

# 2Q21 Earnings Presentation

# 2Q21 Highlights

## Double Upgrade in ESG Rating

Double upgrade on MSCI ESG rating to A, only one year after the beginning of our ESG action plan, recognizing our potential to become an ESG benchmark.

## First Half Production On-Track

Energy Production of 3,048.8 GWh<sup>1</sup> in the first half of 2021, in line with the center of the guidance and 115% above 6M20. 2Q21 Energy Production of 1,501.8 GWh<sup>1</sup>, 4% below the center of the guidance, 3% below 1Q21 and 92% above 2Q20.

## Financial Performance

Adjusted Energy Gross Profit of R\$ 599.3 million in the first half of 2021, 6% below the center of the guidance and 84% above 6M20. 2Q21 Adjusted Energy Gross Profit of R\$ 280.1 million<sup>2</sup>, 14% below the center of the guidance, 12% below 1Q21 and 54% above 2Q20. 2Q21 EBITDA<sup>2</sup> totaled R\$ 180 million leading to a first semester EBITDA<sup>2</sup> of R\$ 417 million after a R\$ 20 million<sup>3</sup> non-cash charge related to the mark to market (MTM) of long-term energy positions held by OMC.

## New Partnership with EDFR

Binding agreement with EDF Renewables to acquire 50% of Ventos da Bahia 3 (Enterprise Value of R\$ 423 million), the expansion of Ventos da Bahia 1 and 2 in inland Bahia, further consolidating the partnership started in 2018 with Pirapora.

## Conclusion of Chui's Refinancing

Pre-payment of the BNDES financing of the Santa Vitória do Palmar Cluster, reducing financial expenses through the replacement of existing debts.

## Continuous Focus on ESG

92.7 ktons<sup>4</sup> of CO<sub>2</sub> emissions saved in 2Q21, 211% above 2Q20. Neutralization of Omega's scope 2 emissions through the issuance of RECs<sup>5</sup>.

(1) Considers 100% of consolidated assets and Pipoca and 50% of Pirapora and Ventos da Bahia. (2) Considers pro-rata stake of Omega's assets. (3) Considers the 51% stake in OMC in the MTM of R\$ 38.9 million. (4) Considers MCTIC 2020 tCO<sub>2</sub>/MWh for 2Q21 and MCTIC 2Q20 tCO<sub>2</sub>/MWh for 2Q20. (5) Renewable Energy Certificates.

# Ventos da Bahia 3 | Strengthening our partnership with EDF Renewables

Agreement with EDF Renewables to acquire 50% of the Wind Complex Ventos da Bahia 3 (181.5 MW), an expansion of Ventos da Bahia 1 and 2

Key Data	Ventos da Bahia 3
Installed Capacity	181.5 MW
Omega's Share	50%
WTG	GE 158-5.5 MW
Source	Wind
Full COD	Jan-22
Assured Energy	84.6 MWm
PPA	Regulated: 47% Free Market: 37% Uncontracted: 16%
Price	Regulated: R\$ 104/MWh <sup>1</sup> Free Market: R\$ 125/MWh <sup>2</sup>
Term	Regulated: 2024-2043 Free Market: 2023-2037

## 2022 Guidance

	Range <sup>3</sup>
Energy Production	720 to 785 (GWh)
Energy Gross Profit	165 to 180 (R\$ mm)

## Highlights

- **Partnership with EDF Renewables:** Third partnership with EDFR, with whom we will jointly operate 685 MW.
- **Bahia as one of our main clusters:** Consolidation of Bahia, where we already own the Assuruá Complex and the first two phases of Ventos da Bahia, as one of our main operating regions.
- **Local Scale:** 181.5 MW of new assets located in the interior of Bahia, contiguous to Ventos da Bahia 1 and 2.
- **Well known risk:** well known risk profile and natural resources given the presence of Omega in the region.



(1) As of Jan-21. (2) 2023 to 2027: R\$ 153.4/MWh; 2028 to 2032: R\$ 125.5/MWh; and 2033 to 2037: R\$ 97.0/MWh (3) Considers 100% of Ventos da Bahia 3.

After 18 months executing the ESG action plan and achieving advances in governance and human capital, we are proud to announce the double upgrade of our MSCI ESG rating, going from BB to A

ESG MSCI Rating Evolution



“We are now rated among the best in our region and even more confident to be broadly recognized for our ESG practice”  
– Antonio Bastos | Founder

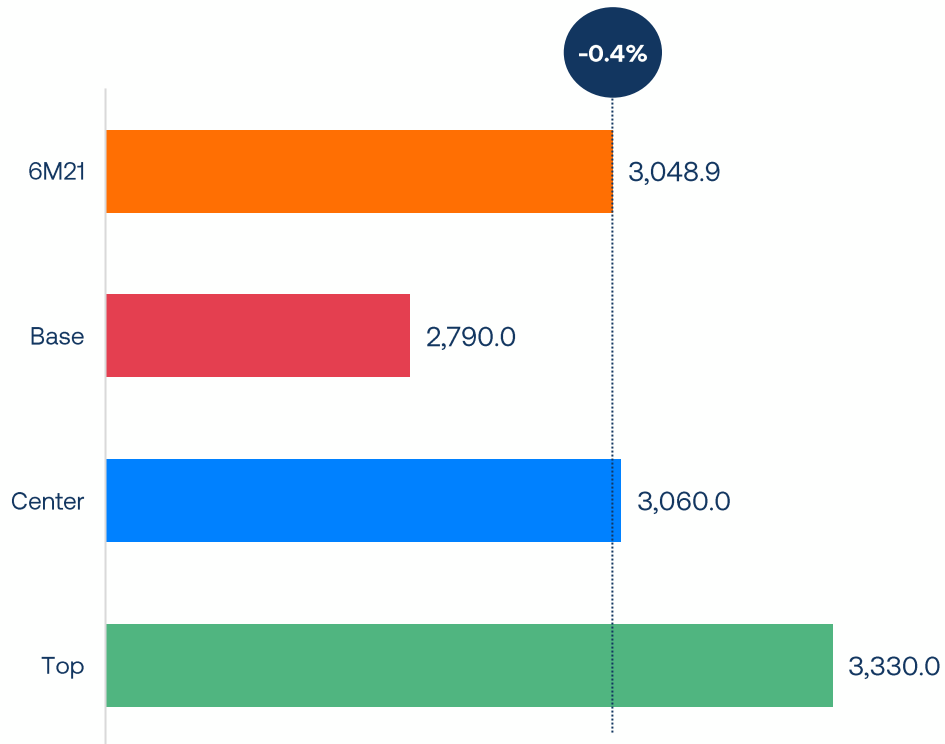
Omega's commitment to environmental, social and governance practices was recognized with a double leap in the world's largest ESG ranking

The MSCI ESG Ratings logo features a horizontal bar with rating levels: CCC, B, BB, BBB, A, AA, and AAA. The 'A' rating is highlighted with an orange circle. Above the bar is a large orange circle containing the letter 'A'. The background of the graphic shows a wind turbine and green foliage.

Following a strong performance in the 1Q21, Omega's portfolio showed a slightly weaker result in terms of energy production in the 2Q21. However, we ended the first half with an output in line with the 3,060 GWh of our guidance

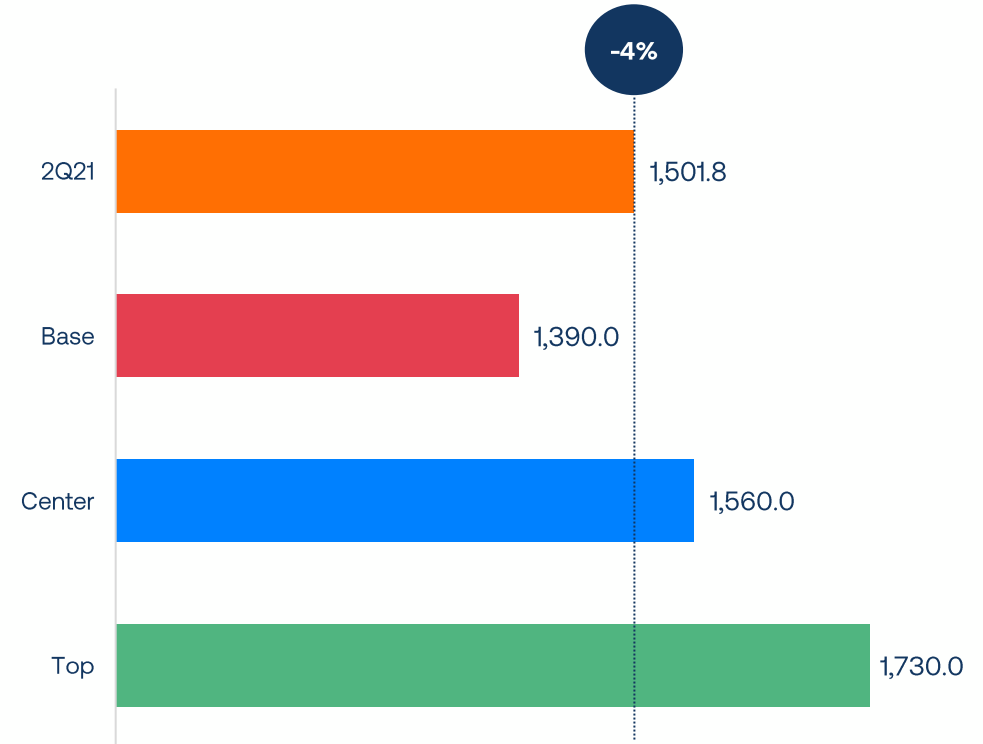
## First Half Energy Production (GWh)

Energy Production of 3,048.9 GWh in the first half of 2021, materially in line with the center of the guidance



## 2Q21 Energy Production (GWh)

2Q21 Energy Production of 1,501.8 GWh, 4% below the center of the guidance (58,2 GWh) and 3% below 1T21 (45,3 GWh)

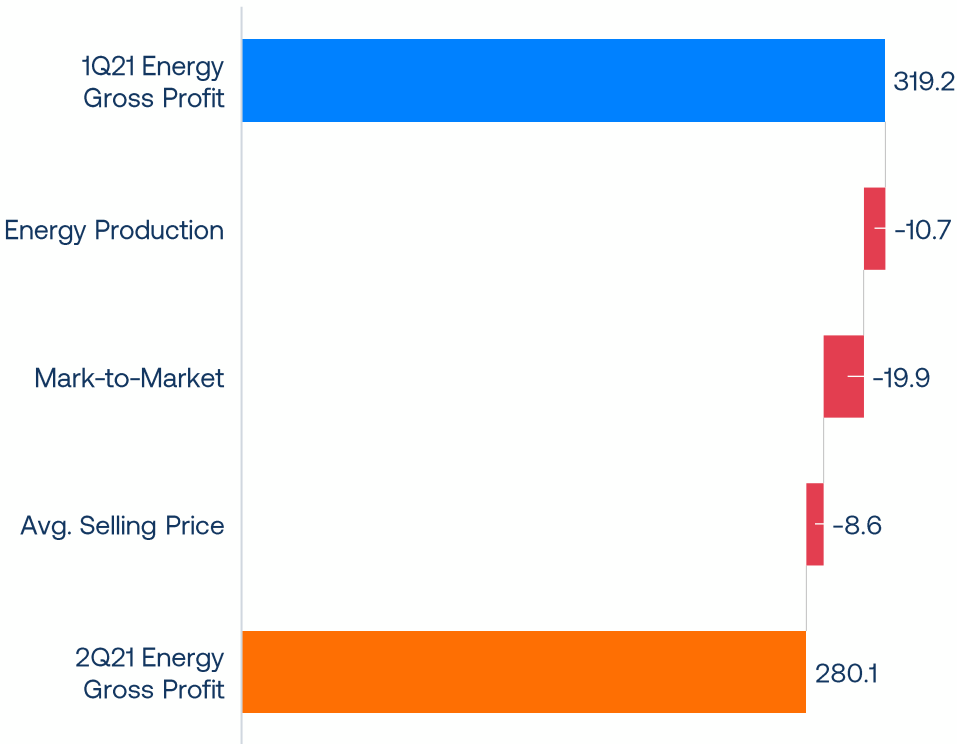


# Financial Performance | Energy Gross Profit and EBITDA

Weaker financial performance due to a negative mark to market of long-term energy positions (R\$ 20 million), a 3% drop on output (R\$ 11 million), a 4% lower average selling price (R\$ 9 million) and higher costs related to Chu's integration and Delta's general maintenance (R\$ 7 million)

## 2Q21 Energy Gross Profit (R\$MM)

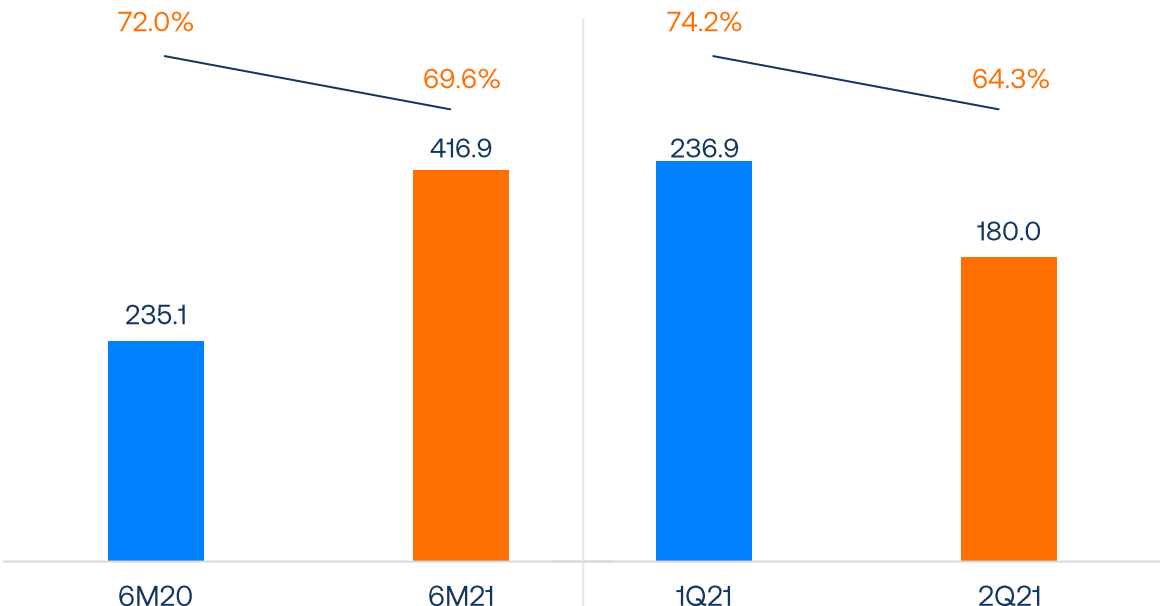
Energy Gross Profit<sup>2</sup> reached R\$ 280.1 million in 2Q21, 14% below the center of the guidance and 12% below 1Q21 (R\$ 319.1 million)



## First Half and 2Q21 EBITDA (R\$ MM)

2Q21 EBITDA<sup>2</sup> totaled R\$ 180.0 million (margin of 64.3%) leading to a first semester EBITDA<sup>2</sup> of R\$ 416.9 million

Without the mark-to-market (MTM) of long-term energy positions held by OMC, 6-month EBITDA would have been R\$ 437 million



(1) Does not consider non-recurring and non-cash items. Considers pro-rata stake of unconsolidated investments. (2) Considers the 51% stake in OMC in the MTM of R\$ 38.9 million

A new energy environment based on renewables, zero subsidies and where consumers have the power of choice is approaching fast and we are well prepared for it

## A new energy environment



- **100% Renewable:** Brazil can grow its capacity 100% through renewables and hydrocarbonates will have no role in power generation sooner than most expect
- **Zero Subsidies:** Wind and solar energy have the lowest cost per megawatt/hour in Brazil
- **Where Consumers have the Power of Choice:** New customers looking for solutions that lower their costs and meet their ESG needs



# Continuous focus on **ESG**

During the second quarter of 2021, Omega Geração directly contributed with 9 out of the 17 global goals set forth by the General Assembly of the United Nations (UN), the Sustainable Development Goals (SDGs)

## Fight against covid-19



### Salvando Vidas Campaign

Donation of approximately **R\$ 3.8 million** for the installation of oxygen plants



### UNICEF Partnership

We have benefited<sup>1</sup> more than **300,000** vulnerable people with the donation of medical equipment and PPEs

## Continuing to support our neighbors

### JPM Education Center

### Sementes do Delta Project



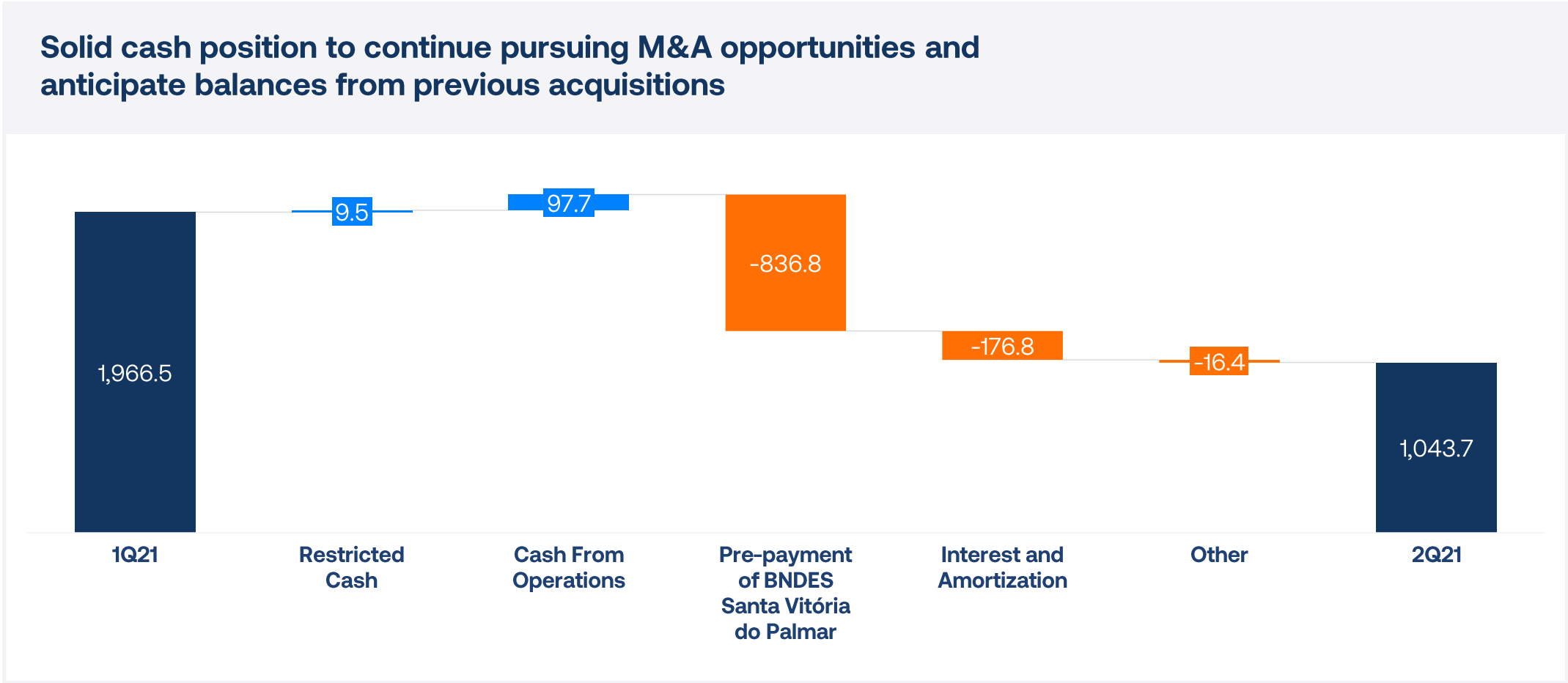
For further information about our ESG initiatives: [click here](#)



# Solid Cash Position

Omega’s cash totaled R\$ 1,043.7 million and still has a good margin of safety to continue its successful and profitable growth strategy in the coming quarters

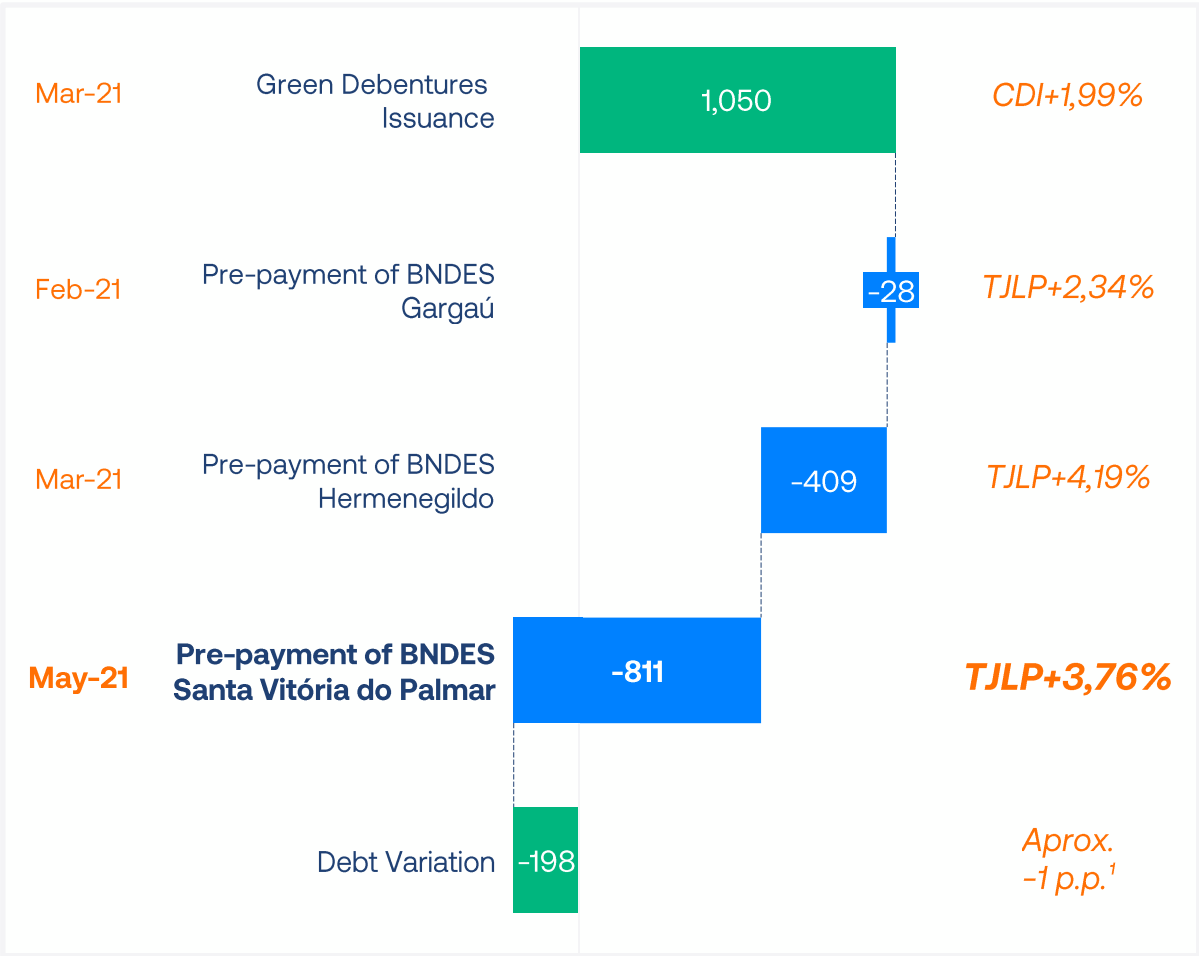
## Cash Position (in R\$ million)



# Pre-payment of BNDES | Santa Vitória do Palmar

Chuí and Gargaú recapitalization improve liquidity and reduce financial expenses due to the replacement of the expensive existing debts

## Refinancing (in R\$ million)







## Highlights

1. **Conclusion of the refinancing of Chuí with the pre-payment of the BNDES/BRDE of Santa Vitória do Palmar (SVP)**
  - Higher financials expenses due to the coexistence of the green debentures and the BNDES of Santa Vitória do Palmar and extraordinary expenses related to the pre-payment, led to a **non-recurring financial expense of R\$ 36 million**
  - **Recapitalization reduced our debt average cost by 0.16 bps compared to the 4Q20**
2. **Merger of Gargaú and Chuí by Omega Geração expected to be completed in the following months**

(1) Considers the spread adjusted to duration in average cost of the refinanced debts and the green debenture issued in March

# 3Q21 and 2021 Outlook<sup>1</sup>

	Asset Base	Outlook for 3Q2021	Outlook for 2021
 <b>Production Seasonality</b> (%)	Adjusted by the proportional stake of unconsolidated assets <sup>2</sup> and stakes not owned by Omega of Chui <sup>3</sup>	30%	1Q: 20% 2Q: 20% 3Q: 30% 4Q: 30%
 <b>Energy Production</b> (GWh)	Adjusted by the proportional stake of unconsolidated assets <sup>2</sup>	2,150 to 2,300	7,150 to 7,850
 <b>Adjusted Energy Gross Profit<sup>3</sup></b> (R\$ MM)	Adjusted by the proportional stake of unconsolidated assets <sup>2</sup> and stakes not owned by Omega of Chui <sup>3</sup>	430 to 470	1,450 to 1,650
 <b>Adjusted EBITDA Margin<sup>4</sup></b> (R\$ MM)	Adjusted by the proportional stake of unconsolidated assets <sup>2</sup> and stakes not owned by Omega of Chui <sup>3</sup>	-	72% to 76%

(1) All indicators consider our current portfolio of assets and will be updated, in due course, in case of acquisitions. (2) Considers the proportional stake of the unconsolidated assets: Pipoca (51%), Pirapora (50%), Omega Comercializadora (51%) and Ventos da Bahia 1 and 2 (50%). (3) Considers the proportional stake of the unconsolidated assets and does not consider the stake of 22% of Santa Vitória do Palmar and 0.01% of Hermenegildo not owned by Omega. (4) Adjusted EBITDA/Adjusted Energy Gross Profit.

# Operational, Financial and Digital Metrics

Main Indicators	Unit	2Q21	2Q20	Var.	1Q21	Var.	6M21	6M20	Var.
Installed Capacity <sup>1</sup>	MW	1,869.0	1,194.9	56%	1,869.0	0%	1,869.0	1,194.9	56%
Energy Production <sup>1</sup>	GWh	1,501.8	780.7	92%	1,547.1	-3%	3,048.9	1,415.7	115%
Net Revenues	R\$ mm	396.5	201.5	97%	370.2	7%	766.7	394.4	94%
Energy Gross Profit	R\$ mm	255.9	145.6	76%	278.0	-8%	534.0	250.7	113%
Adjusted Energy Gross Profit <sup>2</sup>	R\$ mm	280.1	182.2	54%	319.2	-12%	599.3	326.4	84%
Adjusted Energy Gross Profit <sup>3</sup> /Generation	R\$/MWh	196.9	237.8	-17%	216.9	-9%	207.1	236.2	-12%
EBITDA	R\$ mm	139.8	108.1	29%	193.6	-28%	333.4	231.1	44%
Adjusted EBITDA <sup>2</sup>	R\$ mm	180.0	135.4	33%	236.9	-24%	416.9	235.1	77%
Adjusted EBITDA Margin <sup>3</sup>	%	64.3%	74.3%	-10.0 p.p.	74.2%	-9.9 p.p.	69.6%	72.0%	-2.5 p.p.
Net Profit	R\$ mm	-159.6	-30.7	420%	-93.8	70%	-253.4	-82.4	208%
Cash Balance	R\$ mm	1,043.7	859.2	21%	1,966.5	-47%	1,043.7	859.2	21%
Net Debt	R\$ mm	4,619.1	3,487.0	32%	4,537.6	2%	4,619.1	3,487.0	32%
Digital Platform	Unit	2Q21	2Q20	Var.	1Q21	Var.	6M21	6M20	Var.
Request of Quotes	Nº	15,040	-	n.a.	5,109	194%	20,149	-	n.a.
Energy Transacted	GWh	54.1	-	n.a.	165.7	-67%	219.8	-	n.a.
Energy Transacted	R\$ mm	13.1	-	n.a.	38.9	-66%	52.0	-	n.a.

(1) Considers Omega's 50% stake in Pirapora and Ventos da Bahia 1 and 2. (2) Does not consider non-recurring and non-cash items. Considers pro-rata stake of unconsolidated investments. (3) Adjusted EBITDA/Adjusted Energy Gross Profit.

## Investor Relations:

Andrea Sztajn (CFO and IRO)

Pedro Ferman (IR)

[rigeracao@omegageracao.com.br](mailto:rigeracao@omegageracao.com.br)

Tel.: +55 (11) 3254-9810