



# 2Q20 Earnings

August 2020



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# COVID-19: Safe and Responsible Approach

Actions in all environments and operations, taking care of our employees and communities of influence, while maintaining activities governed by the strictest health & safety protocols



## Safety and Health

### Exams

**95%** of employees and contractors tested

**15,222** tests were performed  
(up to 08/05/2020)

### Enhanced care

Intensified **hygiene**

**Access control** on all our assets with temperature measurement

COVID-19 exams performed **weekly**

**Clinical monitoring of employees** by a company specialized in epidemiological conditions

### Flexibility

Administrative employees are able to keep **working from home**

### Result of initiatives

**98%**

Recovery Rate (up to 08/05/2020)

## Support to families



- ✓ Voluntary actions in 87 communities around Eneva's area of influence
- ✓ 1,400 COVID-19 test kits for the Municipal Health Departments of Silves and Itapiranga, AM
- ✓ Donation of 59 tons of food via 8,600 basic food baskets to 67 communities
- ✓ Donation of 4,600 hygiene kits in the Brazilian States of AM, CE, MA and RR
- ✓ "Costurando para o bem" Project: Income generation for the communities of MA and AM



# Projects under Construction

Works at Parnaíba V, Azulão and Jaguatirica II kept moving forward despite the period's challenges and delays in delivery by suppliers

## Azulão

- Delivery delays in critical equipment are known and minimized, off the critical path
- Cryoboxes: 25 delivered in Brazil (of a total 34) – final delivery scheduled for Sep/20
- Isotanks: 100% delivered
- Cryogenic trailers: 43 delivered (of a total 110) – 40 expected to be delivered by Dec/20
- All 7 generators of generation plant are at Azulão
- Due to the actions taken to contain contamination and interventions from District Attorneys, workforce reached a bottom 30% of the programmed level - workforce currently at 70% of planned levels and we expect to reach the planned in Set/20
- Isolation of risk group employees and suspected cases
- Delivery of first LNG postponed from March 15, 2021 to May 14, 2021

## Jaguatirica

- Current workforce level already at 85% of the expected level after reductions resulting from the actions taken to contain contamination
- All delays in critical equipment are known and on their way or with boarding date defined
- Of all delayed equipment, boilers are the item that most impacts the critical path
- Request made to ANEEL to extend the schedule and postpone energy delivery date for up to 120 days, with exclusion of liability
- Receipt date of first LNG shipment adjusted, according to Azulão's schedule
- Measures to recover the pandemic impacts on the current project schedule

## Parnaíba V

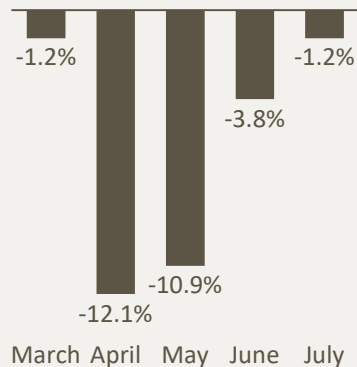
- Isolation of risk group employees and suspected and confirmed cases of COVID-19 - over 92% of patients already recovered
- Decrease in the pace of the works in May for 20 days to comply with authorities' municipality decrees. Engineering and logistics continued without impacts
- Delayed equipment with greater impact on the critical path: steam turbine, manufactured in China, and pipes, manufactured in China and Spain
- Estimated delay of up to 150 days in commercial operation, in relation to the initial schedule
- Measures to recover the pandemic impacts on the current project schedule

# Market View: Demand and Dispatch

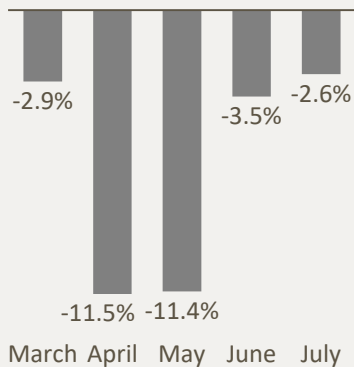
- ✓ Load of energy in Brazil's integrated system has been approaching 2019's level, with Free Market slightly higher in July
- ✓ Market projections indicate gas dispatch levels for Eneva in 2020 between 32% and 53%

Energy Consumption 2020 vs 2019 (%)

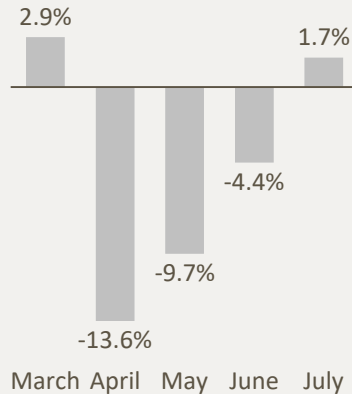
Brazil's Integrated System



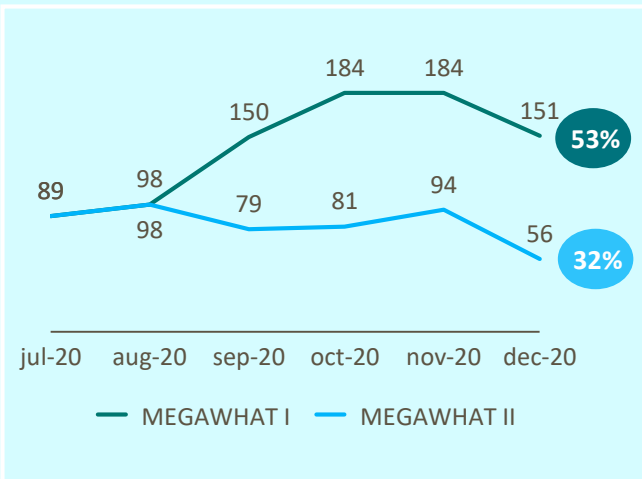
Regulated Market



Free Market



Avg. Brazil's North Region PLD Forecast (R\$) and Parnaíba Complex's Dispatch Projection (%)



The Company ended the quarter with strengthened liquidity and resilience in operating generation and results even in an adverse scenario

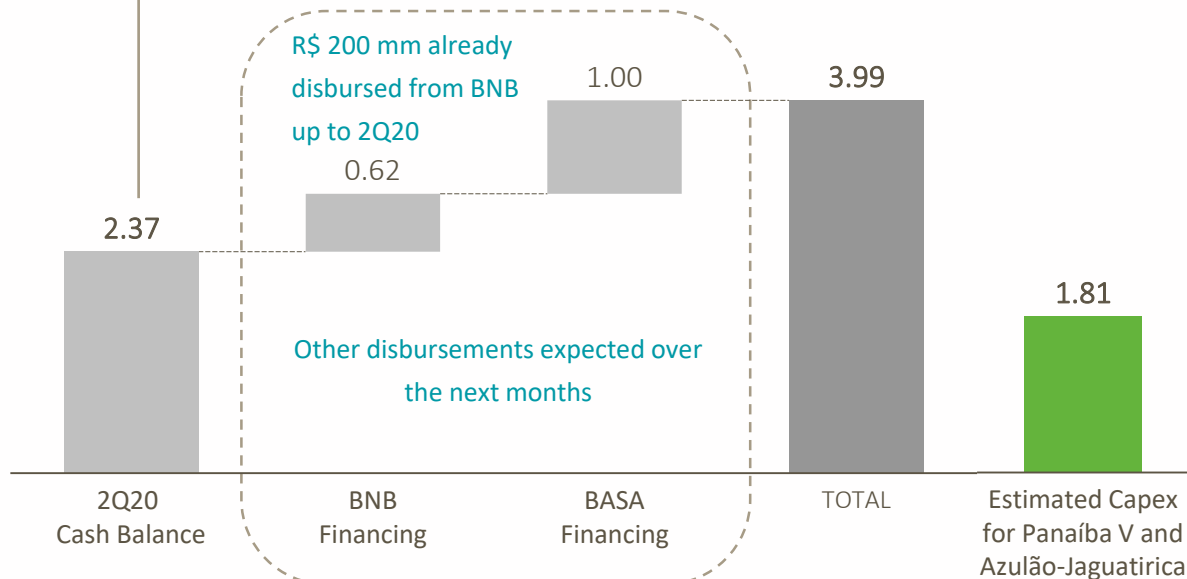
- **Adjusted EBITDA of R\$ 279.2 million, practically in line with 2Q19, demonstrating the resilience of the Company's business model in the context of the COVID-19 pandemic;**
- **Fixed Revenues of generation segments** from contracts in the regulated market **totaled R\$ 527.5 million**, even in a period when plants remained out of the order of merit due to seasonality;
- **R\$ 2.4 billion cash balance** at the end of the quarter, an increase compared to R\$ 1.6 billion in 1Q20;
- **2.8x leverage (Net Debt/EBITDA LTM) and ongoing liability management with reduction of costs of debts and extension of duration;**
- **Concluded development wells of the Azulão and Gavião Preto field, as well as the scheduled development of Gavião Branco;**
- Parnaíba V, Azulão and Jaguatirica works continued to advance, despite challenges and delays

## Enhanced liquidity with short-term loans and issuance of infrastructure debenture

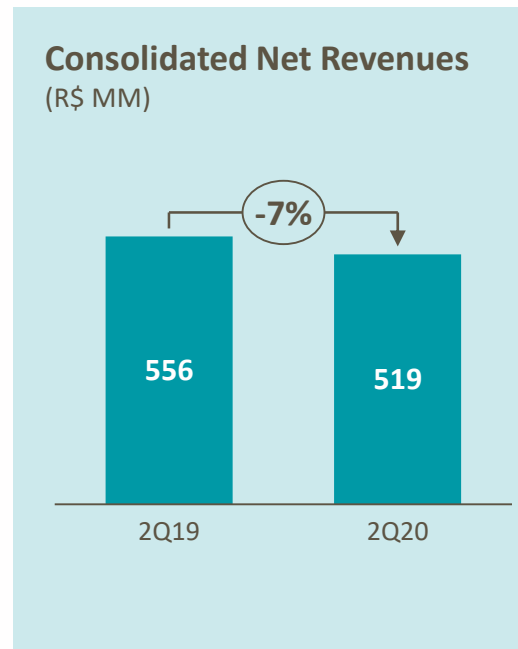
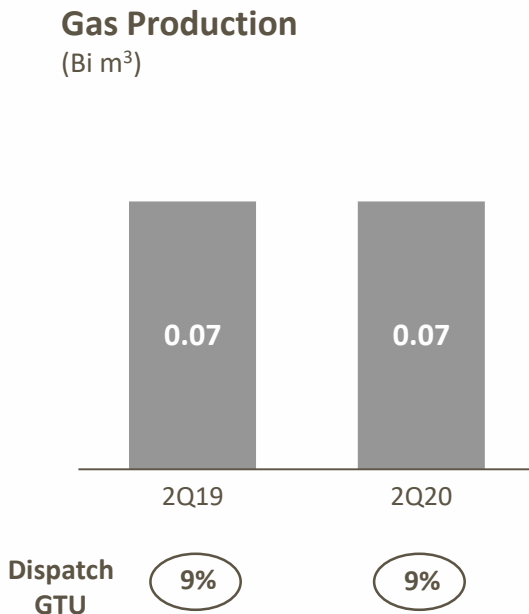
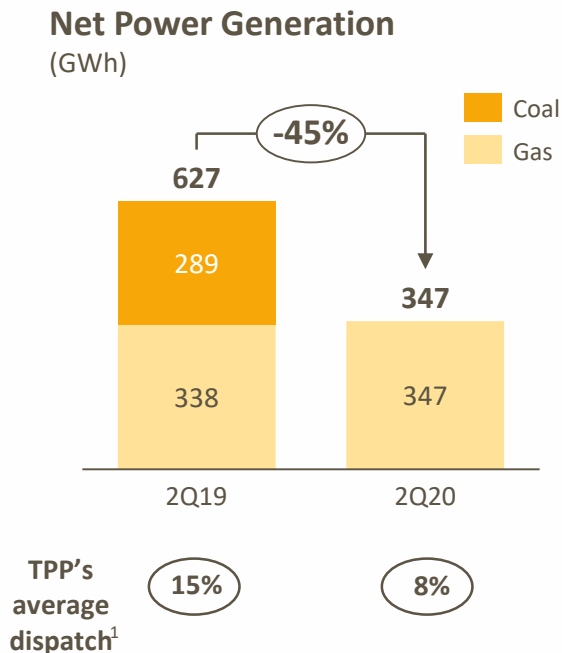
### Funding

- **R\$ 500 mm** in short term debt (CDI + 2.5% p.a. and 1 year term):
  - **R\$ 410 mm** of debentures
  - **R\$ 90 mm** of financial agreement with China Construction Bank
- **R\$ 650 mm** in infrastructure debentures (IPCA + 5,5 p.a. and maturity in 2030)

### Liquidity Analysis (R\$ billion)



Net revenue reflect expected dispatch for the period due to seasonality

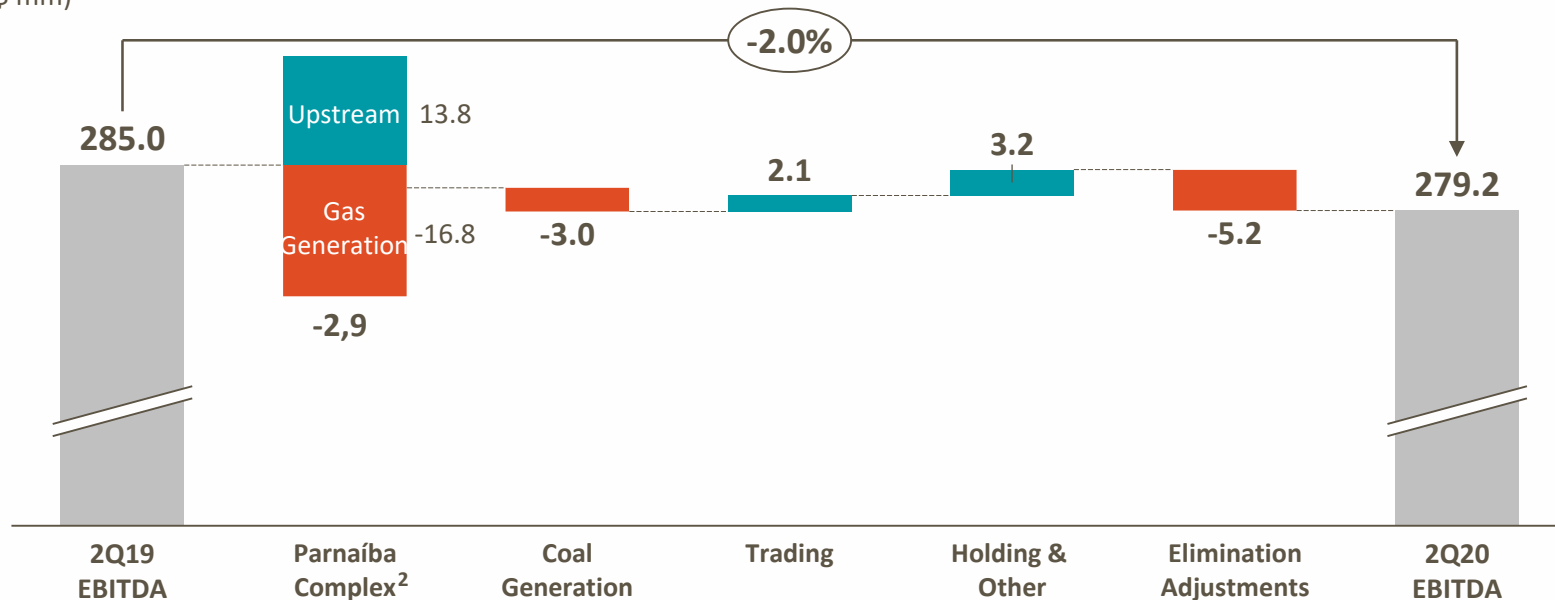


1- Average dispatch weighted by the installed capacity of the power plants.



EBITDA practically in line with 2Q19, demonstrating the resilience of the Company's business model

**EBITDA<sup>1</sup>**  
(R\$ mm)



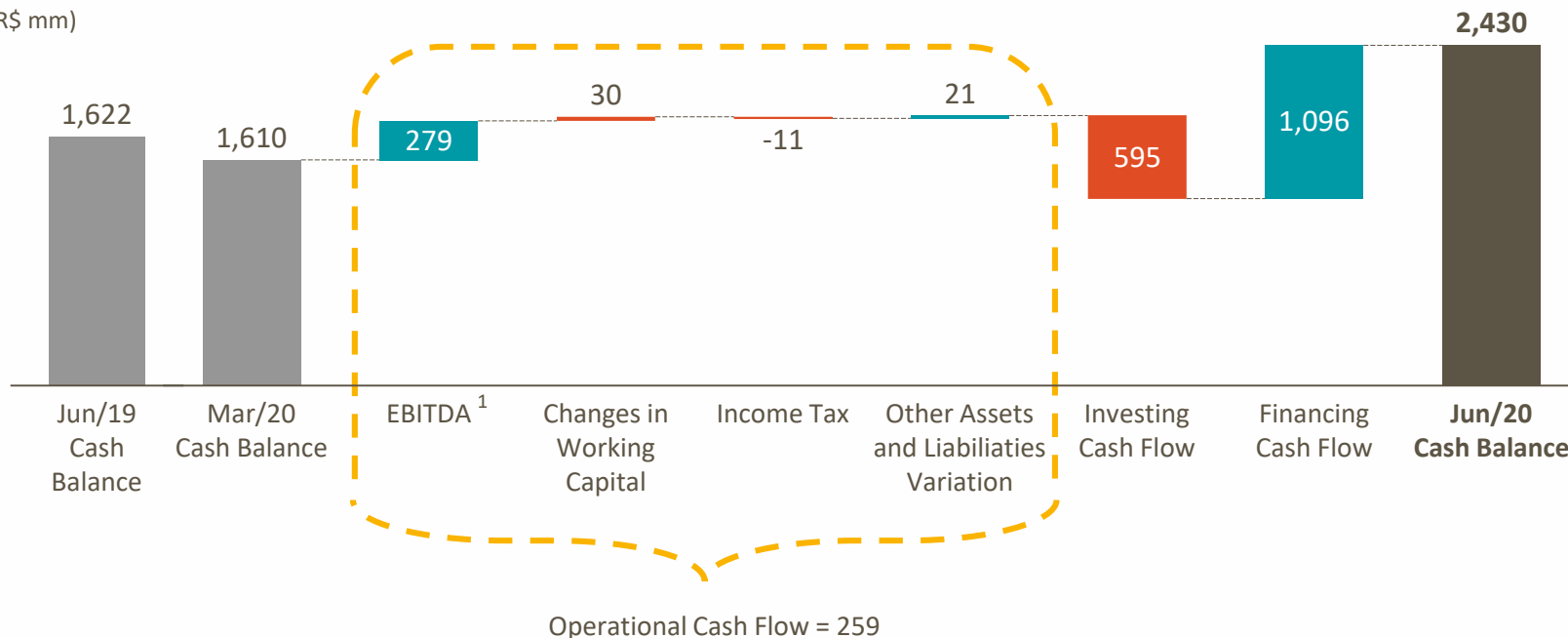
1- EBITDA in accordance with CVM Instruction No. 527/12 (ICVM 527/12), which comprises item "Other Revenues and Expenses" and excludes expenses with dry wells

2- Considers the result of the gas generation and the Upstream segments, excluding the eliminations adjustments of the Parnaíba Complex, which are included in the other eliminations adjustments

Cash position grows supported by operational result and new debt, despite continued acceleration of investments

## Cash Flow

(R\$ mm)

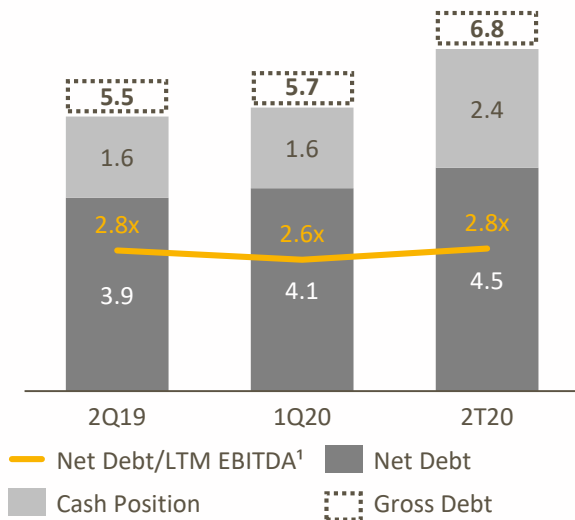


1 – EBITDA calculated in accordance with CVM Instruction 527/12 and its Explanatory Note

Debt management reflects in continuous improvement in the Company's debt profile, maintaining a robust capital structure

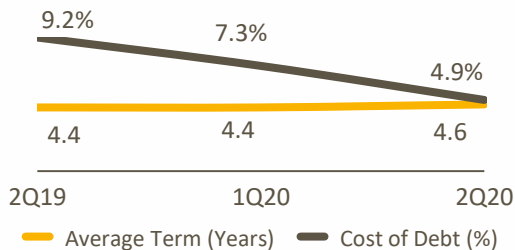
## Debt and Leverage

Gross Debt, Cash Position and Net Debt  
(R\$ billion)

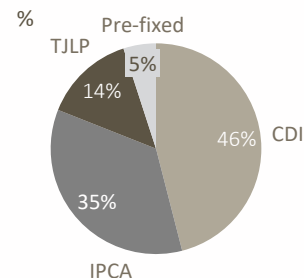


## Debt Profile

Average Term and Cost of Debt

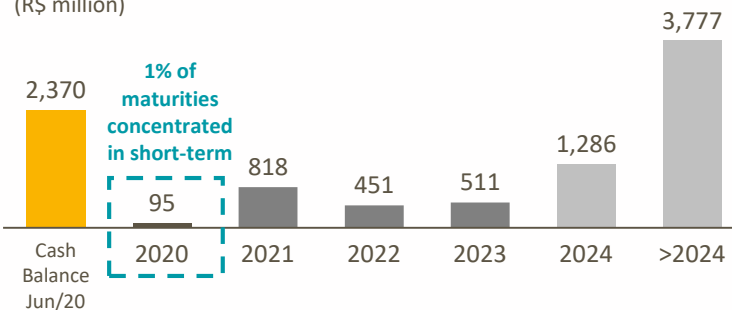


Indexation



Debt Amortization Schedule

(R\$ million)



Eneva S.A.'s Ratings

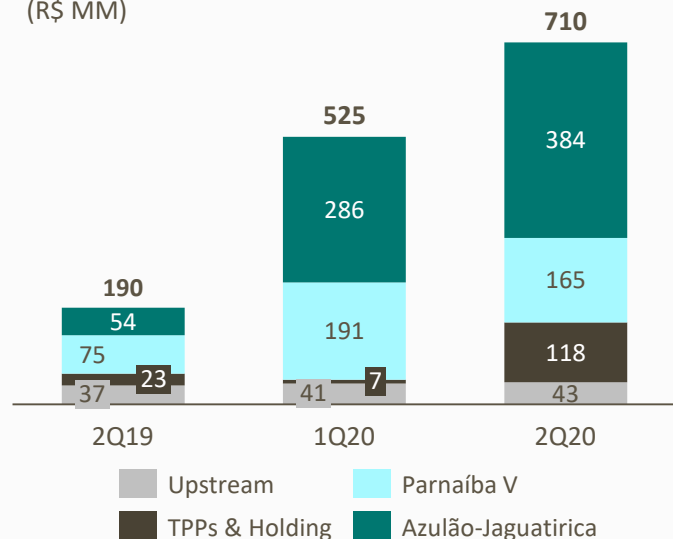
Fitch: AA+(bra)/Stable

S&P: brAAA/Stable

# Investments

**77% of investments allocated for Parnaíba V and Azulão-Jaguatirica projects**

Investments  
(R\$ MM)



## Azulão

- Administrative building foundations and execution of pipe rack sleepers and auto generation and PTU foundations

## Jaguatirica

- Construction of electrical room and administrative building; concreting of steam turbine base; execution of the foundation of the transmission line towers and foundation of the bus structure;
- In progress: unloading and assembly of the LNG isotanks and the foundation of the LNG unloading area and auxiliary equipment bases

## Parnaíba V

- Rotor tests performed on the generator, manufacture of the condenser is in progress and receipt of the modules, stacks, drums and boiler inlet at the site
- Erection of the formwork and reinforcement steel for the slab and foundation blocks of the steam turbine building, excavation/erection for electrical gallery. Initial assembly of boilers

## Generation

- Gas:** Hot Gas Path (HGP) maintenance in Parnaíba I and III, preparation for Parnaíba II's HGP
- Coal:** Purchase of strategic spare parts at both plants. Itaqui: integrity inspection (NR13) activities; safety valve repair and calibration activities completed and receipt of all parts of the turbine and generator for a Major Overhaul. Pecém II: parts of the condensate pump purchased for an overhaul

## Upstream

- Exploration:** drilling of well 3-ENV-11D-MA (Tianguar 3) completed at the Tianguar Appraisal Plan
- Development:** Drilling of development wells at Gavião Preto and Gavião Branco fields completed; preparation for the construction of the Gavião Branco Oeste Cluster and its interconnection to the GVB Cluster; EIA/RIMA (Environmental Impact Assessment and Report) of the Gavião Tesoura production flow project is under preparation

# photos

Projects under construction



# Parnaíba V TPP



Aerial view of the project



# Parnaíba V TPP



Equipment received on the site



# Parnaíba V TPP



Cooling tower



Water treatment plant



# Parnaíba V TPP



Removal of T-Box



Installation of diverter 21 in the final position

# Jagatirica TPP



Aerial view of the project



Steam turbine building and electrical building



# Jaguatirica TPP



Isotanks area



Steam turbine generator

# Jaguatirica TPP



Gas turbines



Generator

# Azulão Field



Aerial view of the project



Isotanks, Galileo generators and containers with Sotreq parts and equipment



Isotanks (with Eneva's logo) and generators



# Azulão Field



Trucks removal



Generators, radiators, compressors

# Azulão Field



Cryoboxes base



Auto generation generator

# Azulão Field



Condensate tank piles

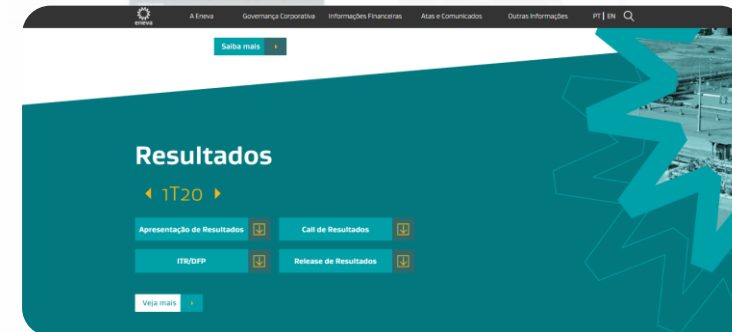
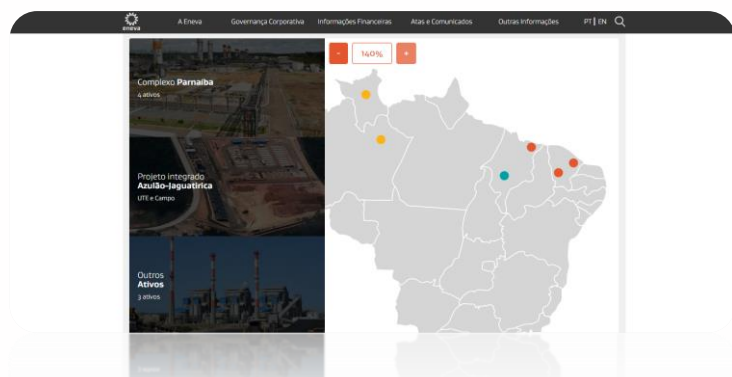
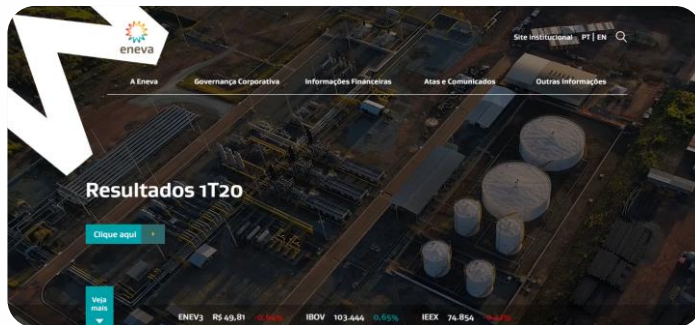


Concreting of the blocks - Isotank A axis



# New Investor Relations website

Revisited content, intuitive navigation and interface in line with our new brand manual





**Investor Relations**

+55 21 3721-3030 | [ri.eneva.com.br](http://ri.eneva.com.br) | [ri@eneva.com.br](mailto:ri@eneva.com.br)