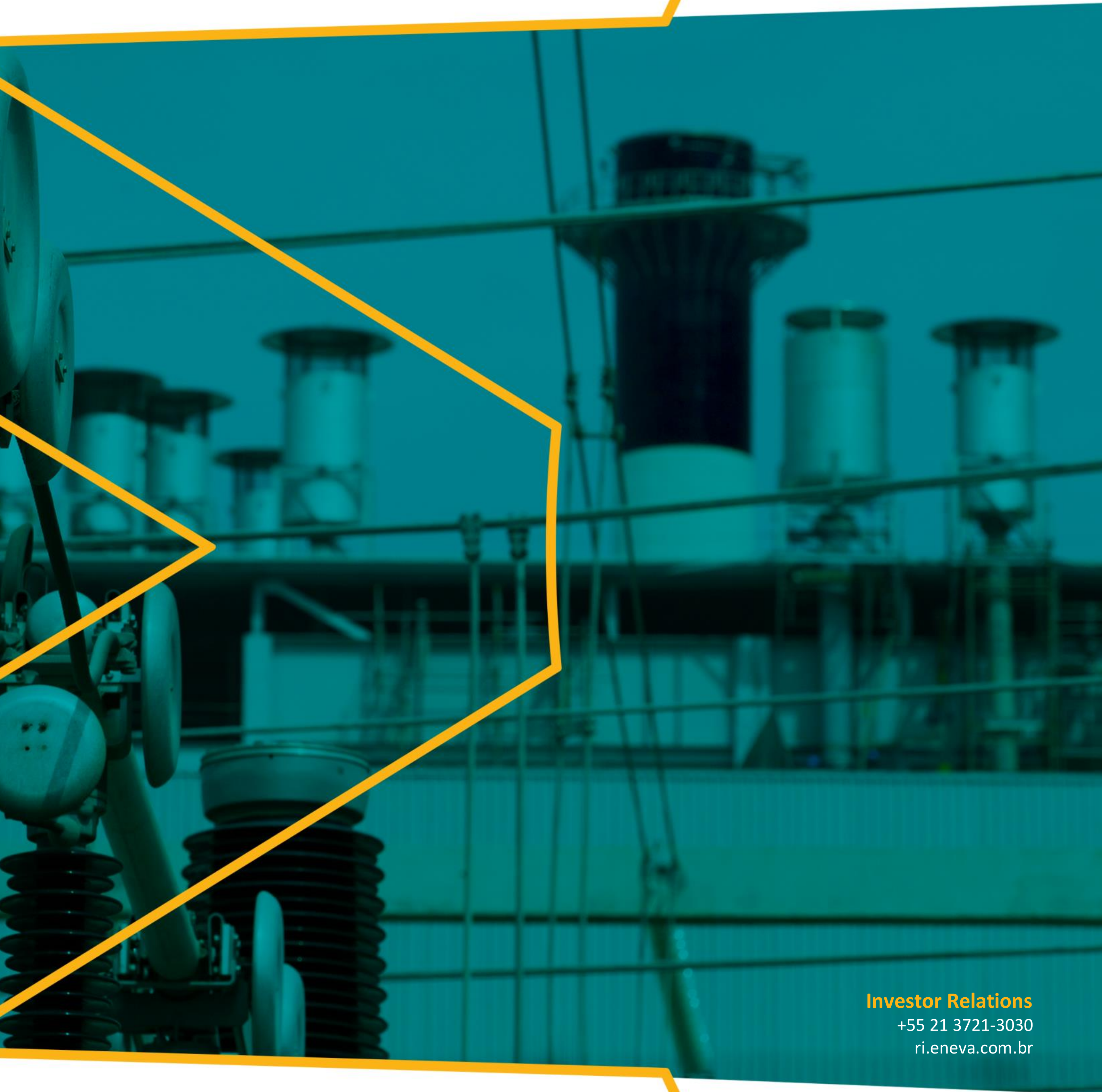
3Q20

EARNINGS RELEASE



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3Q20 Conference Call Results

Friday, November 13, 2020
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ENEVA Discloses Results for the Third Quarter of 2020

EBITDA of R$ 288.3 million declines year over year impacted by a decrease in dispatch due to the drop in energy demand

Rio de Janeiro, November 12, 2020 *- ENEVA S.A. (B3: ENEV3), an integrated power generation company with supplementary businesses in electric power generation and hydrocarbon exploration and production in Brazil, discloses today the results of the three-month period ended September 30, 2020 (3Q20). The following information is presented on a consolidated basis in accordance with the accounting practices used in Brazil, except where otherwise stated.*

Highlights of 3Q20

- Adjusted EBITDA of R$ 288.3 million reflecting a decrease in dispatch (24% vs. 82% in 3Q19) due to the drop in the energy demand in 3Q20;
- Increased liquidity:
  - ✓ Raised R$ 1.2 billion resulting in cash position of R$ 2.6 billion at quarter end;
  - ✓ Leverage (net debt/EBITDA last 12 months) of 3.1x;
- Prepayment of Pecém II financing and short-term loan with China Bank reduces costs and extends overall debt tenor;
- Investments in the quarter surpass R$ 400 million with the advance in the construction of Azulão-Jaguatirica and Parnaíba V;
- Work at Azulão, Jaguatirica and Parnaíba V sites follow a revised schedule with commercial startup expected Oct/21 and Feb/22, respectively;
- In September, the Company released its first sustainability report, a key milestone for broader integration of ESG criteria in the strategic planning of ENEVA.

Main Indicators						(R$ million)
	3Q20	3Q19	%	9M20	9M19	%
Net Operating Revenues	562.0	858.3	-34.5%	2,019.8	2,025.4	-0.3%
EBITDA (as of ICVM 527/12)	277.2	328.1	-15.5%	992.9	932.2	6.5%
EBITDA excluding dry wells [1]	288.3	334.4	-13.8%	1,002.2	965.1	3.8%
EBITDA Margin excluding dry wells	51.3%	39.0%	12.3 p.p.	49.6%	47.6%	2.0 p.p.
Net Income	55.6	89.8	-38.1%	321.1	235.4	36.4%
Investments	407.4	359.8	13.2%	1,642.4	639.6	156.8%
Operating Cash Flow	270.9	334.9	-19.1%	1,027.3	899.4	14.2%
Net Debt (R$ Bi)	4.8	3.9	20.8%	4.8	3.9	20.8%
Net Debt/EBITDA LTM [2]	3.1	3.2	-2.0%	3.1	3.2	-2.0%

[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.

Management Remarks - 3Q20

ENEVA's financial and operating results during 3Q20 were in line with our expectations, reflecting reduced power demand and the resulting lower dispatch given the impacts of COVID-19. With respect to our consistently pursued liquidity management efforts, during the quarter we fully pre-paid some of our bank debt and we were once again active in our funding activities.

Looking ahead, we are encouraged by the recovery in demand that we are seeing, and all of our plants are currently dispatching based on regular seasonality. A key milestone for the quarter is the issue of our first Sustainability Report outlining our commitment to long-term goals and sustainable business, which positions ENEVA as a key player in Brazil's energy transition process.

Update on the Effects of the COVID-19 Pandemic on the Rollout Schedule

Azulão-Jaguatirica Integrated Project: Azulão Field (Amazonas State - AM) and Jaguatirica II TPP (Roraima State - RR)

- Work advanced in the quarter and the staffing level was reestablished. The conclusion of the hot commissioning of the Jaguatirica II TPP is expected for 2Q21, with startup of the Azulão-Jaguatirica integrated system expected for Oct/21.

- In Aug/20, the Company submitted a request to ANEEL to extend the construction schedule and postpone delivery of energy for up to 120 days, with exclusion of liability. The agency has not yet answered the request.

Parnaíba V TPP (Maranhão State - MA)

- 90% of civil works were completed and the mechanical assembly phase began. The main equipment arrived at the Complex, and the main transformer was installed at its base. The power generator, which was manufactured in the United States, landed at the Port of Itaqui and is now in the logistical preparation phase for safe transportation of the equipment to the construction site.
- Best estimate currently indicates startup in Feb/22. The PPA of this plant foresees the start of energy delivery in 2024.

Key Operating Data

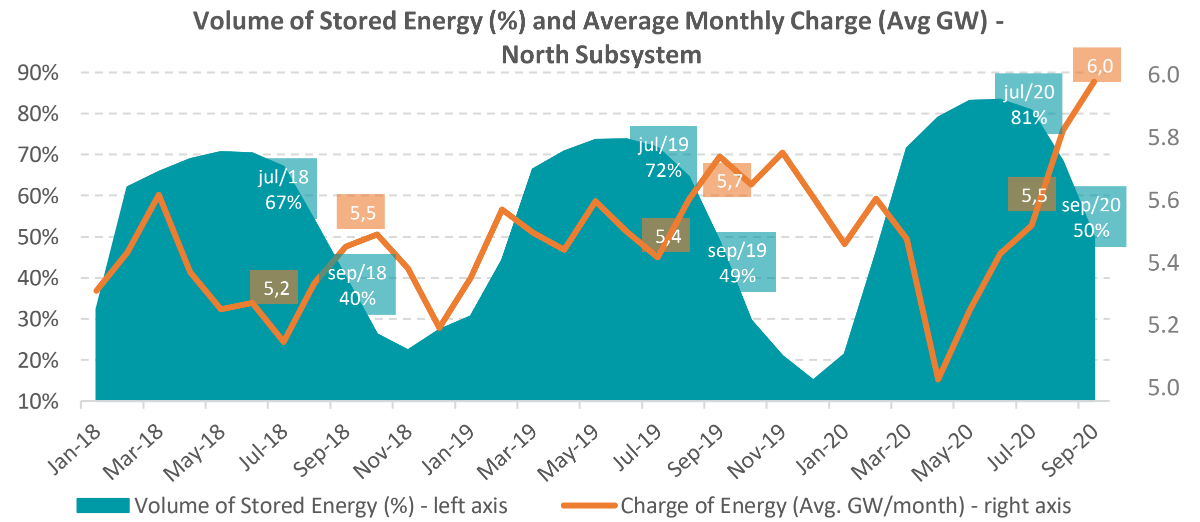
Operating Data		3Q20	3Q19	9M20	9M19
Itaqui	Availability (%)	100%	97%	98%	99%
	Dispatch (%)	0%	84%	18%	30%
	Net generation (GWh)	0	582	367	609
	Gross Generation (GWh)	0	657	415	688
Pecém II	Availability (%)	100%	43%	99%	79%
	Dispatch (%)	0%	88%	17%	60%
	Net generation (GWh)	0	219	337	858
	Gross Generation (GWh)	0	245	379	962
Parnaíba I	Availability (%)	87%	98%	91%	99%
	Dispatch (%)	2%	80%	21%	27%
	Net generation (GWh)	23	1,123	833	1,128
	Gross Generation (GWh)	24	1,162	862	1,170
Parnaíba II	Availability (%)	93%	96%	95%	98%
	Dispatch (%)	97%	99%	64%	52%
	Net generation (GWh)	974	1,028	1,957	1,594
	Gross Generation (GWh)	1,033	1,079	2,068	1,674
Parnaíba III	Availability (%)	100%	99%	98%	99%
	Dispatch (%)	0%	23%	12%	8%
	Net generation (GWh)	0	86	125	87
	Gross Generation (GWh)	0	89	129	90
Parnaíba IV	Availability (%)	99%	95%	99%	98%
	Dispatch (%)	6%	83%	17%	28%
	Net generation (GWh)	7	91	55	91
	Gross Generation (GWh)	7	95	58	95
Upstream	**Upstream - Parnaíba Basin**				
	Dispatch in UTG (%)	26%	76%	30%	31%
	Production (Bi m³)	0.20	0.59	0.67	0.71
	Remaining reserves (Bi m³)	23.4	20.7	23.4	20.7

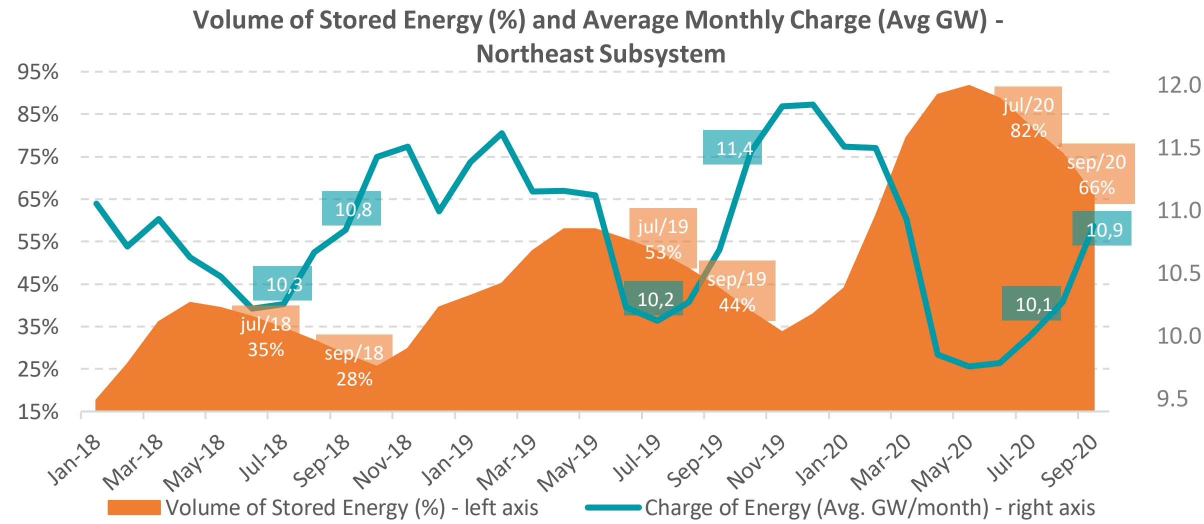
Power

Generation

- **Higher volumes of stored energy reduce dispatch needs in 3Q20**

Although the second half of the year normally demands thermoelectric dispatch, water reservoirs recorded higher-than-usual levels of stored energy (EAR) in 3Q20, due to a significant decline in power consumption in the second quarter of the year, as a result of the impacts from the COVID-19 pandemic. Despite the load increase in 3Q20, energy demand was mostly supplied by hydroelectric plants.



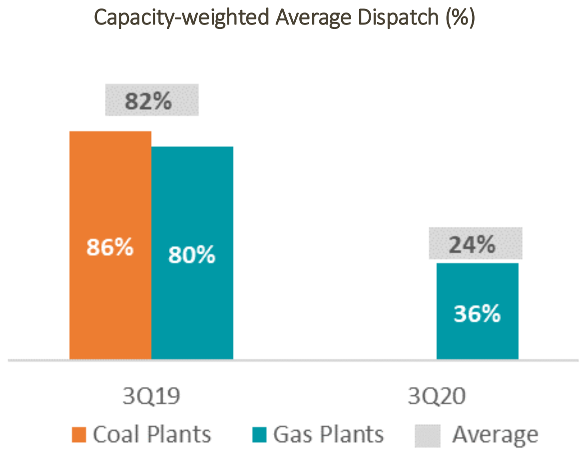


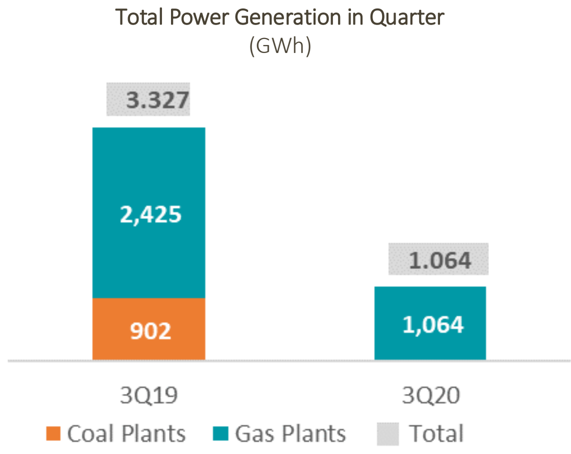
Source: Company based on data disclosed by the National Electric System Operator (ONS).

Reduction in average dispatch of plants in 3Q20 vs. 3Q19

The average dispatch weighted by installed capacity in 3Q20 was 24%, with total gross generation of 1,064 GWh, compared to 82% in 3Q19, with total gross generation of 3,327 GWh.

Contrary to 3Q19, ENEVA plants remained out of the merit order for dispatch during most of 3Q20, which is atypical for this time of the year. The Company recorded the following activities in the quarter: **Parnaíba II TPP –** dispatch from July to September following its contractual inflexibility period; **Parnaíba IV TPP –** dispatch concentrated in late September; and **Parnaíba I TPP –** dispatch for only a few days for proving availability after necessary unavailability for connection of the diverter damper [1] of the Parnaíba V TPP.



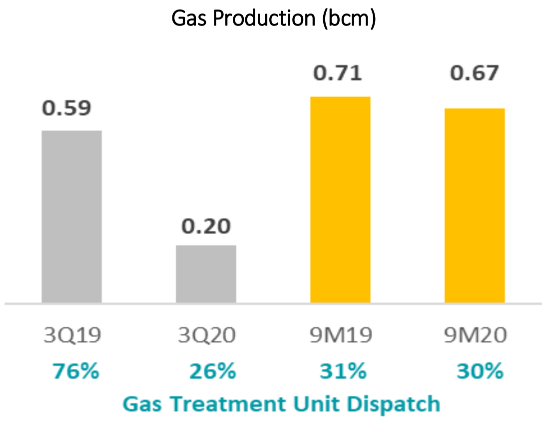


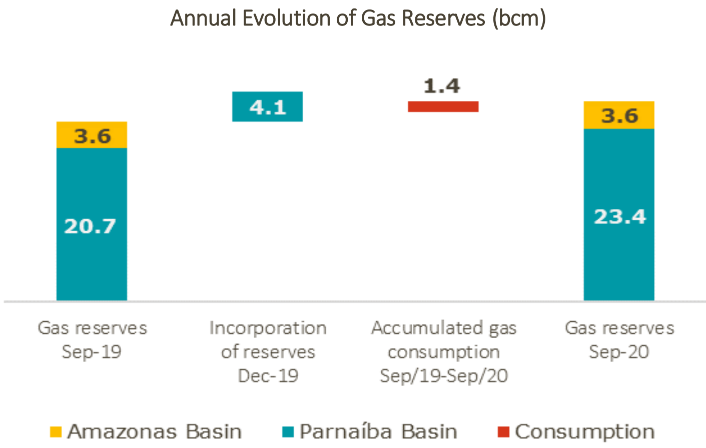
Upstream

The Company produced 0.20 billion m³ of natural gas in 3Q20 to meet the dispatch of the thermoelectric plants of Parnaíba Complex, which was a 66.1% reduction from the volume produced in 3Q19. The Gas Treatment Unit dispatch in 3Q20 was 26%.

The Company's remaining gas reserves at the end of 3Q20 totaled 27.0 billion m³, considering gas consumption in the quarter and including certified reserves in the Parnaíba and Amazon Basins.

[1] Diverter damper consists of the base of the existing chimney and is connected to the boiler. It determines if the plant will work in one simple cycle (only with the gas turbine) or in a combined cycle, and works by opening for the exhaust gas to pass to the boiler (combined cycle), or closing for the gas to go up the chimney (simple cycle).





In 3Q20, 1,294 kilometers of 2D seismic lines were shot in blocks PN-T-47, 48, 49, 66, 67, 67A, 68, 69, 117, 118, 134, 133, while in 3Q19 there were no seismic studies underway. The Company has one Discovery Evaluation Plan (PAD) in effect, the Tianguar Farm, which is located at Block PN-T-48 of R9, due on 03/01/2022.

On August 27, 2020, the Board of Directors of ANP approved the revision process of the Development Plan of Gavião Preto (GVP), which was initiated by the Company's request for incorporation of the PAD Angical area. The decision was rendered by means of Board Resolution nº 0408/2020, leading to growth in the development area from 260.574 km² to 595.506 km².

The Development Plan for the Gavião Carijó Field (former Araguaína PAD) is being analyzed by ANP, pursuant to the terms submitted by the Company on June 12, 2020. On October 6, 2020, a letter was sent containing additional information requested by the agency. ENEVA expects conclusion of the analysis and approval of the plan by the end of 2020.

Consolidated Financial Performance

Consolidated Income Statement	(R$ million)					
	3Q20	3Q19	%	9M20	9M19	%
Net Operating Revenues	**562.0**	**858.3**	**-34.5%**	**2,019.8**	**2,025.4**	**-0.3%**
Operating Costs	(308.7)	(569.5)	-45.8%	(1,076.6)	(1,193.5)	-9.8%
Depreciation and amortization	(98.2)	(114.5)	-14.2%	(296.8)	(286.4)	3.6%
Operating Expenses	(112.9)	(86.3)	30.8%	(308.1)	(252.0)	22.3%
Dry Wells	(11.1)	(6.4)	75.0%	(9.3)	(32.9)	-71.8%
Depreciation and amortization	(16.7)	(17.5)	-4.4%	(48.0)	(58.5)	-17.9%
Other revenue/expenses	23.0	(4.4)	N/A	21.3	10.3	106.6%
Equity Income	(1.2)	(2.0)	-40.9%	(8.3)	(3.1)	169.3%
EBITDA (as of ICVM 527/12)	**277.2**	**328.1**	**-15.5%**	**992.9**	**932.2**	**6.5%**
EBITDA excluding dry wells [1]	**288.3**	**334.4**	**-13.8%**	**1,002.2**	**965.1**	**3.8%**
Net Financial Result	(96.0)	(93.5)	2.7%	(225.4)	(288.7)	-21.9%
EBT	**66.2**	**102.6**	**-35.5%**	**422.7**	**298.6**	**41.6%**
Current taxes	(2.5)	(5.9)	-57.4%	(26.2)	(22.9)	14.7%
Deferred taxes	(8.5)	(7.1)	19.5%	(76.2)	(41.1)	85.5%
Minority Interest	(0.4)	(0.2)	62.4%	(0.8)	(0.7)	12.3%
Net Income	**55.6**	**89.8**	**-38.1%**	**321.1**	**235.4**	**36.4%**

[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) and the accompanying Explanatory Note. EBITDA and adjusted EBITDA excluding dry wells started to incorporate the item "Other Revenues and Expenses", previously recorded after the EBITDA line. **In this quarter, 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 3Q20, adjusted consolidated EBITDA (excluding dry well expenses) was R$ 288.3 million, down 13.8% from 3Q19, mainly due to the decline in the operating revenue reflecting lower dispatch. The adjusted EBITDA margin was 51.3%, up 12.3 basis points from 3Q19, driven by the reduction in operating costs in the period.

The lower dispatch was behind the lower variable margin in 3Q20 and, coupled with higher expenses related to the exploratory activities in the Parnaíba Basin, led to the 37.9% decline in adjusted EBITDA (excluding dry well expenses) of the Complex (R$ 174.9 million in 3Q20 vs. R$ 281.7 million in 3Q19). These effects were partially offset by the increase in the fixed margin of the Parnaíba Complex in 3Q20, driven by the adjustment to the regulated fixed contract revenue of the generation segment, in a scenario of fixed costs aligned to those in 3Q19.

The **Coal-Fired Generation** segment recorded EBITDA of R$ 127.7 million in 3Q20, increasing 47.9% year over year, despite the lack of dispatch in 3Q20, compared to the average dispatch of 82% in 3Q19. The increase was driven by: (i) the increase in the fixed margin, positively impacted by the update of the plants' gross contractual revenues and by lower operating and maintenance expenses as a result of the initiatives aimed at reducing costs at the two plants; and (ii) deterioration of the variable margin in 3Q19 due to the mismatch between the average inventory cost and the CVU of the plants at the time of dispatch.

It is worth mentioning the margin improvement in the **Energy Trading** segment, driven by the successful allocation strategy, based on the expected price reductions in 3Q20, as well as a R$ 29.4 million reversal of labor and supplier provisions in 3Q20. This positively impacted the "Other Revenues/Expenses" line item in 3Q20 and was recorded in Upstream, Pecém II and the Holding Company.

General and administrative expenses increased 20.6% in the quarter due to higher expenses at the Holding Company, which were mainly due to higher advisory and consulting services and personnel expenses aimed at supporting the Company's growth strategy.

The Company’s net income totaled R$ 55.6 million in 3Q20, down 38.1% from 3Q19, which is mainly explained by the reduction in EBITDA in the period.

Consolidated Cash Flow

Free Cash Flow						(R$ million)
	3Q20	3Q19	Absolute Change	9M20	9M19	Absolute Change
EBITDA excluding dry wells [1]	**288.3**	**334.4**	**(46.1)**	**1,002.2**	**965.1**	**37.1**
(+) Changes in Working Capital	7.8	(55.8)	63.6	86.7	(143.6)	230.3
(+) Income Tax	(4.0)	(6.7)	2.7	(34.8)	(22.7)	(12.1)
(+) Other Assets & Liabilities	(21.2)	63.0	(84.2)	(26.8)	100.7	(127.4)
Cash Flow from Operating Activities	**270.9**	**334.9**	**(64.0)**	**1,027.3**	**899.4**	**127.9**
Cash Flow from Investing Activities	**(407.2)**	**(286.7)**	**(120.5)**	**(1,528.4)**	**(566.5)**	**(961.9)**
Cash Flow from Financing Activities	**358.5**	**(165.7)**	**524.2**	**1,304.9**	**(187.7)**	**1,492.6**
New Debt and Others	1,221.0	(0.0)	1,221.0	2,591.7	2,000.0	591.7
Debt amortization	(722.6)	(40.1)	(682.5)	(888.3)	(1,798.5)	910.2
Interest	(19.0)	(36.1)	17.0	(168.0)	(187.7)	19.7
Other	(120.8)	(89.5)	(31.3)	(230.5)	(201.5)	(29.0)
Total Cash Position [2]	**2,592.0**	**1,504.5**	**1,087.5**	**2,592.0**	**1,504.5**	**1,087.5**
Total Cash Position + Escrow Account [2]	**2,792.6**	**1,764.7**	**1,027.9**	**2,792.6**	**1,764.7**	**1,027.9**

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

The **operating cash flow (OCF)** was R$ 270.9 million in 3Q20, compared to R$ 334.9 in 3Q19 impacted by lower EBITDA as well as the following items:

(i) A reduction in working capital needs, mainly due to (a) a decrease in accounts receivable of R$ 17.6 million, due to the lower dispatch in the quarter and receipt of generation revenue for Recovery of the Operating Reserve in Pecém II from Feb/19 to mai/19, as well as the last installment of the payment related to the sale of the ownership interest held by ENEVA in Seival Sul Mineração S. A.; (b) reduction in accounts payable of R$ 42.1 million, mainly due to payments to suppliers related to the maintenance of the gas and coal plants and to payments made to the company providing services in the construction works of Jaguatirica II TPP; and (c) an increase of R$ 25.5 million in financial revenues in 3Q20; and

(ii) Despite the lower dispatch in the quarter, the companies recorded accumulated tax profit and, consequently, paid IRPJ and CSLL in advance. Additionally, there was the payment of PIS/COFINS taxes related to Mar/20 of R$ 11.7 million, which had been postponed, in compliance with the measures established by Ordinances 139/2020 and 245/2020 of the Ministry of Economy.

The **cash used for investment activities (CFI)** was R$ 407.2 million, 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$ 245.5 million. Disbursements of R$ 56.5 million were related to the construction of the Parnaíba V TPP and R$ 47.8 million was spent for natural gas exploration and development activities in the Parnaíba Basin.

The **cash flow from financing activities (CFF)** totaled R$ 358.5 million in 3Q20, driven by proceeds of R$ 1,221.0 million, of which R$ 948.0 million was related to the issuance of debentures at Eneva S.A. and R$ 273.0 million from a bank loan with Banco da Amazônia S.A. (BASA). The increased funds were partially offset by principal and interest amortizations in the period, with full prepayment of the following loans: (i) Pecém II financing with BNB and BNDES (R$ 629.7 million of principal and R$ 15.6 million of interest) and (ii) Bank Credit Bill (CCB) with China Construction Bank (Brazil) Banco Múltiplo S.A. (R$ 90.0 million in principal and R$ 1.9 million in interest).

The **CFF** was also impacted by the following factors in the "Other" account: implementation of a reserve account in the amount of R$34.7 million for future payment of debentures, as contractually foreseen in the guarantee package of the 1^{st} Issuance of Debentures of Parnaíba I; R$40.0 million of transaction costs related to the financing disbursed in the period and payment of fees related to the early settlement of the aforementioned debts, in the amount of R$34.6 million.

ENEVA ended 3Q20 with a **consolidated free cash balance of R$ 2.6 billion**, excluding the balance of deposits linked to the Company's financing agreements, in the amount of R$ 200.6 million.

Economic-Financial Performance per 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)
	3Q20	3Q19	%	9M20	9M19	%
Gross Operating Revenues	**328.4**	**548.7**	**-40.1%**	**1,266.1**	**1,207.8**	**4.8%**
Fixed Revenues	**318.5**	**311.3**	**2.3%**	**955.5**	**932.6**	**2.5%**
Variable Revenues	**9.9**	**237.4**	**-95.8%**	**310.6**	**275.3**	**12.8%**
CCEAR[1]	0.0	133.4	-100.0%	121.7	158.3	-23.1%
Short Term market	9.9	104.0	-90.4%	188.9	117.0	61.5%
Reestablishment of commercial backing -FID	-	56.2	N/A	85.8	66.1	29.8%
Hedge ADOMP	-	16.4	N/A	-	16.4	N/A
Others	9.9	31.4	-68.4%	103.1	34.5	198.8%
Deductions from Gross Revenues	**(33.3)**	**(59.9)**	**-44.3%**	**(127.0)**	**(126.8)**	**0.2%**
Unavailability (ADOMP)	-	(4.5)	N/A	1.5	(4.4)	N/A
Net Operating Revenues	**295.1**	**488.8**	**-39.6%**	**1,139.1**	**1,081.1**	**5.4%**
Operating Costs	**(219.0)**	**(432.1)**	**-49.3%**	**(763.8)**	**(743.0)**	**2.8%**
Fixed Costs	**(108.5)**	**(144.4)**	**-24.9%**	**(323.6)**	**(342.4)**	**-5.5%**
Transmission and regulatory charges	(21.4)	(21.6)	-0.9%	(62.8)	(61.4)	2.4%
O&M	(20.9)	(31.9)	-34.4%	(62.2)	(79.9)	-22.2%
GTU fixed lease	(66.2)	(90.9)	-27.2%	(198.6)	(201.1)	-1.2%
Variable Costs	**(81.7)**	**(258.6)**	**-68.4%**	**(353.6)**	**(312.6)**	**13.1%**
Fuel (natural gas)	(62.7)	(174.7)	-64.1%	(213.0)	(207.9)	2.5%
Gasmar - Gas distribution tariff	(4.7)	(13.4)	-64.5%	(15.6)	(16.7)	-6.9%
GTU variable lease	-	(8.1)	N/A	(24.5)	(8.1)	202.9%
Reestablishment of commercial backing (FID)	-	(49.8)	N/A	(79.1)	(58.7)	34.8%
Hedge ADOMP	-	(16.6)	N/A	-	(16.6)	N/A
Trading (P.IV)	-	1.0	N/A	-	0.1	N/A
Others	(14.2)	3.0	N/A	(21.5)	(4.8)	350.0%
Depreciation and Amortization	**(28.9)**	**(29.2)**	**-1.2%**	**(86.5)**	**(88.0)**	**-1.6%**
Operating Expenses	**(6.4)**	**(7.6)**	**-16.7%**	**(19.7)**	**(17.9)**	**9.8%**
SG&A	(6.2)	(7.6)	-17.8%	(19.4)	(18.1)	6.9%
Depreciation and Amortization	(0.1)	(0.1)	122.6%	(0.3)	0.2	N/A
Other revenue/expenses	**(0.7)**	**0.7**	**N/A**	**(19.5)**	**(0.7)**	**2678.5%**
Equity Income						
EBITDA (as of ICVM 527/12)	**98.0**	**79.0**	**24.1%**	**423.0**	**407.2**	**3.9%**
% EBITDA Margin	**33.2%**	**16.2%**	**17.1 p.p.**	**37.1%**	**37.7%**	**-0.5 p.p.**

[1] CCEAR = Regulated Market Power Purchase Agreement

Net operating revenues (ROL) from natural gas thermal generation was R$ 295,1 million in 3Q20, down 39.6% from 3Q19, which is mainly due to the lower dispatch in the period, with a consequent reduction of R$ 133.4 million in the contractual variable gross revenue – CCEAR in the period.

Net Generation (GWh)	3Q20	3Q19
Parnaíba I (has a regulated market contract)	23	1,123
Parnaíba II (has a regulated market contract)	974	1,028
Parnaíba III (has a regulated market contract)	0	86
Parnaíba IV (no regulated market contract)	7	91
TOTAL	**1,004**	**2,328**

In addition to the reduction in variable contract revenues, the short-term market revenues also recorded a decline of R$ 94.1 million. In 3Q20, there were no revenues from FID and unavailability compensation cost hedge operations (ADOMP), while in 3Q19 these revenues totaled R$ 72.6 million. The other variable revenues item, in the amount of R$ 9.9 million, refers to the liquidation of energy PLD of Parnaíba I, II and IV TPPs generated in 3Q20.

The fixed operating costs declined 24.9% in 3Q20 compared to 3Q19 due to a combination of the following effects: (i) retroactive adjustment of the fixed lease paid by Parnaíba III to the Upstream segment for the months of January to June 2019 carried out in September 2019, with a R$ 23.8 million impact on 3Q19 results, an effect that was offset in the consolidated results; and (ii) reduction in operation and maintenance costs of R$ 11.0 million, primarily due to an accounting adjustment made in 3Q19 between lines O&M costs and short term market (energy acquired in the free market) and to the impact of a reversal of the provision for supplier payments of R$ 1.1 million.

As a result of the lower dispatch in the period, **variable operating costs** declined R$ 176.9 million in 3Q20 as compared to 3Q19, due to smaller fuel acquisition costs and the gas distribution service paid to GASMAR. In addition, there were no variable lease costs recorded for the Gas Treatment Unit (UTG), related to fuel supply contracts. In 3Q20, there were no costs related to compensation for unavailability (ADOMP) and to the energy purchased for FID.

EBITDA was R$ 98.0 million in 3Q20, up 24.1% over 3Q19, driven by the increase in the regulated contract fixed revenue in the year and by the reduction in operation and maintenance costs in 3Q20. In addition, in 3Q19 the readjustment of the fixed lease agreement of Parnaíba III also impacted the fixed margin.

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)					
	3Q20	3Q19	%	9M20	9M19	%
Gross Operating Revenues	**146.6**	**298.9**	**-51.0%**	**493.5**	**462.6**	**6.7%**
Fixed Revenues	**76.6**	**100.1**	**-23.5%**	**229.1**	**226.7**	**1.1%**
Variable Revenues	**70.0**	**198.8**	**-64.8%**	**264.4**	**236.0**	**12.0%**
Gas Contract Sales	69.1	188.6	-63.4%	234.8	225.0	4.4%
Variable leasing Contract	0.0	8.7	N/A	27.0	8.7	211.6%
Condensate Sales and Others	0.9	1.5	-40.6%	2.5	2.3	8.0%
Deductions from Gross Revenues	**(16.9)**	**(34.1)**	**-50.3%**	**(56.0)**	**(50.4)**	**11.2%**
Net Operating Revenues	**129.7**	**264.8**	**-51.0%**	**437.5**	**412.3**	**6.1%**
Operating Costs	**(47.9)**	**(79.0)**	**-39.4%**	**(147.2)**	**(138.7)**	**6.2%**
Fixed Costs	**(14.3)**	**(15.1)**	**-5.3%**	**(41.5)**	**(40.7)**	**2.0%**
O&M Cost (OPEX)	(14.3)	(15.1)	-5.3%	(41.5)	(40.7)	2.0%
Variable Costs	**(10.6)**	**(23.2)**	**-54.2%**	**(30.3)**	**(33.8)**	**-10.5%**
Government Contribution	(9.2)	(21.7)	-57.5%	(26.1)	(27.5)	-5.2%
Lifting Cost/Compression	(1.4)	(1.5)	-6.8%	(4.2)	(6.3)	-33.7%
Depreciation and Amortization	**(22.9)**	**(40.6)**	**-43.6%**	**(75.5)**	**(64.2)**	**17.6%**
Operating Expenses	**(47.9)**	**(35.8)**	**34.0%**	**(121.0)**	**(104.0)**	**16.4%**
Exploration Expenses_Geology and geophysics (G&G)	(38.1)	(20.7)	84.4%	(89.7)	(67.6)	32.6%
Dry Wells	(11.2)	(6.4)	76.8%	(10.7)	(32.9)	-67.6%
SG&A	(3.3)	(6.5)	-48.7%	(13.8)	(15.7)	-12.5%
Depreciation and Amortization	(6.5)	(8.6)	-24.4%	(17.6)	(20.6)	-14.8%
Other revenue/expenses	**6.2**	**0.0**	**N/A**	**4.8**	**30.9**	**-84.6%**
Equity Income	**0.0**	**0.0**	**N/A**	**0.0**	**0.0**	**N/A**
EBITDA (as of ICVM 527/12)	69.4	199.3	-65.2%	267.0	285.4	-6.4%
EBITDA excluding dry wells [1]	**80.6**	**205.7**	**-60.8%**	**277.9**	**318.3**	**-12.7%**
% EBITDA Margin excluding dry wells	**62.2%**	**77.7%**	**-15.5 p.p.**	**63.5%**	**77.2%**	**-13.7 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 3Q20, the **net operating revenue** of the Upstream segment was R$ 129.7 million, down 51.0% when compared to 3Q19, mainly due to a drop of R$ 128.8 million in the variable revenue stemming from lower gas dispatch for the thermoelectric plants of the Parnaíba Complex, following a significant reduction in the thermoelectric dispatch in the period. Accordingly, there was no variable lease payment for the thermal plants to the Upstream in 3Q20, and the gas sales revenue declined 63.4% in the period, mostly due to the decrease in demand for electricity observed in the power plants. The reduction was mitigated by the inflexibility operation of the Parnaíba II TPP. The ROL variation can also be explained by a R$ 23.5 million reduction in fixed lease revenues in 3Q20 versus 3Q19, which stemmed from the Parnaíba III fixed lease readjustment retroactive to January 2019 implemented in September 2019.

The **variable operating costs** recorded a 54.2% reduction in the period due to lower natural gas production, with a consequent drop in the costs related to payments of government interest. The **fixed operating costs** in the segment dropped 5.3%, which can be mainly explained by a reduction in the costs related to well production fiscal measurement services after the exemption authorized by ANP at the end of the year, given the impacts from the COVID-19 pandemic, through ANP Resolution No. 816/2020 and ANP Order No. 262/2020/NFP/ANP-RJ.

In 3Q20, the Upstream **operating expenses**, excluding depreciation and amortization expenses, increased R$ 14.3 million in relation to 3Q19, primarily impacted by dry well (wells 3-ENV-12D-MA and 1-ENV-14-MA) expenses of R$ 11.2 million, up from R$ 6.4 million in 3Q19, and by an increase of R$ 12.6 million in exploration expenses (excluding dry wells), with acceleration of the seismic project initiated in 4Q19.

The **Adjusted EBITDA** (excluding dry wells) was R$ 80.6 million in 3Q20, a 60.8% decline from 3Q19, mainly due to the lower dispatch of the Parnaíba Complex TPPs, a positive impact of the retroactive readjustment of the fixed lease paid by Parnaíba III to the Upstream segment in 3Q19 and higher expenses related to the exploration campaign in 3Q20. These effects were offset by write-offs in the provision for suppliers of R$ 6.4 million recorded in the Other Income/Expenses line in 3Q20.

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)
	3Q20	3Q19	%	9M20	9M19	%
Gross Operating Revenues	**207.6**	**381.9**	**-45.6%**	**822.9**	**980.3**	**-16.1%**
Fixed Revenues	**209.0**	**203.1**	**2.9%**	**627.0**	**610.9**	**2.6%**
Variable Revenues	**(1.4)**	**178.8**	**N/A**	**195.9**	**369.4**	**-47.0%**
CCEAR[1]	(3.6)	107.3	N/A	102.2	134.3	-23.9%
Short Term market	2.2	71.5	-96.9%	93.6	235.1	-60.2%
Reestablishment of commercial backing (FID)	-	49.7	N/A	74.2	89.0	-16.6%
Hedge ADOMP	2.2	21.8	-90.0%	16.9	21.8	-22.6%
Other	0.0	(0.1)	N/A	2.6	124.3	-97.9%
Deductions from Gross Revenues	**(21.5)**	**(44.9)**	**-52.1%**	**(89.0)**	**(106.6)**	**-16.5%**
Unavailability (ADOMP)	-	(5.6)	N/A	(3.6)	(5.5)	-35.1%
Net Operating Revenues	**186.1**	**336.9**	**-44.8%**	**733.9**	**873.7**	**-16.0%**
Operating Costs	**(103.6)**	**(292.7)**	**-64.6%**	**(473.5)**	**(654.4)**	**-27.6%**
Fixed Costs	**(51.7)**	**(60.5)**	**-14.6%**	**(159.4)**	**(172.7)**	**-7.7%**
Transmission and regulatory charges	(13.9)	(13.6)	2.3%	(41.4)	(39.0)	6.0%
O&M	(37.8)	(46.9)	-19.5%	(118.0)	(133.7)	-11.7%
Variable Costs	**(5.1)**	**(185.3)**	**-97.3%**	**(173.6)**	**(341.7)**	**-49.2%**
Fuel (natural gas)	-	(113.4)	N/A	(80.0)	(223.4)	-64.2%
Reestablishment of commercial backing (FID)	-	(45.6)	N/A	(67.3)	(80.9)	-16.9%
Hedge ADOMP	(3.8)	(19.4)	-80.4%	(14.4)	(19.4)	-25.9%
Other	(1.3)	(6.9)	-81.7%	(11.9)	(18.0)	-33.7%
Depreciation and Amortization	**(46.8)**	**(46.8)**	**0.0%**	**(140.5)**	**(140.0)**	**0.4%**
Operating Expenses	**(5.6)**	**(5.8)**	**-3.3%**	**(16.5)**	**(16.9)**	**-2.4%**
SG&A	(5.4)	(5.6)	-3.1%	(16.0)	(16.0)	-0.2%
Depreciation and Amortization	(0.2)	(0.2)	-8.4%	(0.5)	(0.9)	-41.1%
Other revenue/expenses	**3.8**	**0.8**	**363.9%**	**4.7**	**(7.9)**	**N/A**
Equity Income	**-**	**-**	**N/A**	**-**	**-**	**N/A**
EBITDA (as of ICVM 527/12)	**127.7**	**86.4**	**47.9%**	**389.5**	**335.4**	**16.1%**
% EBITDA Margin	**68.6%**	**25.6%**	**43.0 p.p.**	**53.1%**	**38.4%**	**14.7 p.p.**

[1] CCEAR = Regulated Market Power Purchase Agreement

The **net operating revenue** of the coal thermal generation segment was R$ 186.1 million in 3Q20, a 44.8% decline compared to 3Q19. The non-dispatch of the Itaqui and Pecém II plants in 3Q20, compared to average dispatches of 84% and 88% in the 3Q19, respectively, reduced the variable contractual gross revenue - CCEAR. In 3Q20, a negative contractual revenue of R$ 3.6 million was accounted for due to the return of the emergency water charge (EWG) previously passed on to Pecém II, referring to the period of dispatch by Operating Reserve Recomposition (ORR), in which the plant is not entitled to reimbursement of the EWG. **Net operating revenue** was also impacted by the decrease of gross revenues related to collateral recovery (FID), and to the operations of compensation cost hedging for unavailability (ADOMP), in the amounts of R$ 49.7 million and R$ 19.7 million, respectively, both offsetting in costs.

The segment's **operating costs** totaled R$ 103.6 million in 3Q20, a reduction of 64.6% compared to 3Q19, mainly due to lower variable costs as the plants remained deactivated in the quarter. In addition, fixed costs also fell by 14.6% in this period, due to: (i) concentrated cost-cutting efforts at the two coal-fired plants, impacting the decline in fixed O&M, mainly due to lower costs stemming from operations, industrial cleaning, workers' transportation and travel (ii) time mismatches in maintenance services and materials that were scheduled to be carried out in 3Q20, but were postponed.

EBITDA was R$ 127.7 million in 3Q20, an increase of 47.9% compared to 3Q19, resulting from the expansion of fixed margins of the plants in 3Q20 as well as from improved variable margins in the annual comparison. In 3Q19, both plants recorded negative variable margins due to the mismatch of the average cost of coal inventories acquired for generation at the plants compared to the variable revenue (CVU) received from coal sales in the quarter. As the variable contract revenue - CCEAR (CVU) of both coal-fired plants is pegged to the CIF-ARA commodity price of the month prior to the actual monthly generation, there was a continuous reduction in the commodity's price in 3Q19, the energy sold was remunerated at a smaller value compared to the average coal cost, thereby impacting the variable margins in that period.

Energy Trading

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

Income Statement Energy Trading	(R$ million)					
	3Q20	3Q19	%	9M20	9M19	%
Net Operating Revenues	**82.2**	**153.6**	**-46.5%**	**322.8**	**234.6**	**37.6%**
Operating Costs	**(65.5)**	**(151.0)**	**-56.6%**	**(300.1)**	**(231.6)**	**29.6%**
Power acquired for resale	(65.0)	(150.9)	-56.9%	(299.5)	(231.4)	29.4%
Other	(0.4)	(0.0)	897.1%	(0.6)	(0.2)	221.4%
Operating Expenses	**(2.1)**	**(1.3)**	**58.1%**	**(4.9)**	**(3.5)**	**41.4%**
SG&A	(2.1)	(1.3)	58.6%	(4.9)	(3.4)	41.9%
Depreciation and Amortization	(0.0)	(0.0)	0.0%	(0.0)	(0.0)	-0.8%
Other revenue/expenses	**-**	**0.0**	**N/A**	**(0.0)**	**0.0**	**N/A**
Equity Income	**-**	**-**	**N/A**	**-**	**-**	**N/A**
EBITDA (as of ICVM 527/12)	**14.6**	**1.4**	**973.7%**	**17.8**	**(0.4)**	**N/A**
% EBITDA Margin	**17.8%**	**0.9%**	**16.9 p.p.**	**5.5%**	**-0.2%**	**5.7 p.p.**

The **net operating revenue** of the energy trading segment was R$ 82.2 million in 3Q20, compared to R$ 153.6 million in 3Q19. The variation is mainly due to the lower volume of energy sold, which was 1,079 GWh in 3Q20 compared to 1,538 GWh in 3Q19, as well as to the decrease in the average PLD of the SE/CO submarket in the quarter (R$ 92/MWh in 3Q20 vs. R$ 214/MWh in 3Q19). By contrast, the **operating costs** recorded a 56.6% reduction in the period, which led to significant growth in sales margins. As a result, EBITDA was R$ 14.6 million in 3Q20, up from R$ 1.4 million in 3Q19.

The positive result reflects the strategy defined by ENEVA Comercializadora de Energia which was based on the outlook for price reduction in 3Q20. In addition, the same strategy was used in the sale of the power plants' available energy, which ensured revenues for the Company in 3Q20, despite low levels of dispatch and generation of the plants.

It is worth noting that ENEVA Comercializadora did not experience an economic impact from counterparties' default, as a result of its credit risk management and negotiation strategy, despite the unfavorable environment presented by the COVID-19 pandemic in the free energy market.

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 decided present the results of the Holding & Others segment separately.

Income Statement Holding & Other						(R$ million)
	3Q20	3Q19	%	9M20	9M19	%
Net Operating Revenues	**0.0**	**0.2**	**-83.9%**	**0.2**	**0.3**	**-35.1%**
Operating Costs	**(0.4)**	**-**	**N/A**	**(1.1)**	**(0.1)**	**874.6%**
Operating Expenses	**(47.5)**	**(32.4)**	**46.6%**	**(135.7)**	**(93.6)**	**45.0%**
SG&A	(41.1)	(27.2)	50.8%	(116.4)	(72.6)	60.4%
Depreciation and Amortization	(6.5)	(5.2)	24.4%	(19.3)	(21.0)	-8.3%
Other revenue/expenses	**13.2**	**(4.9)**	**N/A**	**30.6**	**(21.2)**	**N/A**
Equity Income	**97.2**	**(20.3)**	**N/A**	**361.4**	**204.4**	**76.8%**
EBITDA (as of ICVM 527/12)	**69.0**	**(52.3)**	**N/A**	**274.6**	**110.8**	**147.8%**
EBITDA ex Equity Income	**(28.2)**	**(32.0)**	**-11.8%**	**(86.8)**	**(93.6)**	**-7.3%**

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$ 41.1 million in 3Q20, up from R$ 27.2 million in 3Q19. The increase is due to a combination of the following effects: i) non-cash expenses related to stock options at R$ 4.3 million after correction of the stock's fair value; ii) increase of R$ 7.1 million in personnel expenses to support growth of the Company, with higher expenses with salaries, costs and profit sharing. These impacts were partially offset by lower expenses with third-party services and travel in the quarter.

The Company recorded revenues of R$ 13.2 million in the Other Revenues/Expenses in 3Q20, compared to the expense of R$ 4.9 million in 3Q19. The positive effect in 3Q20 was due to the reversal of labor provisions and accounts payable to suppliers. This effect was partially offset by expenses of R$ 3.3 million related to the purchase of rapid tests, outpatient equipment and cleaning for the prevention and combat of COVID-19.

According to CVM Instruction No. 527/12, considering the Equity Income effect, EBITDA was a positive R$ 69.0 million in 3Q20, compared to a negative EBITDA of R$ 52.3 million in 3Q19.

Consolidated Financial Results

Net Financial Result						(R$ million)
	3Q20	3Q19	%	9M20	9M19	%
Financial Revenues	**12.6**	**32.7**	**-61.4%**	**52.9**	**101.4**	**-47.8%**
Income from financial investments	11.2	27.1	-58.7%	44.9	78.3	-42.6%
Fines and interest earned	0.0	2.3	-98.5%	2.5	4.7	-46.4%
Interest on debentures	-	-	N/A	-	-	N/A
Others	1.4	3.2	-57.2%	5.4	18.4	-70.4%
Financial Expenses	**(108.6)**	**(126.2)**	**-13.9%**	**(278.3)**	**(390.0)**	**-28.7%**
Fines interest	(0.2)	(2.1)	-91.3%	(3.6)	(2.9)	23.3%
Debt charges	(67.5)	(44.0)	53.2%	(137.3)	(192.8)	-28.8%
Interest on provisions for abandonment	(1.9)	(0.7)	174.4%	(2.2)	(4.1)	-45.9%
Fees and emoluments	(0.6)	(0.6)	9.3%	(3.5)	(1.9)	86.2%
IOF/IOC	(0.8)	(0.6)	31.6%	(2.2)	(2.8)	-23.1%
Debentures Cost	(34.4)	(67.6)	-49.1%	(117.7)	(152.7)	-22.9%
Others	(6.1)	(8.5)	-28.1%	(23.9)	(31.6)	-24.3%
FX Exchange and monetary variation	(5.4)	0.6	N/A	(3.0)	(16.2)	-81.5%
Losses/gains on derivatives	8.3	(2.6)	N/A	15.2	15.0	1.2%
Net Financial Income (Expense)	**(96.0)**	**(93.5)**	**2.7%**	**(225.4)**	**(288.7)**	**-21.9%**

The Company recorded a negative net financial result of R$ 96.0 million in 3Q20, compared to a negative result of R$ 93.5 million in the 3Q19. The main effects that contributed to the change in this net financial result in the annual comparison were:

i) Reduction of R$ 15.9 million in revenues from financial investments, mainly due to the contraction in the average CDI of 3Q20 compared to 3Q19;

ii) Increase of R$ 23.5 million in debt charges due to contractual fees related to the prepayment of the Credit Note from the China Construction Bank (Brazil) Banco Múltiplo S.A. and the remaining balance of Pecém II debt with BNDES and BNB, in addition to recognition of the fees related to 3Q20 fundraising;

iii) Reduction of expenses with interest on debentures at R$ 33.2 million. Despite the increase in the debentures balance, the drop in CDI led to a reduction in expenses.

Investments

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

[1] Parnaíba II CAPEX includes Parnaíba III and Parnaíba IV's values, following the corporate restructuring announced in 4Q18.

The consolidated Capital Expenditures totaled R$ 407.4 million in 3Q20 (versus R$ 359.8 million in 3Q19), with 82% expended on works in progress at the Azulão-Jaguatirica Integrated Project and Parnaíba V TPP. Among these investments, the highlights are:

- **Coal-fired TPP's:** In Itaqui, the preventive maintenance of the feed water pumps, as well as the replacement of the minimum flow valves of the feed water pumps and the main steam timing lines were performed. In Pecém II, R$ 7.8 million were paid as advances to suppliers related to the major overhaul that was completed in 2019.
- **Gas-fired TPP's:** The remaining values related to the Hot Gas Path (HGP) maintenance completed in the 2Q20 in the gas turbines of the Parnaíba I and Parnaíba III TPPs, as well as preparation for the HGP of the Parnaíba II TPPs, which will be undertaken in 2021, with the sending of some parts for repair.

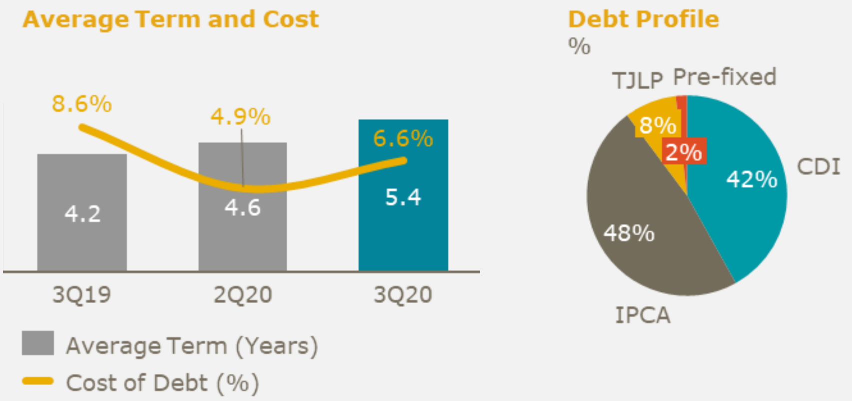
- ***Upstream***:
    - Exploration: Conclusion of the drilling of wells 1-ENV-13-MA (block PN-T-68A), 1-ENV-14-MA (block PN-T-103), 71-ENV-15-MA (block PN-T-102A), 3-ENV-12D-MA (PAD Tianguar) and completion of 3-ENV-11D-MA (PAD Tianguar).
    - Development: Completion of drilling of development well 7-GVTE-1-MA (Gavião Tesoura). In progress, the construction of Cluster 6 of Gavião Branco Oeste and its interconnection to Cluster 3 of Gavião Branco: assembly and realization of the hydrostatic test of the gas pipeline and receipt of equipment for the GVB cluster 6.
- **Parnaíba V:** Assembly of the metal structures of the steam turbine; concreting of the base of the GSU transformer; assembly of the pipes of the cooling water system and the raw and demineralized water tanks. Completion of the installation of Diverter Damper 32 and start of installation of Diverter Damper 31.

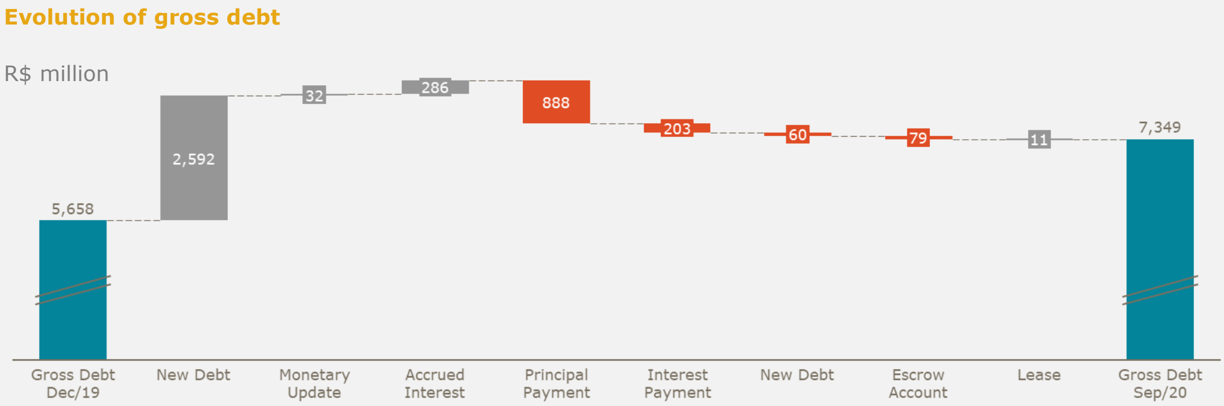
- **Azulão-Jaguatirica:**
  - Azulão Field: Assembly of the metal structure of the LNG loading station, execution of the drainage and printing of the trailer yard. Liquefaction system: assembly of cryoboxes; 28 cryoboxes delivered out of a total of 34 (24 on site and 22 coupled), 100% of isotanks delivered on site. Cryogenic trucks: 58 trucks delivered (8 in Manaus and 50 additional at the factory) and 25 in manufacture, with delivery expected by the end of 2020 (of a total of 110). Self-generation: completion of the assembly of the metal structure of the main building and receipt of 7 generators in Azulão.
  - Jaguatirica II TPP: Civil execution of the LNG unloading area and installation of the power island equipment. Assembly of the raw water tank, Aero Condenser Cooler and pipe rack structures.

Indebtedness

As of September 30, 2020, the consolidated Gross Debt (net of the balance of deposits linked to financing agreements and transaction costs) totaled R$ 7,349 million, an increase of 35.0% when compared to the end of 3Q19 and 7.5% related to 2Q20. At the end of 3Q20, the average maturity date of consolidated debt was 5.4 years, and the average effective cost of debt was 6.6%, compared to 4.2 years and 8.6% at the end of 3Q19. The effective average cost of debt in 3Q20 was affected by the increase in inflation (IPCA) in the period against the rates recorded in 2Q20.

Consolidated Gross Debt





In September 2020, ENEVA completed the 6th issuance of simple, non-convertible, unsecured debentures, in 2 series (1st series: R$ 374.0 million, 2nd series: R$ 574.0 million), in the amount of R$ 948.0 million. The final conditions established were:

i) 1st series: IPCA rate +4.1% p.a., matures in September 2030 with amortization of principal in 3 consecutive annual installments in September 2028, 2029 and 2030; and

ii) 2nd series: IPCA rate +4.5% p.a., matures in September 2035 with amortization of principal in 3 consecutive annual installments in September 2033, 2034 and 2035.

The 2nd series debentures were classified as transition bonds, based on the environmental and climate impacts along with the social and environmental performance expected for the financed projects, when taking into account the projects contribution to the country's energy generation and potential reduction in related greenhouse gas emissions, according to the evaluation and classification issued in an independent opinion by the specialized consultancy SITAWI Finanças do Bem.

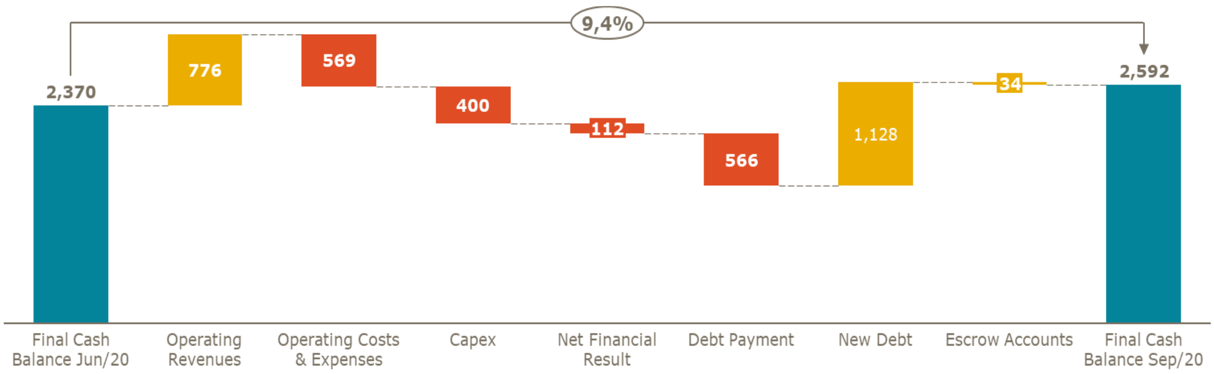
Also in September, the Company made two disbursements in a total amount of R$ 273.0 million, related to the contract signed with the BASA in January this year (which foresees a total amount of R$ 1.0 billion), destined to the construction, operation and maintenance of the Azulão Jaguatirica Integrated Project.

As part of its liability management strategy, in which continuous efforts are being made to improve the consolidated debt profile, in 3Q20 the Company made an advance payment of the total remaining balance of the Pecém II financing with BNB and BNDES (total of R$ 645.3 million - principal and interest), as well as the short-term financing of Eneva S.A. with the China Construction Bank (Brazil) Banco Múltiplo S.A., in the amount of R$ 91.9 million (principal and interest).

These initiatives resulted in interest expense reductions and the lengthening of the consolidated debt maturity dates, in addition to allowing greater flexibility in the cash management of coal generation assets.

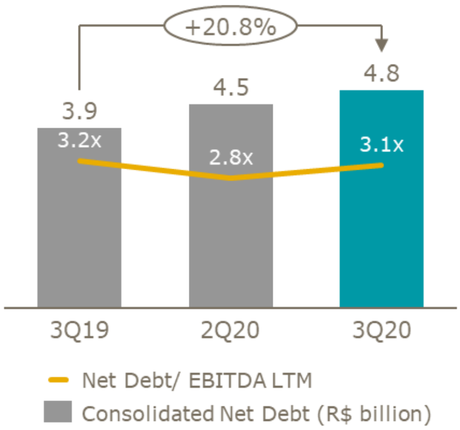
At the end of September 2020, the Company's consolidated cash balance was R$ 2.6 billion, an increase of R$ 222 million from the end of June 2020, excluding the balance in deposits linked to the Company's financing contracts of R$ 200.6 million.

Evolution of cash balance and securities in 3Q20 (R$ million)

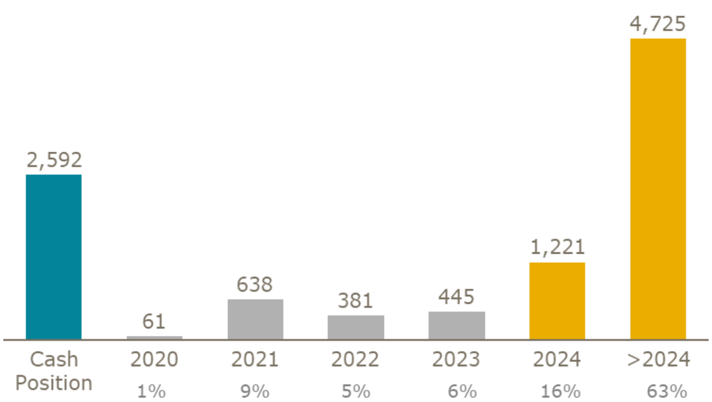


The consolidated net debt was R$ 4,757.7 million at the end of the period, equivalent to a LTM 3,1x net debt/EBITDA ratio.

Net Debt



Schedule of Consolidated Debt Maturity (Principal)
September 30, 2020 (R$ million)



Subsequent Events

Capital increase in October/20, within the limit of authorized capital, approved at the Meeting of the Board of Directors held on October 9, 2020, resulting from the exercise of options granted to certain employees and managers under ENEVA's Stock Option or Subscription Plan. After the conclusion of the capital increase, with the issuance of 68,277 registered, book-entry common shares with no par value, the total number of shares of the Company went from 315,767,683 to 315,835,960 shares.

Capital Markets

ENEV3	3Q20	2Q20	3Q19	12 months
# Shares - end of period	315,767,683	315,767,683	315,323,423	-
Share price (Closing) - end of period (R$)	48.10	44.98	30.67	-
Traded shares (MM) - daily avg.	1.5	2.0	1.2	1.8
Turnover (R$ MM) - daily avg.	65.8	66.3	27.1	63.2
Market cap - end of period (R$ MM)[1]	15,188	14,203	9,671	-
Enterprise value - end of period (R$ MM)[2]	19,946	18,668	13,609	-

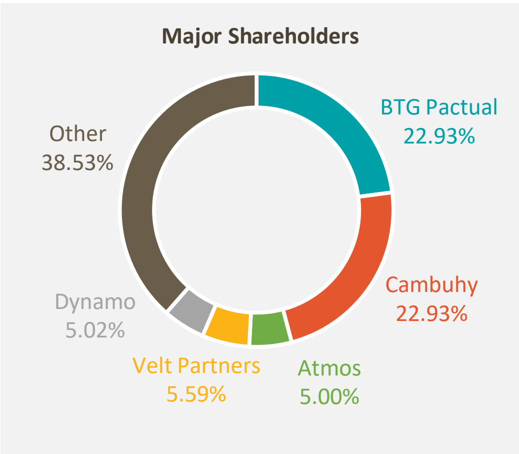
[1]Market Cap considers 100% of Eneva's shares, including shares held by the Company's Directors and Executive Officers.

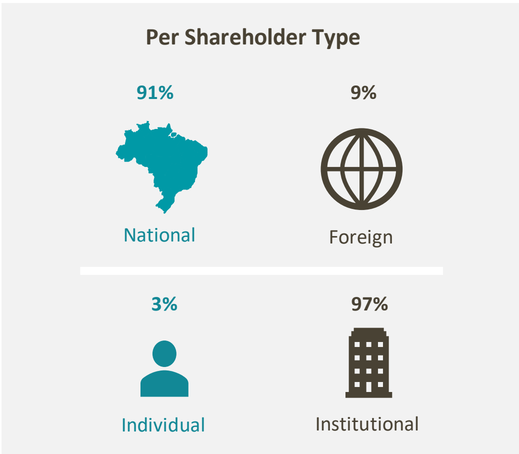
[2]Enterprise Value is equivalent to the sum of Eneva's Market Cap and Net Debt at the end of each period.

Ownership

The share capital on September 30, 2020 was composed of 315,767,683 common shares, with 99.91% of the shares in circulation. The shareholding structure is detailed below:

Eneva Shareholder Profile
September 30, 2020





Environmental, Social & Governance (ESG) Highlights

In its sustainability report, ENEVA determined 11 topics with the highest impact and influence on its business and stakeholders (click here to access the report). Two topics were ranked higher among all topics determined, with significant programs and initiatives underway:

Energy matrix and climate change

- **Efficient asset management:** more than R$35 million invested in 3Q20 in preventive maintenance of power generation plants

- **Conclusion of gas generation power plants cycle:** R$ 79.1 million invested in 3Q20 in the implementation of Parnaíba V TPP

- **Replacement of diesel in isolated systems generation:** R$ 255.4 million invested in 3Q20 in the implementation of Azulão-Jaguatirica integrated project

- **Innovation:** in 3Q20 ENEVA implemented solar energy pilot projects in Maranhão and Ceará, conceived to serve small retail businesses, aimed at supporting them during the challenging environment posed by COVID-19. ENEVA developed a model based on Distributed Generation (DG), which allows entrepreneurs to enjoy cheaper energy from sustainable sources.
  The Company built two photovoltaic pilot projects: one in the Parnaíba Complex, directed to the Maranhão market, and another in the city of Mombaça, in Ceará, directed to Ceará consumers. Each plant has 3,600 solar plates and 1 MW generation capacity. In addition to the pilot projects, ENEVA operates in Tauá (CE) another photovoltaic plant with 1 MW capacity. It was the first solar plant on a commercial scale in Latin America and is part of the Free Energy Market.

Learn more at https://gd.eneva.com.br

Engagement and development of local, traditional and vulnerable communities

- **Nova Demanda Resettlement Project (located at the Parnaíba Complex):** delivery in Jul/20 of 57 houses and plots of land deeds donated by the Company (among 65 households resettled)

- **Hiring and Support to Local Labor: New Operators Qualification Program for the Azulão Field (residents of Itapiranga, Silves e Itacoatiara, in Amazonas):** first stage of program completed in October 2020; 120 hours of theoretical classes, 31 professionals, 25 of which will advance to the second stage by November-end 2020 - 144 hours of learning in direct contact with ENEVA teams. Eventually, 16 professionals will be hired and the others might be called for future opportunities at the Company.

Governance

ENEVA joins the Business Pact for Integrity and against Corruption

The Business Pact for Integrity and against Corruption, launched in June 22, 2006, is an initiative of the Ethos Institute and other benchmark organizations in corporate social responsibility, such as the United Nations Development Program (UNDP) and the Brazilian Committee of the United Nations Global Pact. The pact is a voluntary commitment undertaken by private and public companies that jointly seek to promote a more integrated and ethical market.

empresa limpa
PELA INTEGRIDADE
E CONTRA A CORRUPÇÃO

Key ESG Indicators

Click here to access the interactive spreadsheet with the KPIs updated with the 9M20 figures

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 - 3Q20 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	328.4	146.6	(145.7)	329.3	207.6	90.6	0.0	(12.0)	615.5
Deductions from Gross Revenues	(33.3)	(16.9)	25.6	(24.7)	(21.5)	(8.4)	(0.0)	1.1	(53.5)
Net Operating Revenues	295.1	129.7	(120.1)	304.6	186.1	82.2	0.0	(10.9)	562.0
Operating Costs	(219.0)	(47.9)	116.8	(150.1)	(103.6)	(65.5)	(0.4)	10.8	(308.7)
Depreciation & amortization	(28.9)	(22.9)	0.4	(51.4)	(46.8)	-	(0.0)	-	(98.2)
Operating Expenses [1]	(6.4)	(47.9)	-	(54.3)	(5.6)	(2.1)	(47.5)	(3.4)	(112.9)
SG&A									
Depreciation & amortization	(0.1)	(6.5)	-	(6.6)	(0.2)	(0.0)	(6.5)	(3.4)	(16.7)
Other revenues/expenses	(0.7)	6.2	-	5.5	3.8	-	13.2	0.5	23.0
Equity Income	-	-	-	-	-	-	97.2	(98.4)	(1.2)
EBITDA (as of ICVM 527/12)	98.0	69.4	(3.7)	163.8	127.7	14.6	69.0	(98.0)	277.2
Net Financial Result	(20.3)	(1.0)	3.3	(18.0)	(73.3)	8.6	(13.4)	(0.0)	(96.0)
EBT	48.7	39.1	(0.0)	87.8	7.4	23.2	49.2	(101.4)	66.2
Current Taxes	(0.6)	-	-	(0.6)	1.3	(3.6)	0.3	-	(2.5)
Deferred Taxes	(7.3)	-	-	(7.3)	(4.0)	-	2.8	-	(8.5)
Minority Interest	-	-	-	-	-	-	-	(0.4)	(0.4)
Net Income	40.9	39.1	(0.0)	80.0	4.7	19.7	52.3	(101.0)	55.6

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

Income Statement - 3Q19 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	548,7	298,9	(297,4)	550,1	381,9	169,3	0,2	(165,2)	936,4
Deductions from Gross Revenues	(59,9)	(34,1)	61,2	(32,8)	(44,9)	(15,7)	(0,0)	15,3	(78,1)
Net Operating Revenues	488,8	264,8	(236,2)	517,4	336,9	153,6	0,2	(149,9)	858,3
Operating Costs	(432,1)	(79,0)	235,4	(275,7)	(292,7)	(151,0)	-	149,9	(569,5)
Depreciation & amortization	(29,2)	(40,6)	2,1	(67,7)	(46,8)	-	-	-	(114,5)
Operating Expenses [1]	(7,6)	(35,8)	-	(43,4)	(5,8)	(1,3)	(32,4)	(3,4)	(86,3)
SG&A	(7,6)	(6,5)	-	(14,1)	(5,6)	(1,3)	(27,2)	(0,0)	(48,2)
Depreciation & amortization	(0,1)	(8,6)	-	(8,6)	(0,2)	(0,0)	(5,2)	(3,4)	(17,5)
Other revenues/expenses	0,7	0,0	-	0,7	0,8	0,0	(4,9)	(1,0)	(4,4)
Equity Income	-	-	-	-	-	-	(20,3)	18,3	(2,0)
EBITDA (as of ICVM 527/12)	79,0	199,3	(2,9)	275,3	86,4	1,4	(52,3)	17,3	328,1
Net Financial Result	(37,5)	(7,0)	0,9	(43,6)	(38,0)	(3,0)	(8,8)	0,0	(93,5)
EBT	12,2	143,2	(0,0)	155,3	1,3	(1,6)	(66,3)	13,9	102,6
Current Taxes	(3,9)	-	-	(3,9)	(0,0)	(0,1)	(1,8)	-	(5,9)
Deferred Taxes	(1,5)	-	-	(1,5)	(6,9)	-	1,3	-	(7,1)
Minority Interest	-	-	-	-	-	-	-	(0,2)	(0,2)
Net Income	6,8	143,2	(0,0)	149,9	(5,7)	(1,8)	(66,8)	14,1	89,8

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

Income Statement - 9M20 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	**1,266.1**	**493.5**	**(490.9)**	**1,268.6**	**822.9**	**355.7**	**0.2**	**(230.8)**	**2,216.7**
Deductions from Gross Revenues	(127.0)	(56.0)	86.7	(96.2)	(89.0)	(32.9)	(0.0)	21.3	(196.8)
Net Operating Revenues	**1,139.1**	**437.5**	**(404.2)**	**1,172.4**	**733.9**	**322.8**	**0.2**	**(209.4)**	**2,019.9**
Operating Costs	**(763.8)**	**(147.2)**	**399.7**	**(511.3)**	**(473.5)**	**(300.1)**	**(1.1)**	**209.4**	**(1,076.6)**
Depreciation & amortization	(86.5)	(75.5)	5.8	(156.3)	(140.5)	-	(0.0)	-	(296.8)
Operating Expenses [1]	**(19.7)**	**(121.0)**	**-**	**(140.7)**	**(16.5)**	**(4.9)**	**(135.7)**	**(10.3)**	**(308.1)**
SG&A	(19.4)	(13.8)	-	(33.1)	(16.0)	(4.9)	(116.4)	-	(170.4)
Depreciation & amortization	(0.3)	(17.6)	-	(17.9)	(0.5)	(0.0)	(19.3)	(10.3)	(48.0)
Other revenues/expenses	**(19.5)**	**4.8**	**-**	**(14.8)**	**4.7**	**(0.0)**	**30.6**	**0.8**	**21.3**
Equity Income	**-**	**-**	**-**	**-**	**-**	**-**	**361.4**	**(369.7)**	**(8.3)**
EBITDA (as of ICVM 527/12)	**423.0**	**267.0**	**(10.3)**	**679.8**	**389.5**	**17.8**	**274.6**	**(368.9)**	**992.9**
Net Financial Result	(71.8)	(2.8)	4.5	(70.2)	(148.2)	16.3	(23.3)	(0.0)	(225.4)
EBT	**264.3**	**171.1**	**0.0**	**435.5**	**100.3**	**34.1**	**232.1**	**(379.2)**	**422.7**
Current Taxes	(18.0)	-	-	(18.0)	(1.0)	(4.4)	(2.9)	-	(26.2)
Deferred Taxes	(39.2)	-	-	(39.2)	(36.5)	(0.9)	0.4	-	(76.2)
Minority Interest	-	-	-	-	-	-	-	(0.8)	(0.8)
Net Income	**207.1**	**171.1**	**0.0**	**378.3**	**62.8**	**28.8**	**229.6**	**(378.4)**	**321.1**

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

Income Statement - 9M19 (R$ million)	Gas Generation	Upstream	Elimination Adjustments	Total	Coal Generation	Energy Trading	Holding & Other	Elimination Adjustments	Total
Gross Operating Revenues	**1,207.8**	**462.6**	**(460.4)**	**1,210.1**	**980.3**	**258.5**	**0.3**	**(218.7)**	**2,230.5**
Deductions from Gross Revenues	(126.8)	(50.4)	82.4	(94.8)	(106.6)	(23.9)	(0.0)	20.2	(205.1)
Net Operating Revenues	**1,081.1**	**412.3**	**(378.0)**	**1,115.3**	**873.7**	**234.6**	**0.3**	**(198.5)**	**2,025.4**
Operating Costs	**(743.0)**	**(138.7)**	**375.8**	**(505.8)**	**(654.4)**	**(231.6)**	**(0.1)**	**198.5**	**(1,193.4)**
Depreciation & amortization	(88.0)	(64.2)	5.7	(146.5)	(140.0)	-	-	-	(286.4)
Operating Expenses [1]	**(17.9)**	**(104.0)**	**-**	**(121.9)**	**(16.9)**	**(3.5)**	**(93.6)**	**(16.1)**	**(252.0)**
SG&A	(18.1)	(15.7)	-	(33.8)	(16.0)	(3.4)	(72.6)	-	(125.9)
Depreciation & amortization	0.2	(20.6)	-	(20.4)	(0.9)	(0.0)	(21.0)	(16.1)	(58.5)
Other revenues/expenses	**(0.7)**	**30.9**	**-**	**30.2**	**(7.9)**	**0.0**	**(21.2)**	**9.1**	**10.3**
Equity Income	**-**	**-**	**-**	**-**	**-**	**-**	**204.4**	**(207.5)**	**(3.1)**
EBITDA (as of ICVM 527/12)	**407.2**	**285.4**	**(7.8)**	**684.7**	**335.4**	**(0.4)**	**110.8**	**(198.4)**	**932.2**
Net Financial Result	(124.6)	0.6	2.2	(121.8)	(125.5)	14.9	(56.3)	-	(288.7)
EBT	**194.8**	**201.2**	**(0.0)**	**396.0**	**69.1**	**14.4**	**33.6**	**(214.5)**	**298.6**
Current Taxes	(18.9)	-	-	(18.9)	(2.0)	(0.1)	(1.8)	-	(22.9)
Deferred Taxes	(22.6)	-	-	(22.6)	(24.4)	-	6.0	-	(41.1)
Minority Interest	-	-	-	-	-	-	-	(0.7)	(0.7)
Net Income	**153.3**	**201.2**	**(0.0)**	**354.5**	**42.7**	**14.3**	**37.7**	**(213.7)**	**235.4**

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