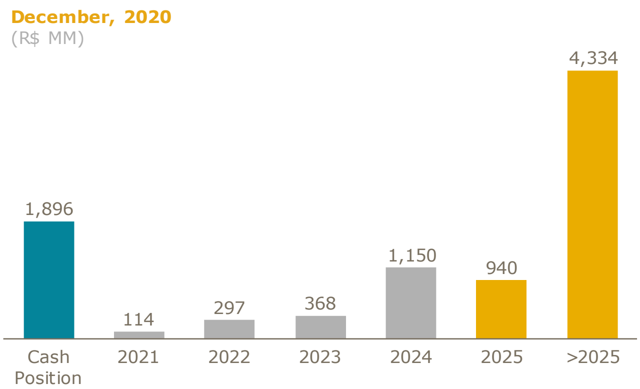


The consolidated net debt was R$5,247.4 million at the end of the period, equivalent to a LTM 3.3x net debt/EBITDA ratio.

Net Debt



Schedule of Consolidated Debt Maturity (Principal)
December 31, 2020 (R$ million)



Capital Markets

ENEV3	4Q20	3Q20	4Q19	12 months
# Shares - end of period	315,835,960	315,767,683	315,483,181	-
Share price (Closing) - end of period (R$)	62.10	48.10	43.69	-
Traded shares (MM) - daily avg.	2.2	1.5	1.6	1.6
Turnover (R$ MM) - daily avg.	113.9	65.8	48.6	48.6
Market cap - end of period (R$ MM)[1]	19,613	15,188	13,783	-
Enterprise value - end of period (R$ MM)[2]	24,861	19,946	17,654	-

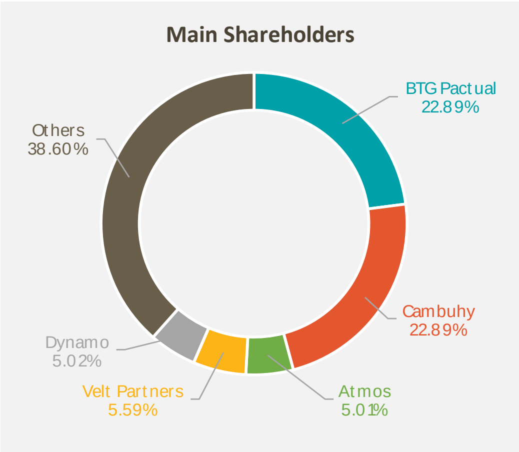
[1]Market Cap considers 100% of Eneva's free float, including shares held by the Company's Directors and Executive Officers.

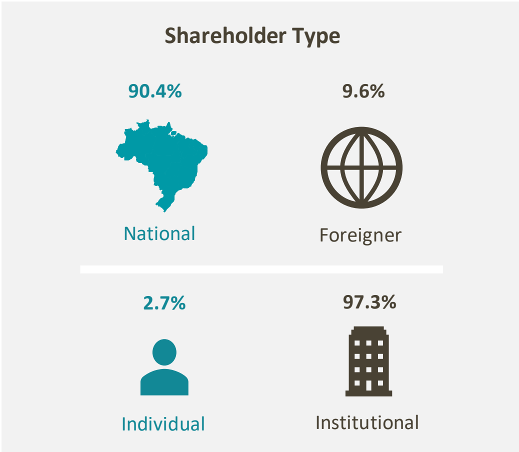
[2]Enterprise Value is equivalent to the sum of Eneva's Market Cap and Net Debt at the end of each period.

Ownership

The share capital on December 31, 2020 was composed of 315,835,960 common shares, with 99.92% of the shares in circulation. The shareholding structure is detailed below:

ENEVA Shareholder Profile
December 31, 2020





Environmental, Social & Governance (ESG) Highlights

In its first Sustainability Report, published in 2020, ENEVA listed 11 areas with the greatest impact and influence on the Company's business and its stakeholders, dividing them into 5 pillars of sustainability (access the Report here). During the fourth quarter, the Company continued to develop each of the pillars, with the following initiatives and key results:

People & Relationships

- **Project to eradicate functional illiteracy:** partnership started in January 2021 with the Escola Debaixo das Árvores Project (Escola Debaixo das Árvores Association), which will provide classes and workshops given by volunteer pedagogues and teachers for children and teenagers with reading difficulties from two municipal schools in São Luís and Raposa. In the first stage, the project will welcome 150 students from Itaqui's areas of influence. The company will donate school kits and snacks, and also fund the renovation of the adapted bus in which the classes will be held.

- **Acknowledgment: Renewal of the "Child-Friendly Company" seal,** granted by the Abrinq Foundation in the context of actions related to the Pecém II TPP. The seal highlights organizations that make commitments to guarantee the rights of children and teenagers by means of projects aimed in large part at promoting health, sports, and education for children and teens living in vulnerable communities in Ceará.
- **Launch of an internal training platform for employees** - "Knowledge Academy", with more than 20 workshops available, covering various topics and skills.
- **Completion of the preparation of the materiality matrix** for the 2020 Sustainability Report in February 2021, with consultation with the Company's stakeholders about their perception of the most material issues that should guide Eneva's ESG strategy. ENEVA's investors and creditors, industry experts, community leaders, executives, and internal stakeholders were involved. The themes were organized into indicators that will meet the main ESG reporting standards in the market, such as GRI and SASB, in addition to guiding the Company in the most appropriate approach referring to the UN's Sustainable Development Goals (SDGs).

Efficient Management

- **Efficient asset management:** R$27.0 million invested in 4Q20 in preventive maintenance of power generation plants;
- **Conclusion of gas generation power plants cycle:** R$270.3 million invested in 4Q20 in the implementation of Parnaíba V TPP;
- **Achievement in environmental management:** obtaining the **ISO 14001 certification for the Itaqui TPP**, which specifies the requirements of an Environmental Management System.
- **Acknowledgment in Environmental Performance and Workplace Health and Safety: 3 awards granted by Emap[11] regarding operations at the Itaqui Port**: (i) first place in the evaluation of

[11] - Empresa Maranhense de Administração Portuária

performance in workplace health and safety management; (ii) second place among operators in the Itaqui Port Environmental Performance Award; (iii) second place among lessees in the Itaqui Port Environmental Performance Award.

- Licenses and Permits: Installation License (LI) issued for the Parnaíba VI TPP; Operating License (OL) renewed for the Parnaíba III TPP and concession granted for water withdrawal in the new water pipeline that will serve the Parnaíba Complex; Final permit issued for completion of the construction of the Jaguatirica II TPP.
- **Publications: all regulations on Waste, Air Emissions, Water Resources and Effluents**, standardizing the Company's operations in a corporate manner.

Local Development

- **Training Program for New Operators for the Azulão Field:**
  - 1st phase concluded in October 2020: 31 professionals received 120 hours of theory lessons;
  - 2nd phase concluded in November 2020: practical training of 25 professionals, with 144 hours of learning at the Parnaíba Complex: 16 operators were hired in Azulão as operators or maintenance technicians, while the remainder will make up the talent pool. Regardless of whether they work at ENEVA, the program's members can count on solid technical training, while the municipalities benefit from a more qualified labor for the market.
- **New Operator Training Program for the Jaguatirica II TPP** carried out by ENEVA in partnership with Senai (National Service for Industrial Learning):
  - 1st phase concluded in November 2020, with 41 professionals receiving certification of 152 hours of theory lessons;
  - 2nd phase concluded in January 2021- 136 hours of practical learning for 25 professionals in the Parnaíba Complex. 15 students were hired as operators and maintenance technicians.
- **Advances in the Sustainable Education project** in the states of Maranhão and Ceará:
  - **First harvest in MA**: the Company planted organic and green vegetable gardens in 43 public schools, in partnership with municipal education departments. In November 2020, 11 schools in the metropolitan region of São Luís harvested the first vegetables, which were all donated to the students' families. In the 1st phase, students learned organic farming techniques.

  - **Second stage in CE** concluded in December 2020: ENEVA representatives and professionals from Cozinha Brasil - SESI held workshops on food safety in 6 public schools in São Gonçalo do Amarante. Students and employees learned how to use fruits and vegetables from the organic gardens delivered by ENEVA in the 1st stage. Upcoming phases include training, expansion to communities, and use of the produce in school meals.

- **Achievement – Quintal Produtivo Project:** In January 2021, the 140 farming families in the project received a certificate from the Ministry of Agriculture, Livestock, and Supply, authorizing the use of the **National Seal of Quilombola Family Farming** on their products, allowing farmers to be included in public land policies and receive support with machinery, seed delivery, technical assistance, and others.

Innovation for Sustainability

- **Replacement of diesel in isolated systems generation:** R$284.3 million invested in 4Q20 in the implementation of Azulão-Jaguatirica integrated project;
- **Conclusion of the carbon capture project**: R$5.0 million invested in the development of a pilot capture plant, with processing capacity of 2tCO_2/day using commercial zeolites. Laboratory-scale synthesis of zeolites from Pecém II coal ashes, reducing capture costs compared to market technologies;
- **Conclusion of the ash application project**: R$1.8 million invested in the construction of a stretch of paved road using coal ash. Project in partnership with EDP, in continuation of the project that developed materials from coal rejects with technical and economic feasibility, reducing environmental impacts;
- **Selection of Startups**: Committee held in October 2020, selecting over 13 startups for additional work with Eneva. R$6.0 million was invested in initiatives with the startups selected in the 2019 Committee. Among the results of the projects so far, we highlight the automated identification of the need for intervention in the assets (Coal Belt project).

Governance and Transparency

- **Training on the new Code of Conduct and Anti-Corruption Policy** launched at the end of 3Q20, with 94% of employees and third parties trained and 89% adherence to the online acceptance of the new Code of Conduct;
- **Online adherence to other integrity regulations** mapped at 85%;
- **Launch of the Compliance System** for monitoring possible conflicts of interest;
- **Launch of the *e-Atas App*** for recording and monitoring meetings with the Government;
- **Launch of the Information Channel** to clarify doubts about the Code of Conduct, Internal Regulations, conflicts of interest or ethical dilemmas.

COVID-19 Health and Safety Actions

Since the beginning of the pandemic, ENEVA has supported local state and municipal authorities, health professionals, its employees, and the residents of its local communities. Over the course of 2020, the Company carried out a number of social projects, initiatives, and donations to prevent and fight COVID-19. To learn more about these initiatives and projects, please refer to ENEVA's 2020 Management Report.

The Company maintained its initiatives in 2021, with a notable donation of 10 oxygen concentrators to the public health systems of the municipalities of Silves and Itapiranga (AM) and 15,000 pieces of personal protective equipment (PPE) for workers and patients in these municipalities. The concentrators replace the O_2 cylinder, which was in short supply in the Northern market. PPE was part of the *Costurando para o Bem* project, run by the Company's Social Responsibility team.

Key ESG Indicators

Since the publication of its Sustainability Report in 2020, the Company began to update its sustainability indexes measured in each period on a quarterly basis. The table below shows the highlights for the year 2020. Click here to access the interactive spreadsheet with all the indexes made available by ENEVA.

Main ESG KPIs			
Sphere	**KPIs**	**2020**	**2019**
Operations	Installed generation capacity by source (MW)	2,156.5	2,154.0
	Coal	725.0	725.0
	Gás	1,428.0	1,428.0
	Renewable	3.5	1.0
	Fuel usage		
	Coal (ton)	788,211.0	1,199,048.2
	Gas (bcm)	0.6	1.4
	Diesel (l)	870,198.0	2,563,433.5
	Condensate (l)	425,261.0	223,913.6
	Efficiency (%) 1		
	Itaqui	35.5%	35.4%
	Pecem II	36.5%	36.6%
	Parnaiba I	36.2%	35.5%
	Parnaiba II	54.8%	54.4%
	Parnaiba III	36.6%	35.3%
	Parnaiba IV	42.8%	41.7%
Environment	GHG Emission - Level I and II [tCO2e] 2	4,718,762.3	5,480,361.0
	GHG Emission Rate - Level I and II (efficiency) [tCO2e/MWh] ²	0.6	0.6
	New Water Collection [m³] 2	11,127,983.7	13,342,355.3
	New Water Collection Rate. (efficiency) [m³ MWh]	1.4	1.5
	New Water Consumption [m³] 2	7,714,740.2	7,138,745.6
	Generation of Industrial Effluents [m³] 2	3,413,243.5	6,203,609.7
	Industrial Effluent Generation Rate (efficiency) [m³/MWh] 2	0.4	0.7
Health & Security 3	Fatalities	-	-
	Fatality Rate (FAT)	-	-
	Accident leave	8.0	3.0
	Lost Time Incident Frequency (LTIF) 4	0.6	0.5
	Total Reportable Incident Rate (TRIR)	2.6	2.0
Employees	Total own-employees (#) *	960.0	894.0
	% of women in the workforce itself.	21.0%	20.7%
	Voluntary turnover (%)	2.3%	4.3%
	Total third-party employees (#)	6,247.0	2,391.0
Social Responsability	Non-incentive investments (R$ M)	2.7	0.5
	Invested incentives (Childhood and Adolescence Fund, Culture Incentive Law, Sports Law, Health and others). (R$ M)	1.3	0.5
	Execution of the Socio-Economic Programs (R$ M).	1.5	2.6
	Social Investments COVID-19 (R$ M)	23.4	-
Governance	Number of corruption cases reported to the Audit Committee and sentenced	-	-
	Number of reported Code of Conduct violations	46.0	34.0

Notes:
1 - Efficiency = 3600/net heat rate
2 - Data applicable to the energy generation segment only, noy including E&P
3 - Figures consider typical accidents only
4 – Lost day rate = (number of accidents x 1,000,000)/man-hour exposed to the risk
5 – Considers total investments and expenses (Donations, materials, services, tests and others)

Subsequent Events to 4Q20

Sale of relevant shareholding: as disclosed on March 3, 2021, the Company received correspondence from VELT Partners Investimentos Ltda., Informing Eneva that the investment vehicles under its management jointly sold 15,248,375 common shares, equivalent to 4.82% of the Company's total common shares.

Declaration of commerciality of the Fortuna Field: disclosed in a Material Fact on February 26, 2021, in which the Company informed that it presented to the National Agency of Petroleum, Natural Gas and Biofuels (ANP), the Declaration of Commerciality of the Fortuna Field, discovered in the PN Block -T-102A, in the Parnaíba Basin, as well as requesting the adoption of the commercial name “Gavião Belo Field” (GVBL) for the field. The GVBL gas-in-place (VGIP) estimate is between the range of 9.45 Bcm (P10) to 4.49 Bcm (P90), with the estimated volume of Pmean being 6.78 Bcm.

Capital increase on February 3, 2021: within the authorized capital limit, approved at the Board of Directors' Meeting held on February 2, 2021, due to the exercise of options granted to a specific administrator, within the scope of the First Option Plan Purchase or Subscription of ENEVA Shares. After the completion of the capital increase, with the issuance of 437,544 common shares, registered, book-entry and without par value, the total number of shares of the Company increased to 316,273,504 shares from 315,835,960 previously.

Competitive Divestment Process of the Urucu Pole: as disclosed on February 1, 2021, the Company was invited by Petrobras to participate in the negotiation of terms and conditions, for the potential acquisition of all interests in a set of land field concessions exploration and production of hydrocarbons (Polo Urucu), located in the Solimões Basin, in the State of Amazonas. The signing of sales contracts is subject to the success of the negotiations, which involve commercial and contractual aspects of the transaction to be approved by the decision-making bodies of both parties.

Change in the composition of the Company's statutory board: disclosed in a Notice to the Market on January 29, 2021, informing the resignation request of the Company's Corporate Director.

Exhibits

The financial statements of the SPEs are available on the Company's Investor Relations website, available at: https://ri.eneva.com.br/en/

The figures are presented on a proforma basis, considering Pecém II consolidation and ADOMP unavailability in gross revenue deductions.

Income Statement - 4Q20 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	757.7	405.8	(404.1)	759.4	499.1	183.8	0.1	(103.9)	1,338.6
Deductions from Gross Revenues	(77.1)	(51.5)	80.0	(48.6)	(59.1)	(17.0)	(0.0)	9.6	(115.1)
Net Operating Revenues	680.6	354.3	(324.1)	710.8	440.1	166.8	0.1	(94.2)	1,223.5
Operating Costs	(505.0)	(104.0)	324.1	(285.0)	(330.0)	(147.7)	(0.5)	94.2	(668.8)
Depreciation & amortization	(31.5)	(42.7)	0.6	(73.5)	(48.9)	-	(0.0)	-	(122.4)
Operating Expenses [1]	(6.3)	(50.4)	-	(56.7)	(7.7)	(2.4)	(70.2)	(3.4)	(140.4)
SG&A	(6.2)	(6.3)	-	(12.4)	(7.4)	(2.4)	(63.8)	-	(86.0)
Depreciation & amortization	(0.1)	(4.7)	-	(4.8)	(0.3)	(0.0)	(6.4)	(3.4)	(15.0)
Other revenues/expenses	(1.4)	0.7	-	(0.7)	56.3	0.0	(0.6)	(0.2)	54.8
Equity Income	-	(21.0)	-	(21.0)	(0.1)	-	346.3	(325.6)	(0.4)
EBITDA (as of ICVM 527/12)	199.4	227.0	(0.6)	425.8	207.7	16.8	281.5	(325.8)	606.1
Net Financial Result	(22.9)	(0.1)	(0.0)	(23.1)	(59.2)	(18.5)	26.4	0.0	(74.3)
EBT	144.8	179.6	(0.0)	324.4	99.4	(1.7)	301.5	(329.2)	394.4
Current Taxes	(3.4)	(0.0)	-	(3.4)	(2.1)	(4.1)	2.1	-	(7.6)
Deferred Taxes	(12.4)	-	-	(12.4)	36.9	22.7	252.3	-	299.5
Minority Interest	-	-	-	-	-	-	-	(0.2)	(0.2)
Net Income	129.0	179.6	(0.0)	308.6	134.1	16.8	555.9	(329.0)	686.5

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

Income Statement - 4Q19 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	745.1	378.2	(376.1)	747.2	469.8	196.3	0.3	(189.4)	1,224.2
Deductions from Gross Revenues	(83.7)	(47.6)	80.4	(50.9)	(58.8)	(18.2)	(0.0)	17.7	(110.2)
Net Operating Revenues	661.4	330.6	(295.7)	696.3	411.0	178.2	0.2	(173.8)	1,111.9
Operating Costs	(557.2)	(100.3)	295.1	(362.4)	(335.8)	(175.1)	0.0	167.6	(705.7)
Depreciation & amortization	(28.9)	(49.3)	2.0	(76.3)	(51.4)	-	-	-	(127.7)
Operating Expenses [1]	(16.5)	(45.6)	-	(62.0)	(6.9)	(1.4)	(54.0)	2.8	(121.6)
SG&A	(16.0)	(8.2)	-	(24.2)	(6.7)	(1.4)	(53.0)	6.2	(79.1)
Depreciation & amortization	(0.5)	(12.4)	-	(12.8)	(0.2)	(0.0)	(1.0)	(3.4)	(17.5)
Other revenues/expenses	(7.1)	(0.0)	-	(7.1)	112.6	0.2	(5.4)	(6.2)	94.0
Equity Income	-	-	-	-	-	-	233.8	(233.1)	0.8
EBITDA (as of ICVM 527/12)	110.0	246.5	(2.6)	353.8	232.4	1.8	175.6	(239.3)	524.5
Net Financial Result	(64.4)	(2.6)	0.6	(66.4)	(34.5)	(2.8)	(17.8)	-	(121.5)
EBT	16.2	182.2	(0.0)	198.3	146.3	(0.9)	156.9	(242.7)	257.9
Current Taxes	0.5	7.8	-	8.2	(1.2)	(0.5)	(23.2)	-	(16.6)
Deferred Taxes	46.9	-	-	46.9	10.1	-	66.2	-	123.2
Minority Interest	-	-	-	-	-	-	-	(1.0)	(1.0)
Net Income	63.6	190.0	(0.0)	253.4	155.2	(1.4)	199.9	(241.8)	365.4

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

Income Statement - 2020 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	**2,023.8**	**899.2**	**(895.0)**	**2,027.9**	**1,322.0**	**539.6**	**0.3**	**(334.6)**	**3,555.2**
Deductions from Gross Revenues	(204.1)	(107.5)	166.8	(144.8)	(148.1)	(49.9)	(0.0)	31.0	(311.9)
Net Operating Revenues	**1,819.7**	**791.7**	**(728.3)**	**1,883.1**	**1,173.9**	**489.7**	**0.3**	**(303.7)**	**3,243.3**
Operating Costs	**(1,268.8)**	**(251.2)**	**723.8**	**(796.2)**	**(803.4)**	**(447.8)**	**(1.6)**	**303.7**	**(1,745.4)**
Depreciation & amortization	(118.0)	(118.2)	6.4	(229.8)	(189.4)	-	(0.0)	-	(419.2)
Operating Expenses [1]	**(26.0)**	**(171.4)**	**-**	**(197.4)**	**(24.2)**	**(7.3)**	**(205.9)**	**(13.7)**	**(448.5)**
SG&A	(25.6)	(20.0)	-	(45.6)	(23.4)	(7.3)	(180.2)	-	(256.4)
Depreciation & amortization	(0.4)	(22.2)	-	(22.7)	(0.8)	(0.0)	(25.7)	(13.7)	(62.9)
Other revenues/expenses	**(20.9)**	**5.5**	**-**	**(15.4)**	**60.9**	**0.0**	**32.9**	**(2.3)**	**76.1**
Equity Income	**-**	**(21.0)**	**-**	**(21.0)**	**(0.1)**	**-**	**704.8**	**(692.4)**	**(8.8)**
EBITDA (as of ICVM 527/12)	**622.4**	**494.1**	**(10.9)**	**1,105.6**	**597.3**	**34.6**	**556.1**	**(694.7)**	**1,598.9**
Net Financial Result	(94.7)	(3.0)	4.5	(93.3)	(207.4)	(2.2)	3.2	-	(299.7)
EBT	**409.2**	**350.7**	**(0.0)**	**759.9**	**199.7**	**32.4**	**533.6**	**(708.4)**	**817.1**
Current Taxes	(21.4)	(0.0)	-	(21.4)	(3.1)	(8.5)	(0.8)	-	(33.9)
Deferred Taxes	(51.6)	-	-	(51.6)	0.4	21.7	252.7	-	223.3
Minority Interest	-	-	-	-	-	-	-	(1.1)	(1.1)
Net Income	**336.1**	**350.7**	**(0.0)**	**686.9**	**196.9**	**45.6**	**785.5**	**(707.3)**	**1,007.6**

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment

Income Statement - 2019 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	**1,953.0**	**840.8**	**(836.5)**	**1,957.3**	**1,450.1**	**454.9**	**0.6**	**(410.2)**	**3,452.6**
Deductions from Gross Revenues	(210.4)	(98.0)	162.8	(145.7)	(165.4)	(42.1)	(0.1)	37.9	(315.2)
Net Operating Revenues	**1,742.5**	**742.8**	**(673.7)**	**1,811.6**	**1,284.7**	**412.8**	**0.5**	**(372.3)**	**3,137.4**
Operating Costs	**(1,300.2)**	**(238.9)**	**670.9**	**(868.2)**	**(990.2)**	**(406.8)**	**(0.1)**	**366.1**	**(1,899.2)**
Depreciation & amortization	(116.9)	(113.5)	7.6	(222.8)	(191.3)	-	-	-	(414.1)
Operating Expenses [1]	**(34.4)**	**(149.6)**	**-**	**(183.9)**	**(23.8)**	**(4.9)**	**(147.6)**	**(13.3)**	**(373.5)**
SG&A	(34.1)	(23.9)	-	(58.0)	(22.7)	(4.9)	(125.6)	6.2	(204.9)
Depreciation & amortization	(0.3)	(33.0)	-	(33.3)	(1.1)	(0.0)	(22.0)	(19.5)	(75.9)
Other revenues/expenses	**(7.8)**	**30.9**	**-**	**23.1**	**104.7**	**0.2**	**(26.4)**	**2.7**	**104.3**
Equity Income	**-**	**-**	**-**	**-**	**-**	**-**	**438.1**	**(440.5)**	**(2.3)**
EBITDA (as of ICVM 527/12)	**517.2**	**531.8**	**(10.4)**	**1,038.6**	**567.8**	**1.4**	**286.5**	**(437.7)**	**1,456.6**
Net Financial Result	(189.0)	(2.0)	2.8	(188.2)	(160.0)	12.1	(74.0)	-	(410.2)
EBT	**211.0**	**383.4**	**(0.0)**	**594.3**	**215.4**	**13.5**	**190.4**	**(457.2)**	**556.5**
Current Taxes	(18.4)	7.8	-	(10.7)	(3.1)	(0.6)	(25.1)	-	(39.5)
Deferred Taxes	24.3	-	-	24.3	(14.3)	-	72.2	-	82.1
Minority Interest	-	-	-	-	-	-	-	(1.7)	(1.7)
Net Income	**216.9**	**391.2**	**(0.0)**	**607.9**	**197.9**	**12.8**	**237.5**	**(455.5)**	**600.8**

[1] Operating Expenses include, in addition to SG&A and depreciation and amortization, expenses related to exploratory activities in the Upstream Segment