



Webinar de Resultados 2T20

31 de agosto de 2020

Estratégia de abordagem face à pandemia

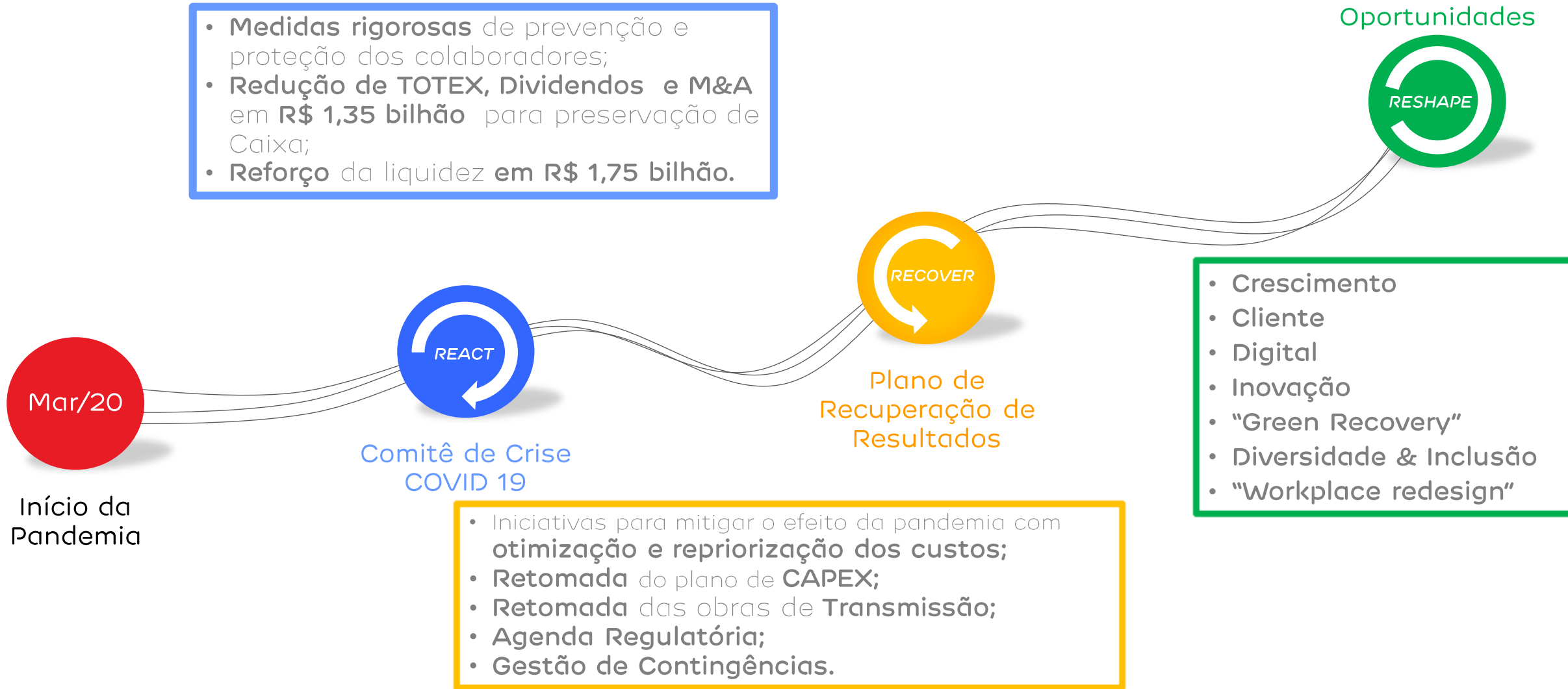
Resultados do Trimestre

Política de Dividendos e Recompra de Ações

Considerando o cenário de Pandemia, a EDP definiu 3 etapas de atuação **React, Recover e Reshape**



Comitês de Oportunidades



Política de Dividendos e Plano de Recompra de Ações

Estratégia de abordagem face à pandemia

Resultados do Trimestre

Política de Dividendos e Recompra de Ações

Destaques do Trimestre



- ✓ Cobertura do risco hidrológico com alocação de mais energia no 2º Semestre;
- ✓ Dois lotes adquiridos em leilão de geração solar distribuída com potência contratada de 14,3 MWp.

- ✓ Adesão à Conta-COVID em R\$ 574 milhões, 92% do total estabelecido para a EDP;
- ✓ Reajuste tarifário da EDP ES com aumento da parcela B de 2,55%;
- ✓ Aquisição de 5,72% de ações PN da CELESC.

- ✓ Adesão ao *Business Ambition for 1.5°C – Our Only Future*, da ONU.
- ✓ Doações de + de R\$10 milhões para combate à pandemia.



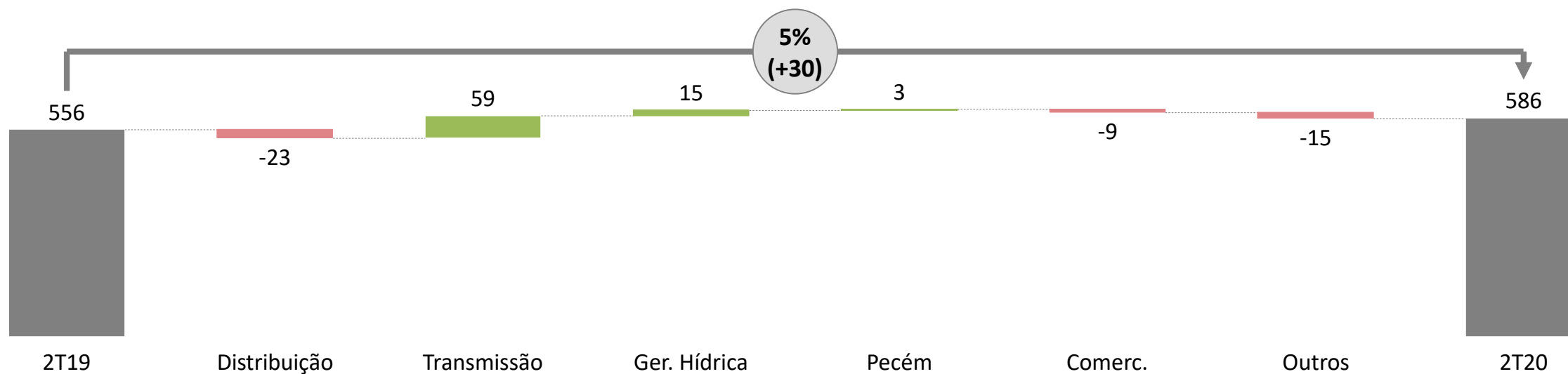
- ✓ Conclusão da entrada em operação do lote 11 (MA) com 12 meses de antecipação do prazo regulatório;
- ✓ Retomada das obras após paralisações causadas pela pandemia sem impacto significativo no cronograma e 71% do Capex total já executado;
- ✓ 316 km de linhas de transmissão em operação.

- ✓ Dívida Líquida/EBITDA de 2,0x;
- ✓ Controle de custo eficiente, redução de 8,2% em PMSO;
- ✓ Aumento de 25,4% no Lucro Líquido.

Evolução positiva do EBITDA no trimestre



R\$ milhões

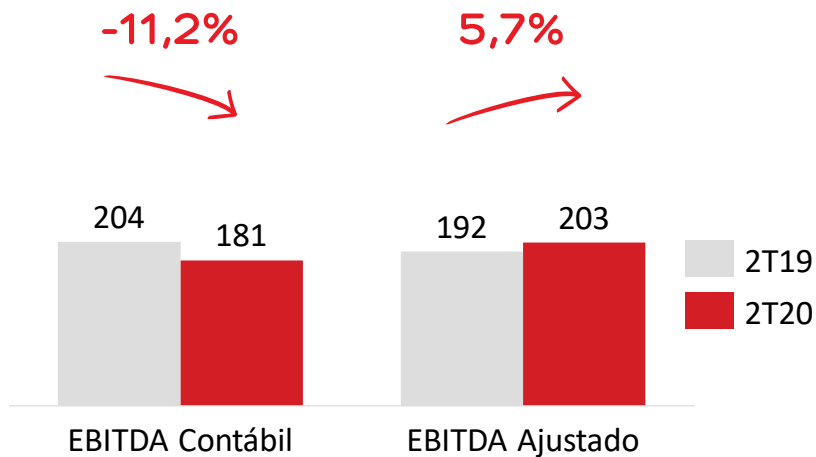


EBITDA ajustado da Distribuição aumentou 5,7%



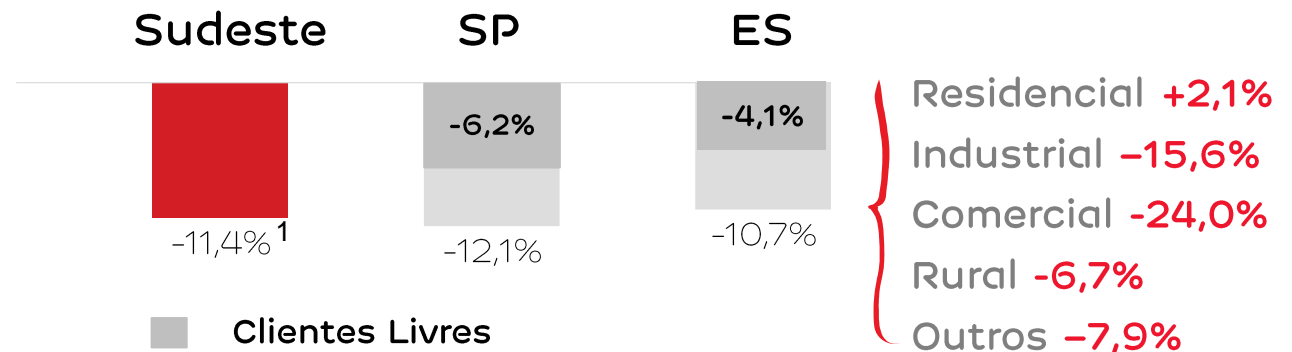
EBITDA

R\$ milhões



Ajustes: ✓ VNR do período: -R\$ 21,7 milhões

Mercado (2T20 x 2T19)



Perdas Totais

✓ SP: Recuperação de 40 GWh

✓ ES: Recuperação de 101 GWh

Perda Não Técnica BT

✓ SP: Piora de 7 GWh

✓ ES: Recuperação de 81 GWh

Melhoria no atendimento dos canais digitais

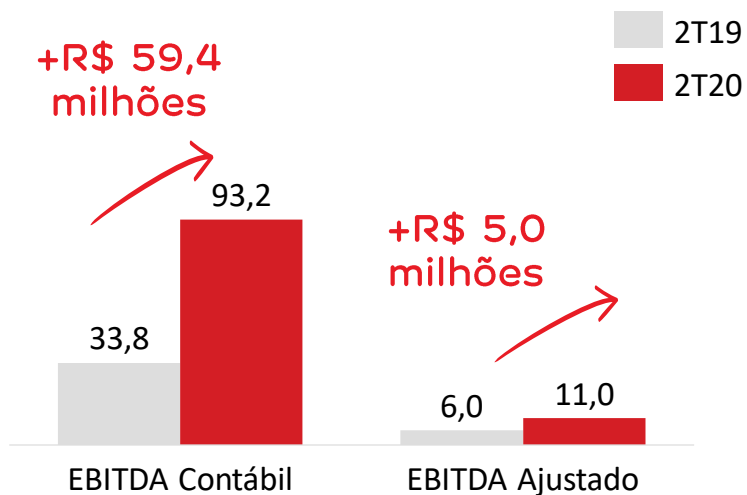
✓ Avanço da digitalização de processos, em particular dos canais de atendimento, refletindo em **aumento expressivo das ferramentas de atendimento digital.**

Retomada integral das obras de Transmissão com entrada em operação antecipada do Lote 11



EBITDA

R\$ milhões



Evolução das Obras¹

69% Lote 07 (MA I)

65% Lote 18 (SP-MG)

73% Lote 21 (SC)

16% Lote Q (SC-RS)



Lotes em Operação

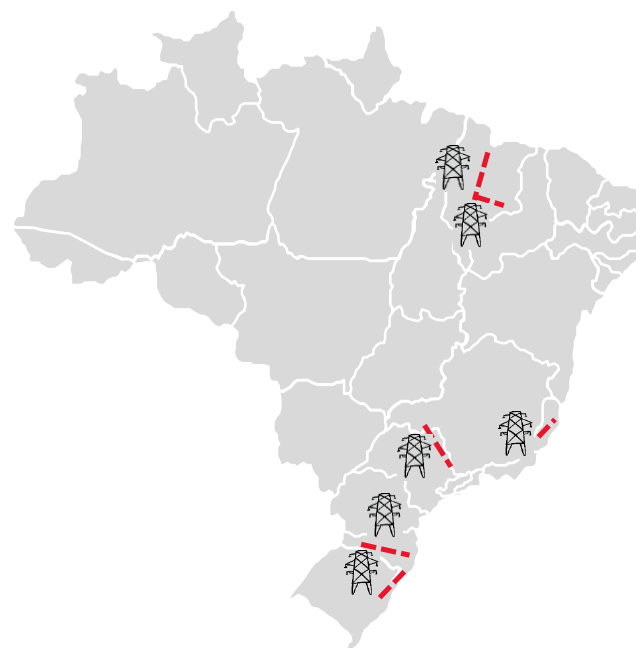


Lote 24 (ES): RAP R\$ 24 milhões



Lote 11 (MA II): RAP R\$ 33 milhões

- ✓ 71% de CAPEX executado;
- ✓ R\$ 2,7 bilhões de Investimentos até o momento;
- ✓ VPL > R\$ 1 bilhão;
- ✓ 6 projetos: 1.441 km (R\$ 3,8 bilhões de CAPEX total).

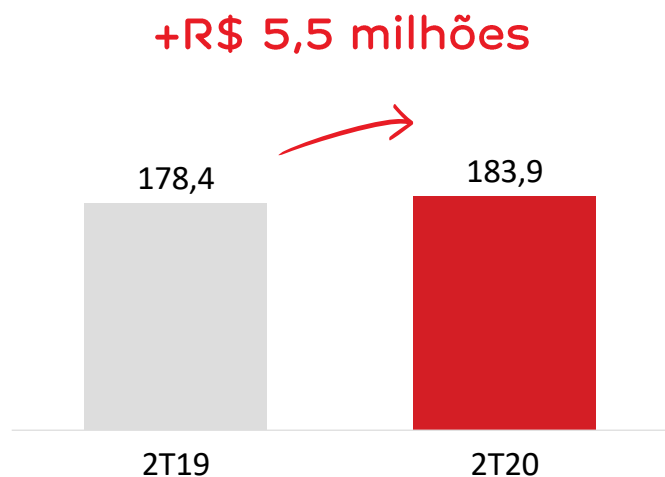


Gestão Integrada da Geração Hídrica e Comercialização



EBITDA Geração Hídrica + Comercialização

R\$ milhões

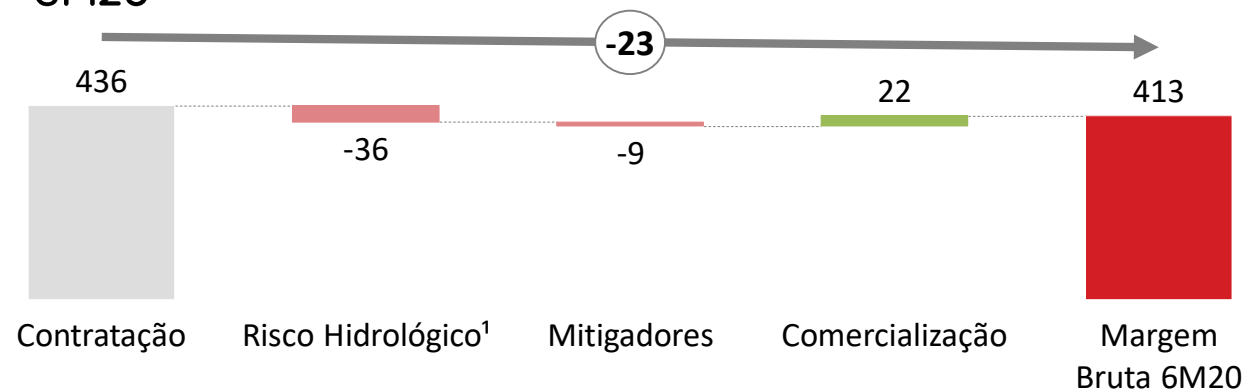


	2T19	2T20
GSF	89%	90%
PLD	R\$ 131,4	R\$ 75,5

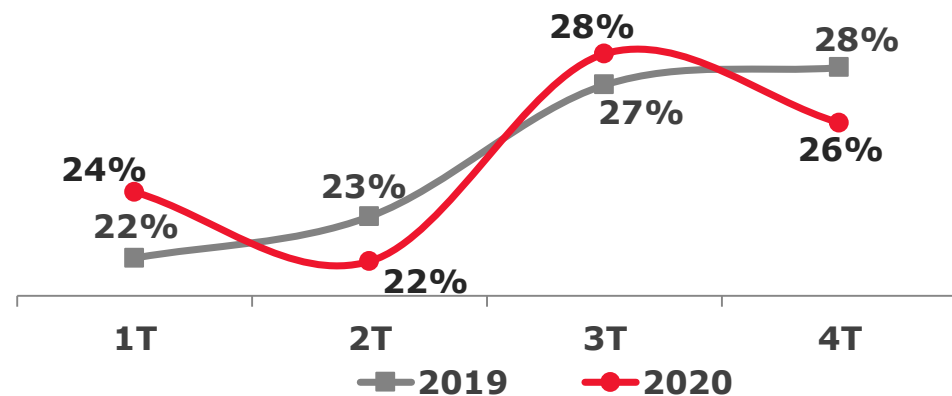
Composição da Margem Bruta

Gestão do Risco Hidrológico

6M20



Sazonalização

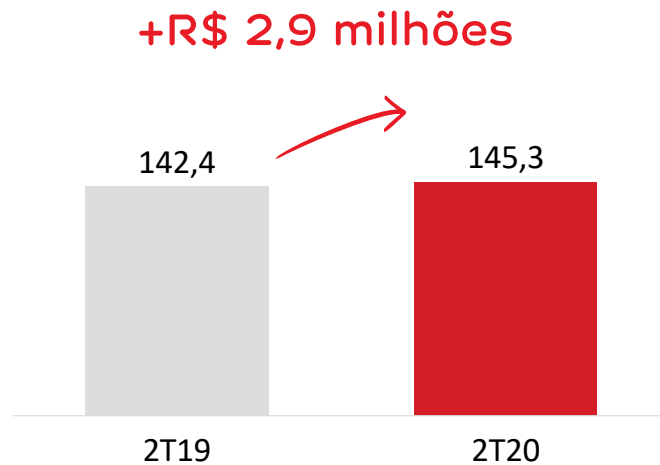


1 Considerando impactos do MRE, PLD e GSF

Aumento do EBITDA de Pecém com disponibilidade acima do FID *edp*

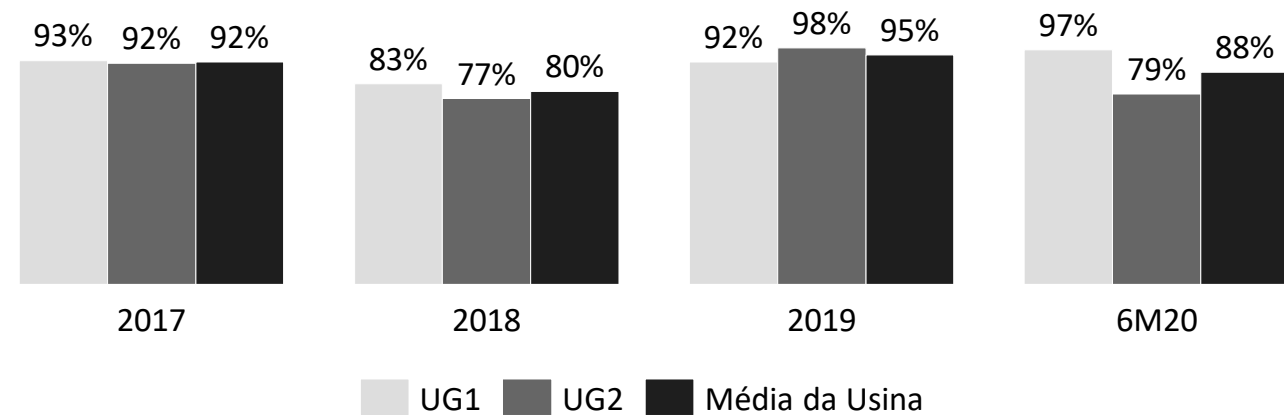
EBITDA

R\$ milhões



✓ **Menores despesas** com manutenção em virtude da pandemia e não despacho.

Disponibilidade



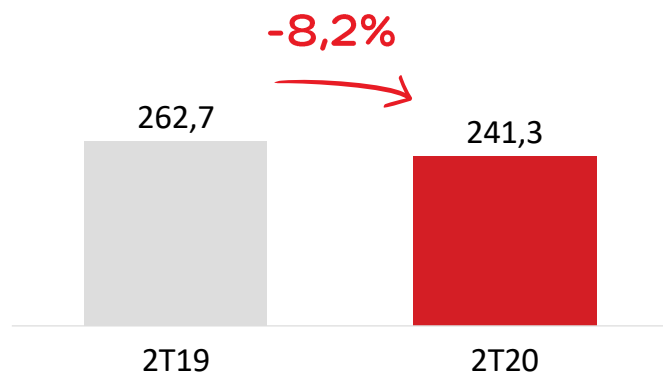
✓ Disponibilidade da usina acima **do FID de 83,75%**;
✓ **Manutenção Programada** da UG02 efetuada no 1T20.

Continuidade no controle rigoroso de custos



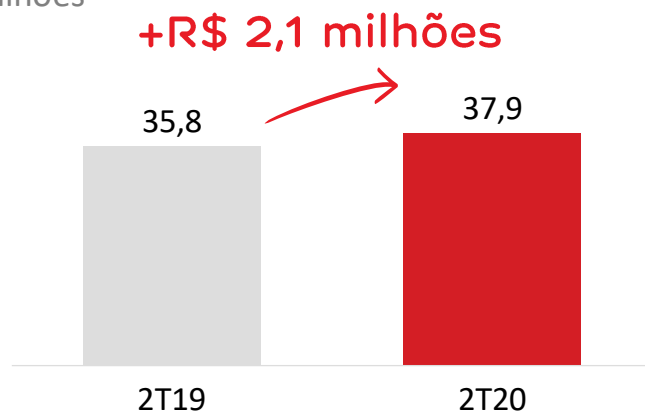
PMSO (sem PECLD) Recorrente¹

R\$ milhões

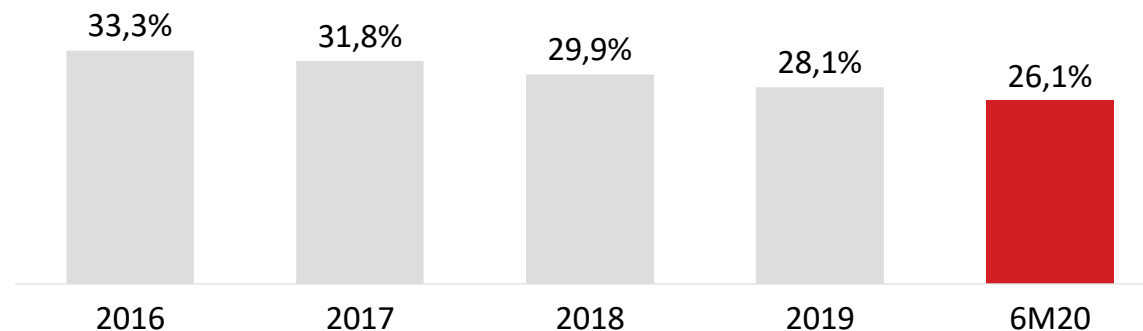


PECLD

R\$ milhões



OPEX/Margem Bruta²



- ✓ **Aumento** do risco de crédito devido à pandemia;
- ✓ Agravamento da PECLD/Receita Bruta de **1,2%** para **1,5%**;
- ✓ **Retomada dos cortes** a partir de 1º de Agosto.

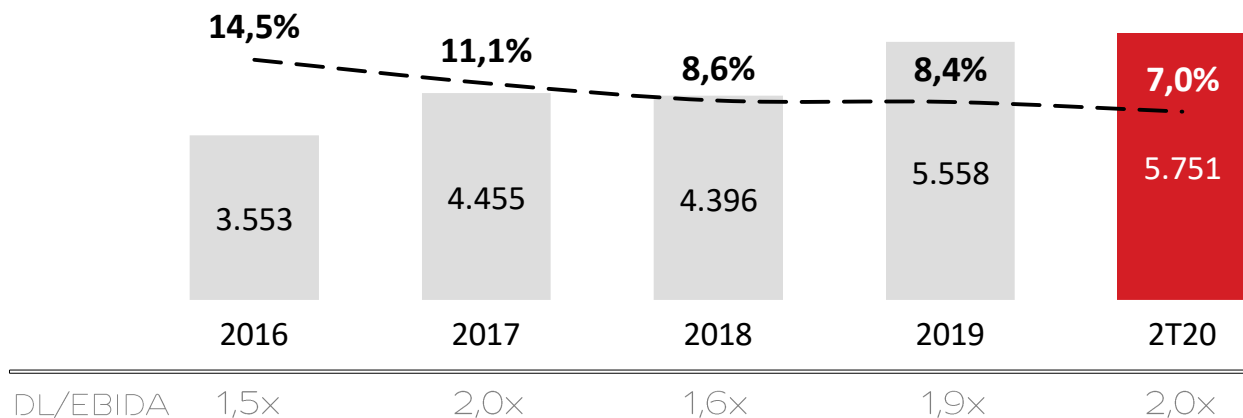
Manutenção da alavancagem com redução do custo da dívida



Evolução da Dívida Líquida e Ratio DL/ EBITDA

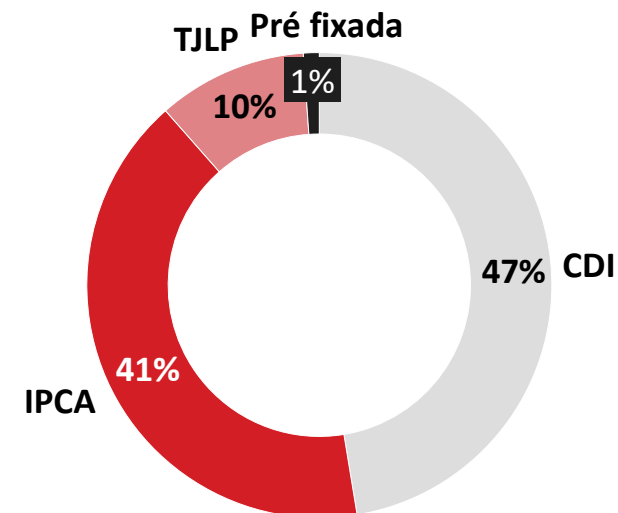
R\$ milhões

---- Custo Dívida a.a.¹



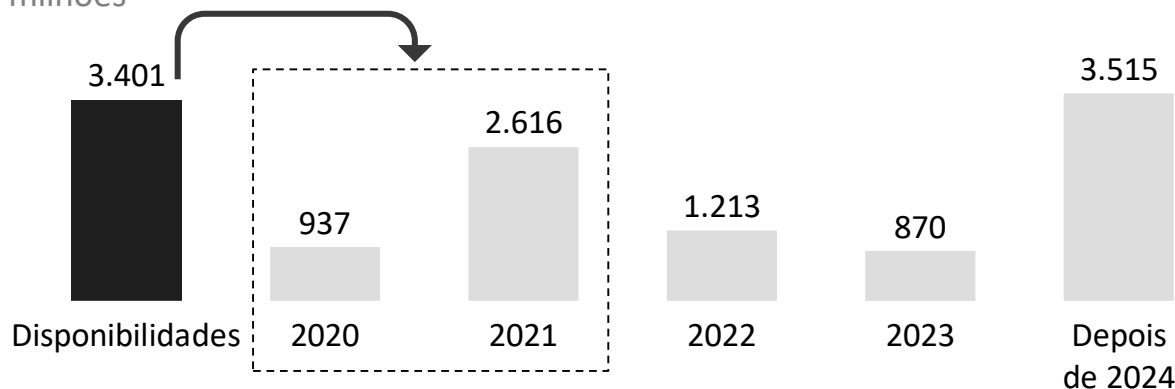
Dívida Bruta por indexador

R\$ milhões



Cronograma de vencimento das dívidas

R\$ milhões



Melhor perfil da dívida **com redução de custo**;



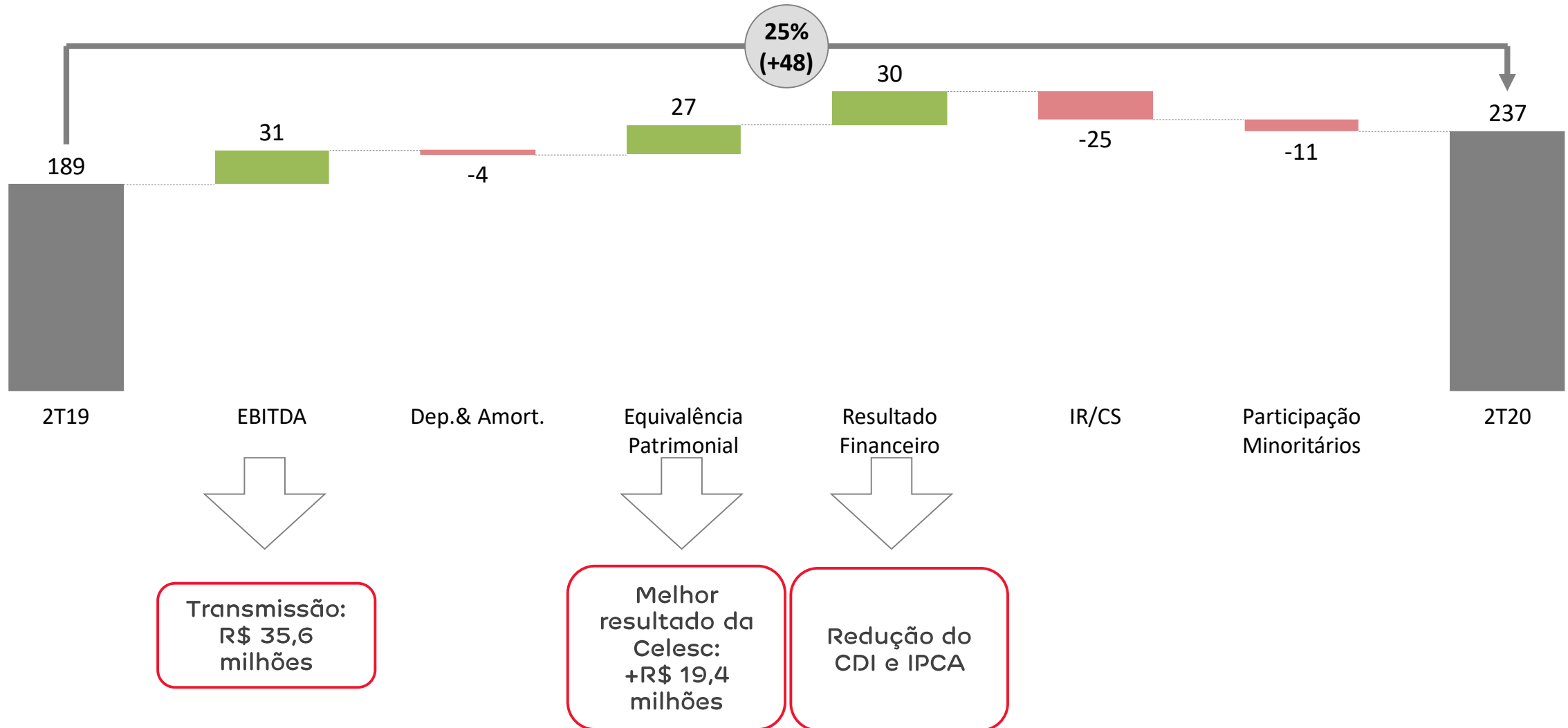
Caixa robusto com cobertura da dívida nos próximos 18 meses.

¹O custo médio refere-se ao custo acumulado dos últimos 12 meses.

Lucro Líquido do trimestre 25% superior



R\$ milhões



Estratégia de abordagem face à pandemia

Resultados do Trimestre

Política de Dividendos e Recompra de Ações

Ajuste da Política de Dividendos para tornar mais clara a **geração de valor para o acionista...**



1 Disciplina de capital

1

Estratégia de Investimento

- Investimento disciplinado: mín. **1,4x TIR/WACC**;
- Crescimento em Redes;
- Investimento em Energia Solar;
- Liderança na Transição Energética.

Investimento Orgânico

- Reforço do investimento na Base de Remuneração das Distribuidoras entre **1,5x a 2,0x Quota de Reintegração**;
- Participação ativa nos Leilões de Transmissão.

Perfil de Cash Flow

- Forte perfil de geração de caixa de **baixa volatilidade** ancorado em **mercados regulados** e **contratos de Longo Prazo**.

2 Remuneração do Acionista

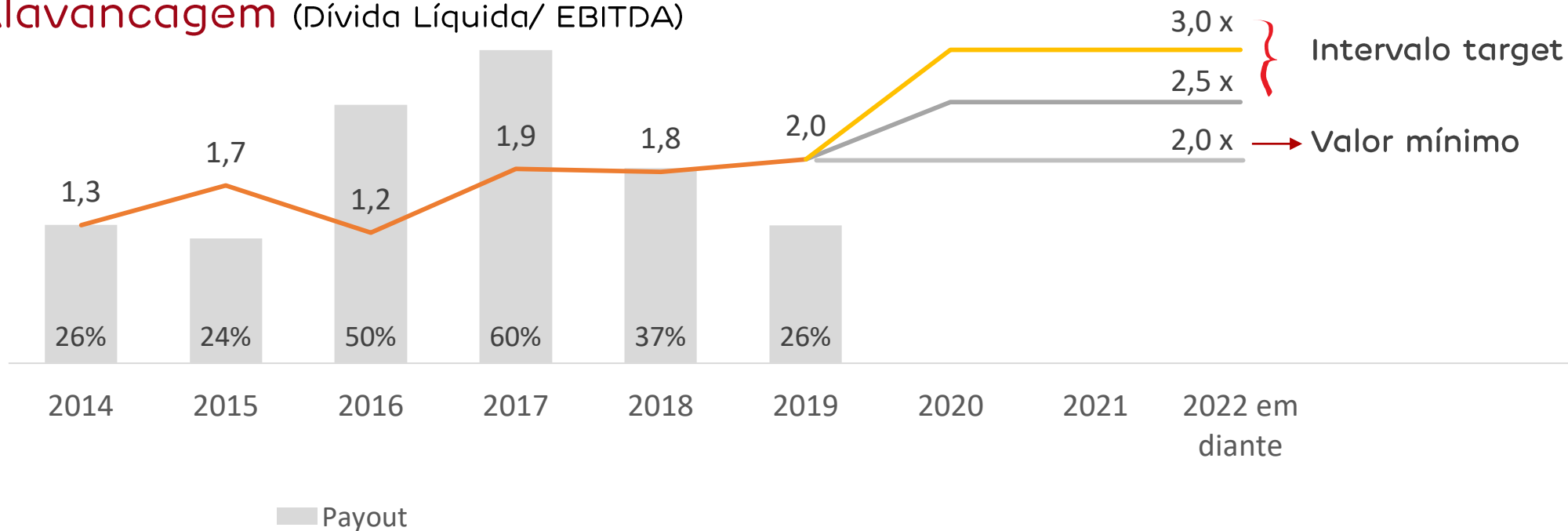
2

- ✓ Dividendo mínimo de R\$ 1,00 por ação pós 2020 com Payout target superior a 50% do Lucro Líquido Ajustado¹
- ✓ Pagamento de dividendos adicionais ou recompra de ações com todo o fluxo de caixa livre remanescente e não investido;
- ✓ Alavancagem: **DL/EBITDA Ajustado² TARGET: 2,5x a 3,0X e Mínimo: 2,0x.**

...garantindo a alavancagem dentro de valores estáveis e sustentáveis...



Alavancagem (Dívida Líquida/ EBITDA)



Otimização da estrutura de capital criando valor para o acionista

...complementado pela abertura de um Programa de Recompra de ações



Objetivo da recompra Maximizar a geração de valor para os acionistas, dado os elevados níveis de rentabilidade obtidos com o atual intervalo de preço da ação.

Prazo para realização Até 18 (dezoito) meses, contados da data de 28 de agosto de 2020

Quantidade máxima de ações que poderão ser recompradas **24.863.880 ações**

Política de Dividendos

- ✓ Garantia de R\$ 1,00 por ação
- ✓ Melhoria do EPS
- ✓ Recompra de até 8,5%¹ das ações em circulação

Programa de recompra de Ações



Relações com Investidores

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2Q20 Results Webinar

August 31, 2020

Strategy approach of pandemic

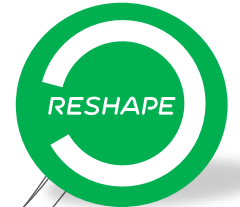
2Q20 Results

Dividends Policy and Share Repurchase

Given the Pandemic situation, EDP defined **3 restructuring phases**
React, Recover e Reshape



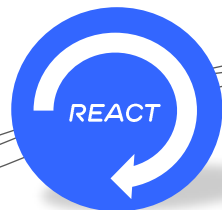
Opportunities
Committees



- **Strict steps** for prevention and protection;
- **Reducing TOTEX, Dividends and M&A** by R\$ 1.35 billion to preserve Cash;
- **Reinforcing liquidity** by R\$ 1.75 billion;



Pandemic
Starts



COVID-19
Crisis Committed



Results
Recovery Plan

- Growth
- Customer
- Digital
- Innovation
- Green Recovery
- Diversity & Inclusion
- Workplace redesign

- Steps to mitigate the effect of pandemic with **optimization and rescheduling costs**;
- **Resumed** of CAPEX Plan;
- **Resumed** of power transmission construction;
- **Regulatory Agenda**;
- **Contingency Management**.

Dividend Policy and Share Repurchase Plan

Agenda



Strategy approach of pandemic

2Q20 Results

Dividends Policy and Share Repurchase

2Q20 Highlights



- ✓ Hydrological risk **coverage** by allocating additional energy to the 2nd Half;
- ✓ Two **winning bids at the solar distributed energy auction**, with 14.3 MWp in contracted power.



- ✓ Adhesion to the Conta-COVID at **R\$ 574 million**, 92% of the total stipulated for EDP;
- ✓ Tariff adjustment for EDP ES with **2.55% increase in parcel B**;
- ✓ Acquisition of **5.72%** of CELESC preferred shares.



- ✓ Joining the **Business Ambition for 1.5°C** – Our Only Future.
- ✓ **Over R\$ 10 million donated** to pandemic prevention projects.



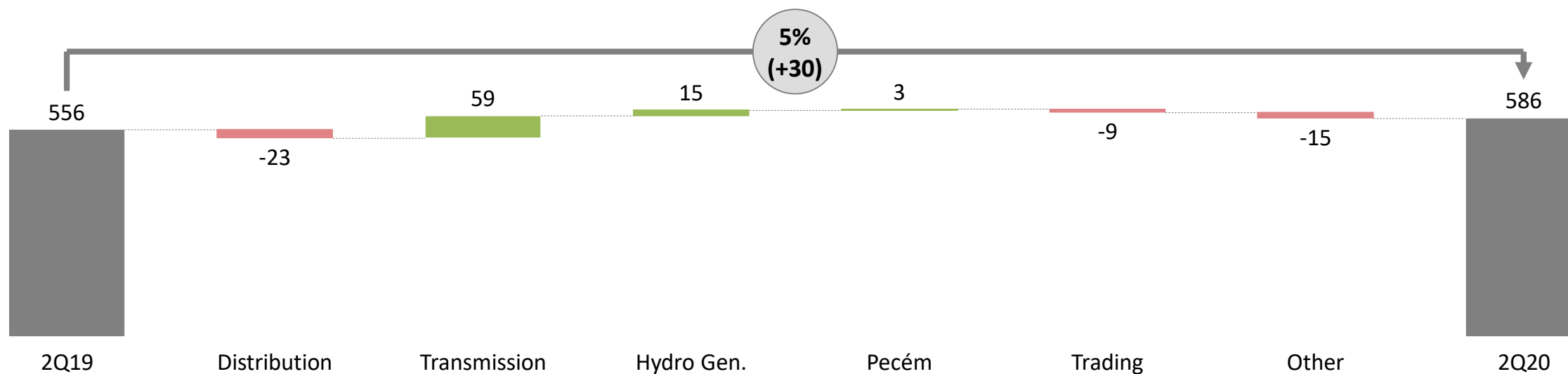
- ✓ Completed operational startup of **Lot 11 (MA) 12 months ahead** of the regulatory deadline;
- ✓ **Resumed construction works** after the interruptions caused by the pandemic, with no significant impact on the schedule and **71% of total Capex** executed;
- ✓ 316 km of operating **transmission lines**.

- ✓ Net Debt/Adjusted EBITDA at **2.0x**;
- ✓ Efficient cost control, PMTO down **8.2%**;
- ✓ **Net Earnings** up **25.4%**.

Positive EBITDA evolution in the quarter



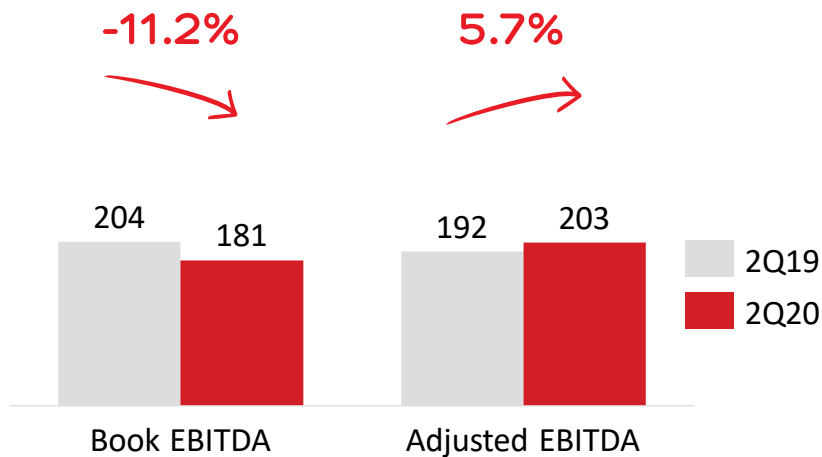
R\$ million



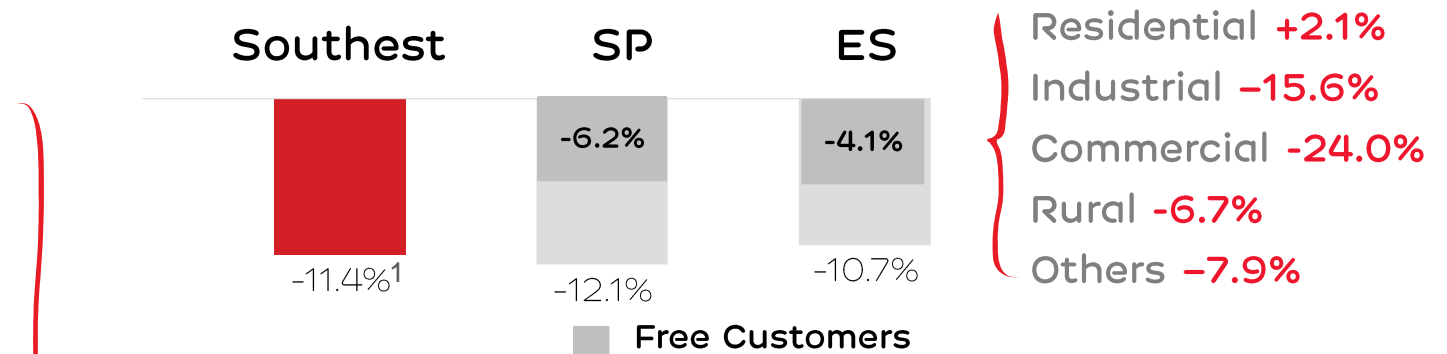
Adjusted EBITDA from Distribution up 5.7%

EBITDA

R\$ million



Market (2Q20 x 2Q19)



- Residential +2.1%
- Industrial -15.6%
- Commercial -24.0%
- Rural -6.7%
- Others -7.9%

Total Losses

- ✓ SP: 40 GWh Recover
- ✓ ES: 101 GWh Recover

Non Technical Losses LV

- ✓ SP: 7 GWh Worsening
- ✓ ES: 81 GWh Recover

Adjustments:

- ✓ Period VNR : -R\$ 21.7 million

Improvement in digital service channels

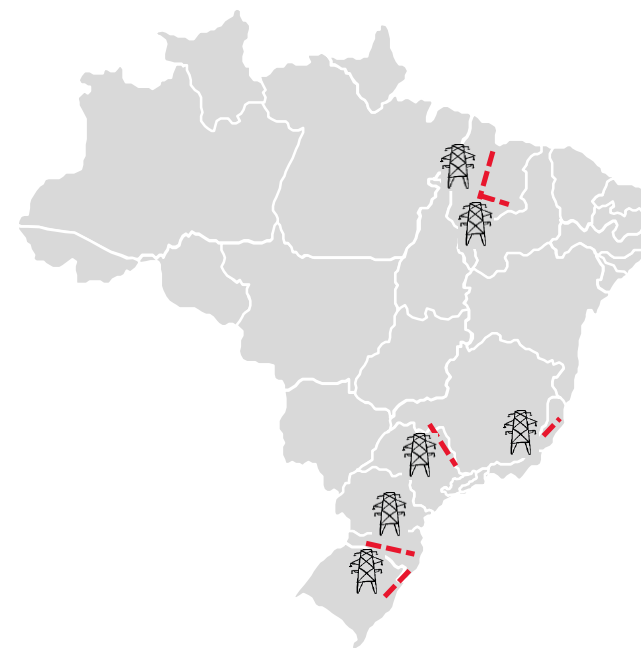
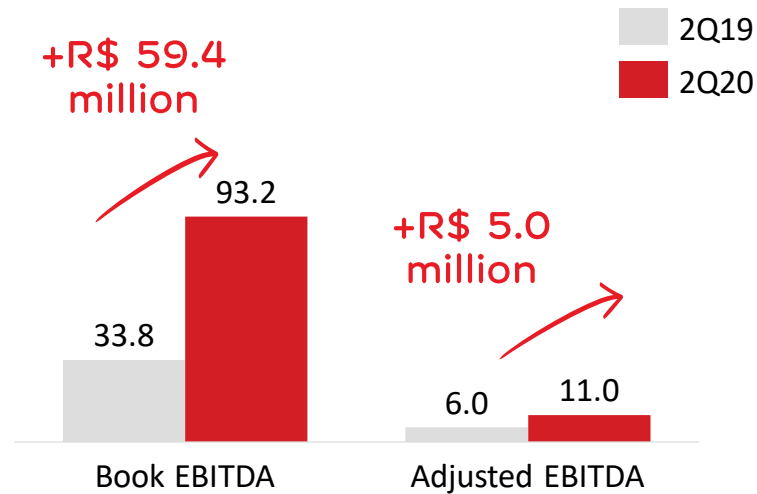
- ✓ Advancement in the digitization of processes, in particular the service channels, reflecting a significant increase in digital service tools.

Fully resumed Transmission construction, with operational startup ahead of schedule for Lot 11



EBITDA

R\$ million



Construction Evolution¹

- 69% Lot 07 (MA I)
- 65% Lot 18 (SP-MG)
- 73% Lot 21 (SC)
- 16% Lot Q (SC-RS)



Operational Lots

- ✓ Lot 24 (ES): RAP R\$ 24 million
- ✓ Lot 11 (MA II): RAP R\$ 33 million

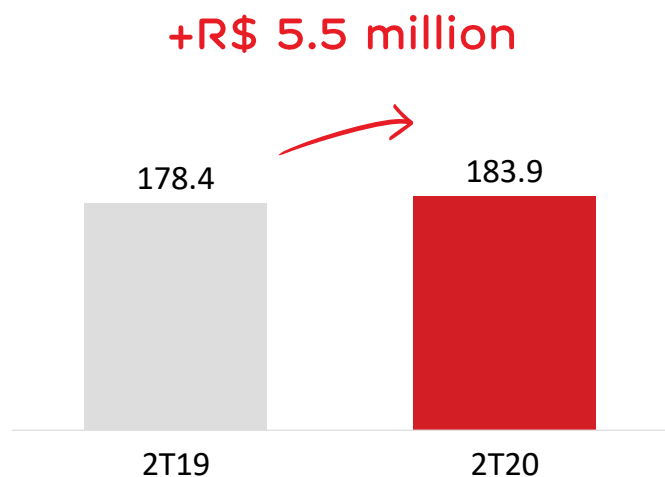
- ✓ 71% of CAPEX executed;
- ✓ R\$ 2.7 billion Invested so far;
- ✓ NPV > R\$ 1 billion;
- ✓ 6 projects: 1,441km (R\$ 3.8 billion in total CAPEX).

Integrated Hydro Generation and Trading Management



EBITDA Hydro Generation + Trading

R\$ million



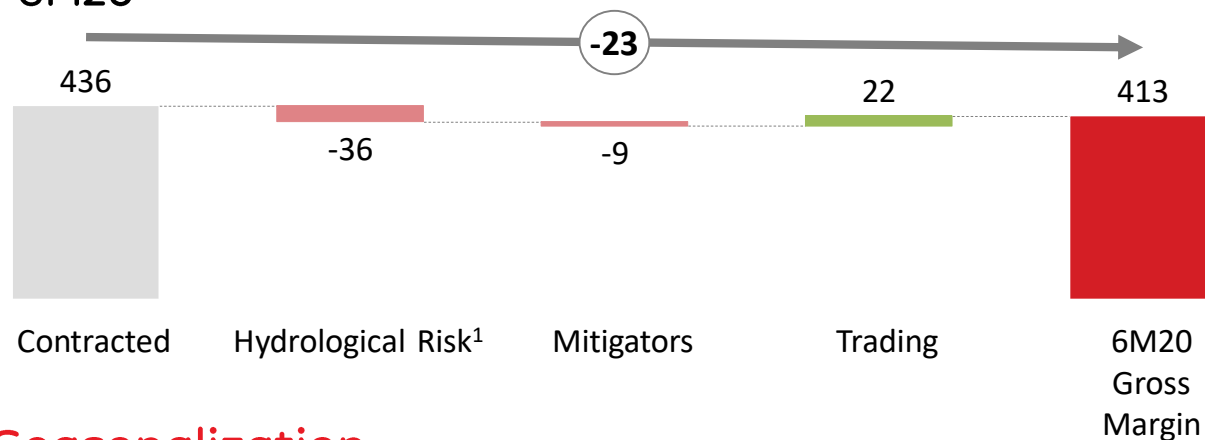
	2Q19	2Q20
GSF	89%	90%
PLD	R\$ 131.4	R\$ 75.5

1 Including impacts from MRE, PLD and GSF.

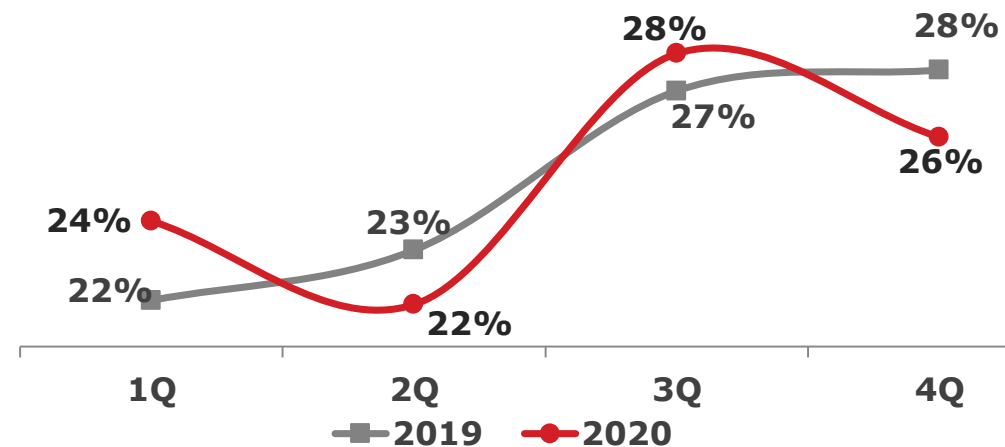
Gross Margin Breakdown

Hydrological Risk Management

6M20



Seasonalization

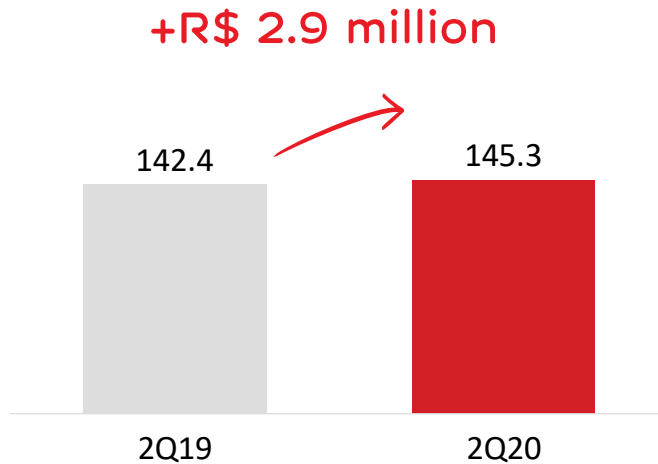


Pecém EBITDA up, with uptime above the FID



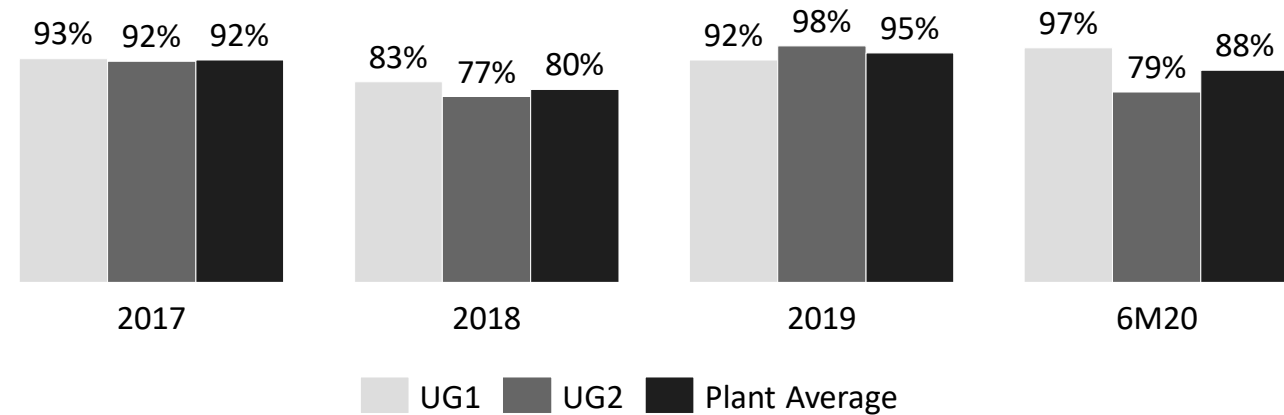
EBITDA

R\$ million



✓ **Reduced maintenance spending** because of the pandemic and absence of dispatching.

Uptime

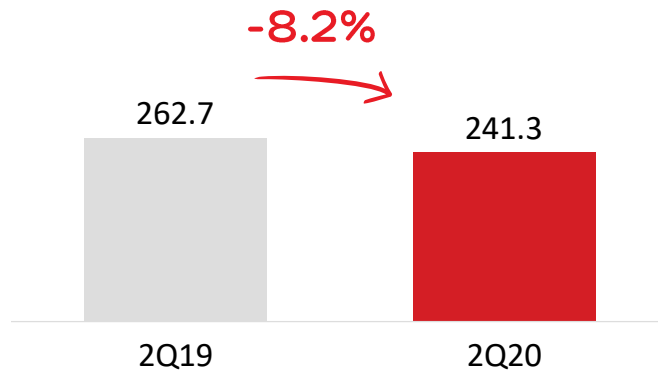


✓ Plant uptime above the **83.75% FID**;
✓ **Scheduled Maintenance** at UG02 done in 1Q20.

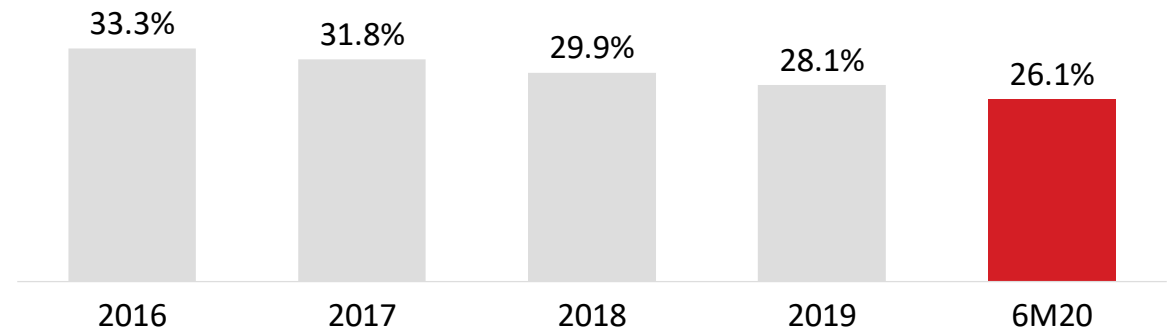
Strict cost control persists

Recurring PMTO (w/o ELGD)¹

R\$ million

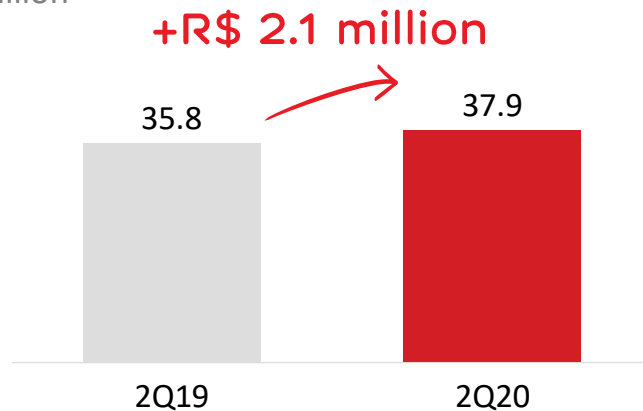


OPEX/Gross Margin²



Delinquency

R\$ million

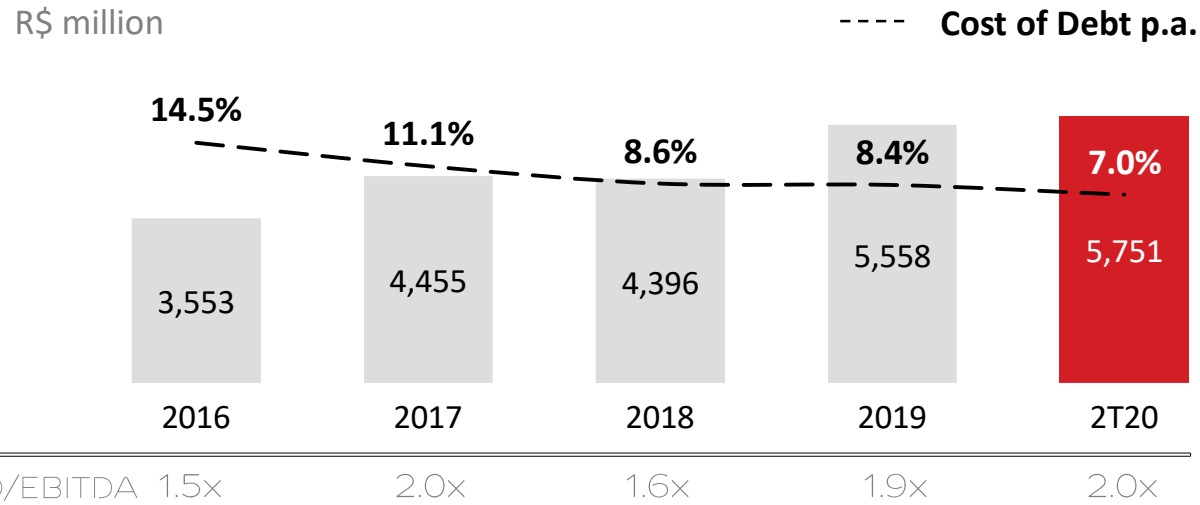


- ✓ Increased credit risk due to the pandemic;
- ✓ More severe delinquency, from **1.2%** of Gross Revenues to **1.5%**;
- ✓ Power cuts to resume from August 1.

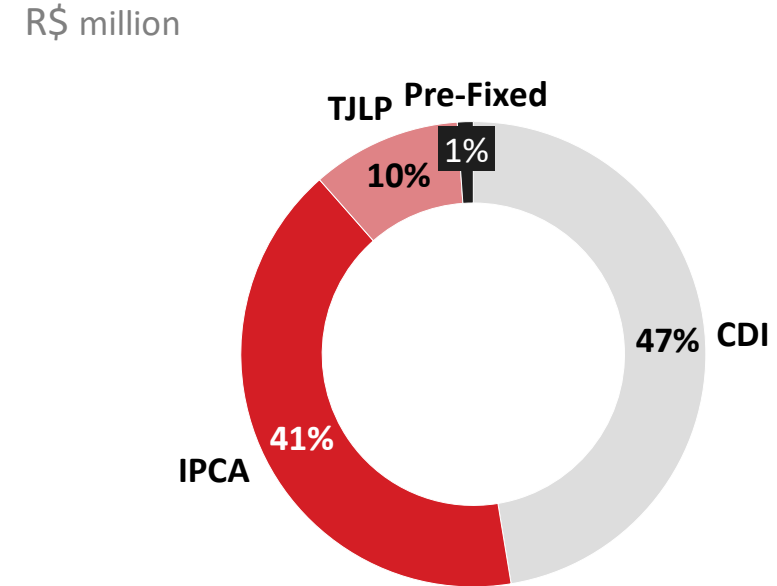
Debt



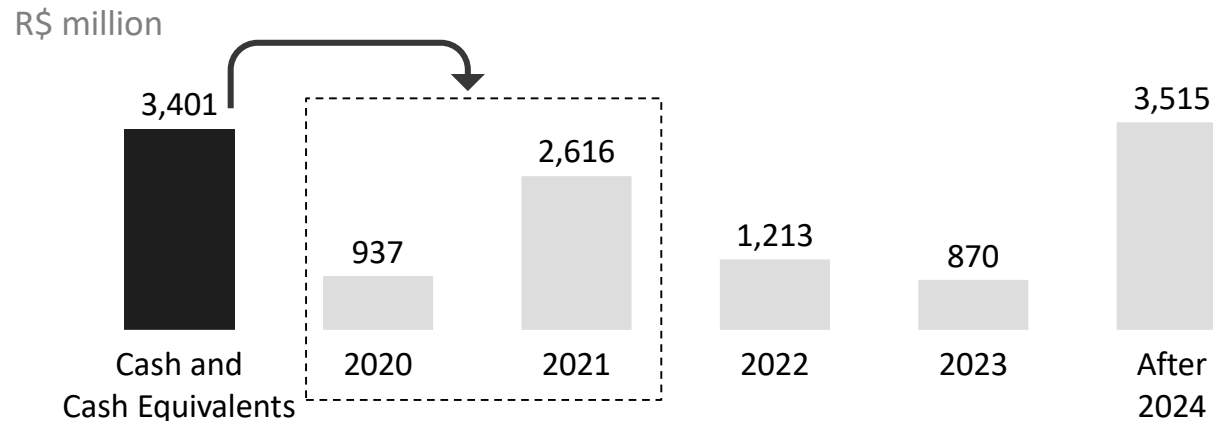
Net Debt Evolution and ND/EBITDA Ratio



Gross Debt by Index



Debt maturity schedule

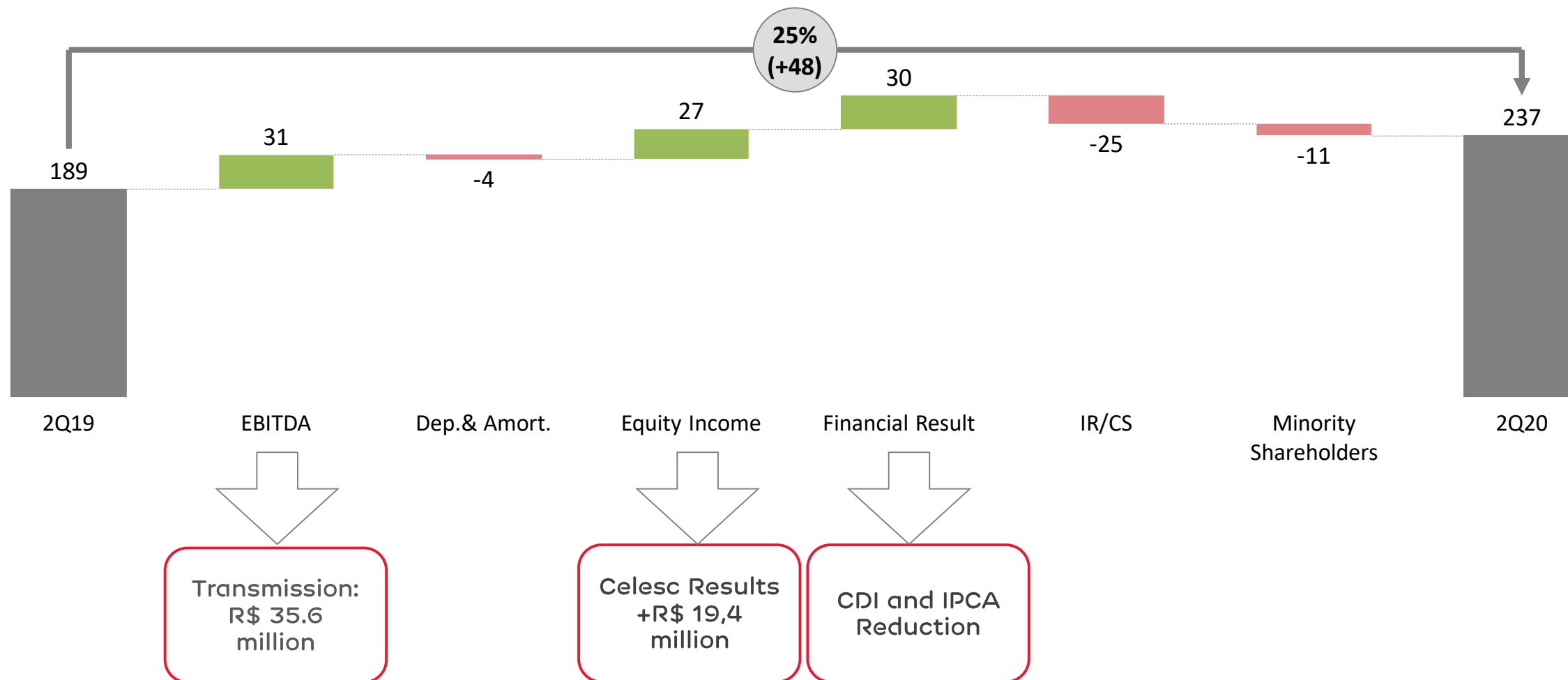


- ✓ Improved debt profile **with cost reduction**;
- ✓ **Robust cash**, covering debt for the next 18 months.

Net Earnings up 25% in the quarter



R\$ million



Agenda



Strategy approach of pandemic

2Q20 Results

Dividends Policy and Share Repurchase

Dividends Policy adjusted to clarify the value creation to shareholder



1 Capital discipline

Investment Strategy

- Disciplined investing: mín. 1.4x IRR/WACC;
- GRID Growth;
- Investments in solar energy;
- Energy transition leadership.

Business CAPEX

- Reinforce CAPEX in distribution companies. Remuneration Base at 1.5x-2.0x the Reintegration Quota;
- Active bidding in Transmission Auctions.

Cash Flow Profile

- Strong low-volatility cash generation profile, anchored in regulated markets and long-term contracts.

2 Return to shareholders

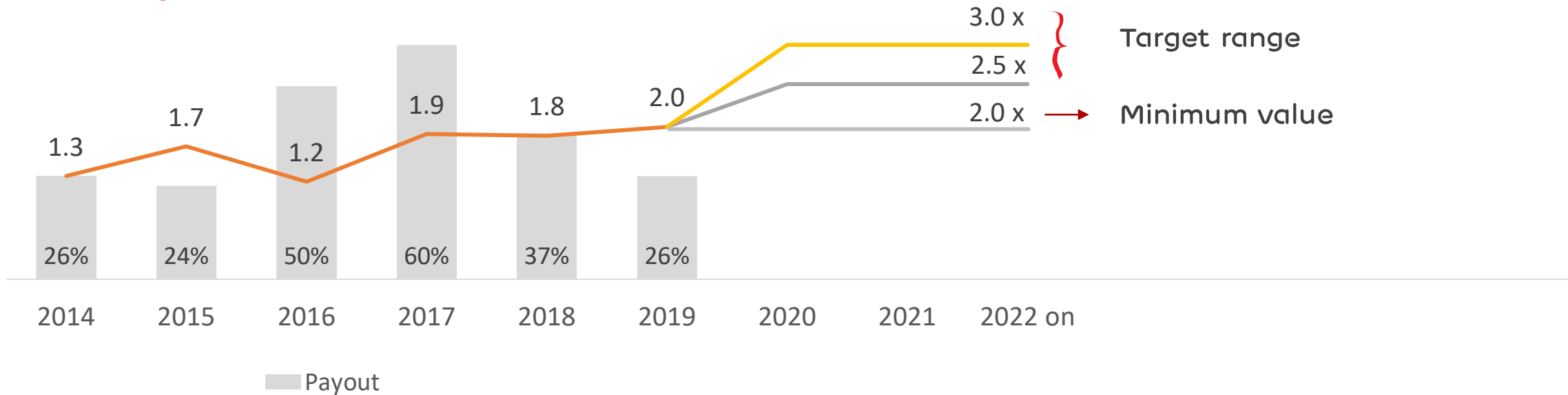
- ✓ Minimum Dividend of R\$ 1.00 per share after 2020 with Payout target greater than 50% of Adjusted Net Income¹
- ✓ Payment of additional dividends or share repurchase with non-invested cash flow generated;
- ✓ Leverage - ND/Adjusted EBITDA²
TARGET: 2.5x to 3.0x and Minimum: 2.0x.

¹ Adjusted for Earnings from Long-Term Cash realization, such as the EBITDA of Transmission Companies, VNR of the Distribution Companies, M&A Operations, Contingencies, and Post-Employment Benefits ² Details on the Dividend Policy at IR website.

...ensuring leverage within stable and sustainable value...



Leverage (ND/EBITDA Ratio)



Increasead leverage creates shareholder value

... added by a Buyback program



Purpose

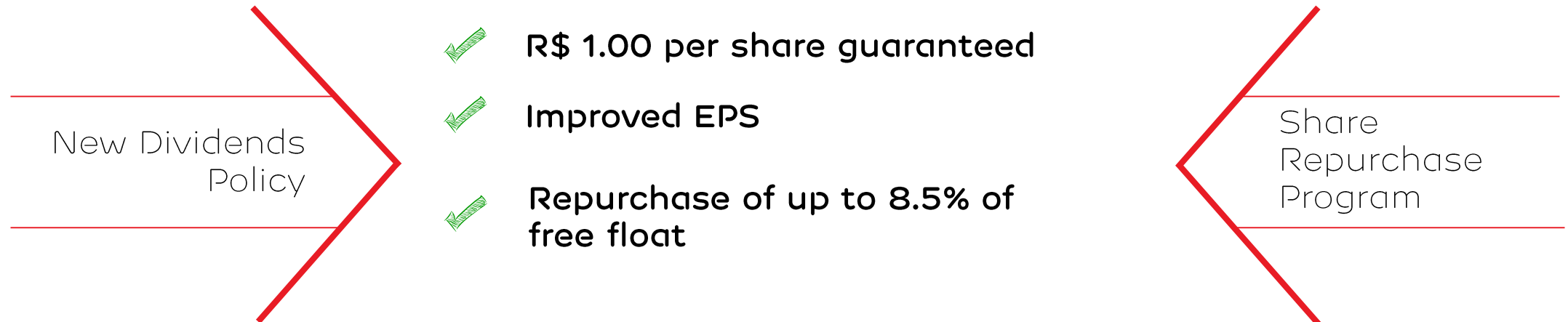
Maximize shareholder value generation, given the high levels of profitability obtained with the current share price range

Execution Period

Eighteen (18) months from August 28, 2020.

Maximum number of shares to be repurchased

24,863,880 shares





Investor Relations

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