

Y 2019 Earnings Call

Company Participants

- Henrique Freire, Chief Financial Officer
- Joao Gomes, Executive Vice President
- Miguel Stilwell de Andrade, Chief Executive Officer

Other Participants

- Carolina Carneiro
- Gabriel Francisco
- Pedro Manfredini
- Thiago Silva

Presentation

Operator

Good morning, and welcome to the conference call of EDP Energias do Brasil to discuss the results of 2019. And our responder's will be connected in listen-only mode and later on the Q&A session will be open while further instructions will be given. (Operator Instructions) This call is accompanied by a slide presentation. There will be webcast at the website, www.edp.com.br/ri where you can also find results release -- the earnings release of the company.

And EDP do Brasil clarifies that statements that may be made during this call regarding the business prospects of the company regarding projections, operating and financial goals regarding potential growth are based on assumptions made by the management of the company. Such expectations depend on the economic situation of the country, the performance and regulation of the power sector. And therefore, they depend on changes.

Now I will turn the floor over to Miguel Setas, the CEO, that will start the call. Mr.Miguel Setas, please?

Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Good morning, everyone. I would like to welcome you to the earning -- to the call of the fourth quarter of 2019 and also the closing of the year. We are here with our CFO, Henrique Freire; and other executives of EDP Group and will be available at the end of the call to answer your questions.

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I would like to start by saying that this year is particularly pleasing because it's the summit of the past of consolidation of our results that is clear on Slide 2, if you would like to see the presentation. And it's a year in which, we again delivered results above BRL1 billion in net income. It is -- the highlight is that in 2018, this net income was particularly leveraged with the sale of SHPs of 3%, with a capital gain associated to (inaudible).

In 2019, the result is above BRL1 billion in recurring terms. Therefore, it's a highlight that shows the effectiveness and the strategy that the company has been following lately. This results have five main highlights that you can see on Slide 3. The highlights, naturally had to do with an improvement with the distribution, with the highlights in the performance of two tariff reviews. In the two tariffs reviews we used 30% [ph] in Sao Paulo. There has been an increase in the regulatory EBITDA around 31% and then the regulatory asset base above 33%, which actually corresponds to an investment that the company made in this tariff review.

Investments that were close to 2x the reintegration quota and therefore, they represent a maturing of our organic distribution growth. In addition to distribution, we also have the enforcement of our present -- presence in transmission, and I would like to highlight, which is today the main investment close to BRL4 billion, of which 59% has been realized. And therefore, there has been a development in the project of the six blocks of transmission that allow the state of the regulatory calendar for the six projects that are being implemented.

I would also like to highlight our performance in generation. And I highlight particularly, our strategy to mitigate the hydrological risk. As you may see, today, this is one of the main concerns in the generation segment, and EDP Group throughout these 23 years of which, 2019 was one of the years, has had -- has followed a very attractive and robust strategy to neutralize such risk, and that's what happened. In 2019, we fully neutralized hydrological risk. We're using several hedging instruments and risk coverage instruments.

The third message has to do with the new segment, increasing our presence in energy services with a particular highlight for the solar energy. Here we have almost 50 megawatts peak of contracted projects. Some of them already implemented -- more than half of them actually, an affirmative strategy of which EDP Group intends to reinforce its leadership.

And finally, I would like to highlight our commitment and our leadership in the area of sustainability and innovation. And innovation in digitization, it means, investing in an innovative ecosystem. It means research and development and, therefore, a robust strategy that EDP will have to be the leader in these investments. In addition, there are sustainable practices, which are the basis of our business and which have awarded us recognition. I would like to highlight only the four consecutive years at IBOVESPA.

In addition, let's now move on to Page number 4 to communicate the intention of the company regarding payment of dividends. In 2019, we had a dividend of BRL1 per share. As you may see, there has been a growth, it is 3x higher than the dividend the company used to pay in 2014, with a dividend yield around 4.5%, and corresponding to a payout of

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close to 67%. Therefore, this is the sign of the financial health of the company, its capacity to generate funds to pay not only its investments, but also to operating responsibilities, liabilities. And therefore in 2019, we have a dividend that is higher -- the highest dividend that's ever been paid by the company, more than BRL700 million for our investors.

Having said that, now I would like to hand the floor over to Henrique Freire, that will talk more in detail about each business of the company and our performance in 2019.

Henrique Freire {BIO 19117781 <GO>}

Good morning. Let's now look at Slide number 5 with our results. I would like to start with EBITDA for the whole year 2019. Our EBITDA reached BRL2.9 billion development of around BRL2.7 billion, when compared to the 2018. Connecting to some events, which have an economic character, and therefore, a recording in accounting as a one-off event. There is adjusted EBITDA.

The main event that we have corrected are the VNR resulting from tariff reviews on distribution, then we have the issue of transmission in EBITDA that calculated as new constructing, and then we correct this record. And then one event we'll speak more later on about the benefit after employment -- this employment that has a special impact of EDP's 30% with a total impact of BRL137 million that is also corrected.

So looking our adjusted EBITDA, we see an evolution of around 8%, reaching BRL2.3 billion. We see that our main businesses had a positive development, so especially transmission and the market and tariffs. Then we see the utilization, which had a performance lower than last year. But the highlight is to the results in the last quarter with an EBITDA of BRL65 million. And in the year, it was very close to BRL100 million of EBITDA, BRL98 million almost BRL100 million of recurring EBITDA, which we usually refer to as being the reference value for profitability of the business of commercialization.

Moving onto Slide number 6, where we have some insights about distribution. Distribution was marked by the tariff review. We reached a net VNR recognized of BRL5 billion. The increase in our regulatory EBITDA is of more than 30%, and the historical record of recognition by ANEEL of assets with unrecognized investments lower than 0.5% when we see these development of EBITDA and was corrected the VNR that we talked about and the actuarial report impact of BRL134 million.

And we see development in the adjusted EBITDA from BRL785 million to BRL924 million, and such increase is anchored in the growth of the market, because the market and tariffs and market, in particular, has evolved better than it had in Brazil in our concession areas. And the highlight in its 30% in the rise of the residential segment with a growth close to 7%, which increases our margin.

Now speaking of losses, we continue with the downward trend and we insist in the recovering revenue. And this has the -- has given results with several adjustments. And Espirito Santo had an increase in credit in this year, regarding the changes in accounting

and the acquisition of Santa Maria that used to be in the basis of the load and it's no longer. So that changes the RF, although not in gigawatts hours.

Now move onto Slide 7. On Slide 7 we see the strong development of our EBITDA and based on our construction. The highlight now is in this quarter in which we completed Lot 11, and that started its operation in January 2020 -- the 1 of January. We had a rough -- very high and in Lot 21 also 52% of that loss has been completed. We noticed that we had in transmission. The total NPV of BRL1.9 billion and an NPV of BRL1 billion, over BRL1 billion with six projects in the CapEx that we present.

Now moving on to Slide 8, hydro generation. Hydro generation implies hydrological risk management. We had a scenario in 2019 in the first quarter with the GSF of 103%, with generation secondary energy and this -- in the second half it's like saying that with the GSF close to 60%. Our strategy anticipated switch movements, not on a quarterly basis, but on an overall for the year. And therefore, we were able to fully mitigate this risk for the strategy that was not homogeneous throughout the year, but in around 20% in terms of contracted energy and acquired energy. And when we corrected the EBITDA, we had already the accounting of the small hydropower plants. And now we noticed that there has been a positive development of our results from BRL778 million to BRL775 million, the adjusted EBITDA.

Now Slide number 9 was an average 95%, way above the availability reference of 83.75%. And for 2020, most have an availability sector higher than one, which means we won't have any impact in terms of ADOMP. When we see the development of EBITDA, we see that it's above BRL500 million. And the net income is BRL187 million and also paying interest on equity. And the SSR reasonably the leverage, and there will be a strong cash generation in coming years.

Now speaking about commercialization on Slide number 10. We see the main highlights of this quarter is the results that we had in the EBITDA this quarter was BRL65 million. And the strategy that was followed gained good results in this quarter, and we delivered results that was very close to what we had forecasted. And we see new -- we had new operated -- structured operations in addition to the usual transactions that we do in this market.

And therefore, what I would like to highlight our strict -- the treatment of risk and credit risk. We are very strict when choosing the counterpart, so the default risk is very mitigated.

On Slide 11, we talk about the distributed energy. Today, we have 46 megawatts peak of energy, including contracted and in construction, in pipeline or in operation, 24 in operation and the rest in contracted or in the pipeline with a total of BRL72 million in investment, and although we'll continue in this market segment with an investment above BRL100 million over the next years, we take a careful -- we choose carefully our counterparts and customers and partners in this area.

On Slide 12, we have an overview of our efficiency in cost control. We continue to be below inflation, and the adjusted inflation is more than 2%, although in recurring -- in

accounting terms, there has been a drop of 17%, but there was an actuarial valuation that impacted the first employment benefit. There has been also a transaction in the -- our service provider. And although the number of specialties and the networks coverage, especially in rural areas now, it's wider coverage.

But there has been a change in the application of the rules and better cost control and which we resulted in a lower cost. And therefore, that leads to a new analysis of this cost and in actuarial terms.

And -- but we continue to see a development, and this is some low inflation rate, and that's important. We'll always try to find new places for cost reduction, which is contracts for leading and billing, as well as the call center, fighting losses, fact maintenance, for example, in a year that had very negative weather. Despite that, we were able to maintain our facts according to regulatory parameters. And PECLD, we maintained the levels below regulatory amounts at 0.8%. We highlight in our release of -- earnings release exactly because of the matrix that was recorded for each customer, regular and nonregular.

Okay. And the last slide on results is about indebtedness. We have closed the year with a net debt of \$5.6 billion, which is the net debt over EBITDA of 1.9x debt. But if we -- if it weren't for a one-off event, it will be close to 2%, which is an adequate level of indebtedness. We would like also to highlight the coverage by Fitch with a AAA rating in the local market and also our strategy of debt issuance in the EDP transmission, the EDP Transmissao, in the large presence in the capital market. And we take -- we made a walk-in toward the end of 2018 with the highlights for the issuance of Lot 18 in Sao Paulo and Minas that was BRL800 million at IPCA + 4.45%, and also some important issuance in CDI that allowed the company to benefit from lowering interest rates close to 1.7% of CDI in the term of five years. They are very competitive now that we have a lower interest rate scenario.

Now I turn the floor over to Miguel.

Miguel Stilwell de Andrade {BIO 16870735 <GO>}

A final remark to highlight what could be the expectations for 2020. And such expectations have three fronts. The first front of mature businesses in which we focus on generating cash, and they are a highlight of our growth in investments in distribution that will be maintained in years to come and also highlight the strategy of capital recycling that has been a constant lately to direct funds for the segments that are growing. And the segments that are growing are mainly two.

Reinforcement of investments that we have to make in distribution and the reinforcement of our presence in the transmission area. Therefore, the company, obviously, wants to maintain its attention of the secondary markets where we have analyzed opportunities and need to pay close attention to, but also to the primary markets for the auctions that should take place in 2020.

And as the expectation for the future. I would like to highlight the continuity of our additional investment photovoltaic solar energy and the risk enforcement of our distribution in business to consumer area. And this strategy, in particularly, business-to-consumer is leveraged by our digitization plan. The company has in progress a digital transformation plan, that it intends to keep in the coming year and accelerate this transition for a more efficient, automated operation with the benefits in cost reductions for the company.

With this, I close here, and I thank you all for your attention and wish you a great 2020.

Questions And Answers

Operator

(Question And Answer)

Ladies and gentlemen, we will now start the Q&A session (Operator Instructions) First question comes from Thiago Silva from Santander.

Q - Thiago Silva {BIO 17655676 <GO>}

Good morning, everyone. Thank you for the call. I have two questions. First, regarding growth. In the last slide, you mentioned a growth-focused on transmission auctions. I would like to understand, in your mind, what is the growth strategy of the company. Is it more focused on transmission and in distribution? What about sales of generation assets that you mentioned recently in some purchases. So just to understand, what is the main target in terms of segment?

And second question, I would like to understand a bit more about losses in distribution, both at EDP Sao Paulo and Espirito Santo. We see the total losses are going up, still not -- it hasn't reached annual target, but year-to-date, when we look at nontechnical losses, it has been flat or dropping a bit. I would like you to comment on that a bit? Thank you.

A - Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Good morning, Thiago. Thank you for your questions. I'll answer the first one and then I'll turn the floor to Henrique for the second one. About the strategy of growth, I think you focused the segments that are a priority for the company. Most of our CapEx is being allocated to the transmission business. And our goal is to continue to deploy CapEx in transmission.

As you may know, we have five lines that were awarded in auctions and one additional one that was contracted in the secondary market. And this has -- provides a vision going forward that we'll give more attention to the secondary market. The auctions are very competitive. We took part in the recent ones, but due to profitability criteria, we haven't won in the recent auctions any lot. But we looked for opportunities in the secondary market, but that was the lot we contracted with.

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With profitability levels that were higher than we were free to contract in the primary market. So the secondary market, I see, becomes more significant for us. And we will continue to be actively involved in the primary market, but knowing that competition is quite stiff there.

And in the other area about distribution, there are two focus points. Looking at our organic growth, how it has been so far because you see a lot of value creation in this last tariff review, it became very clear that a change in capital and distribution was very rational in terms of value generation for the company. So we'll continue with this strategy to maintain an investment level above -- in transmission above the integration account.

We used to have an investment equivalent to the integration account. In the last tariff cycle, we doubled such investment, and the strategy is to keep it at twice the level.

And we have now initiatives that result from the privatization process. The company will be paying close attention to that process with great priority to what will be the future of the capital structure of CELESC. And the -- I would say that this would be priority number one. But there are also other concessionaires or other distribution companies that may come to the market, and the company will pay attention to these potential future opportunities.

And fourth, so transmission, primary and secondary distribution, we have an organic expectation and also the future expectation also of the organic growth. And finally, the other option for capital allocation, where we'll provide a priority for focus would be on solar energy.

So putting everything in context, of course, we'll have a better distribution of CapEx between transmission and distribution. But including everything in this equation, I would say that these are the main ways for growth.

Having said that, I also mean, that the segment in which the company sees an opportunity for crystallization of value in the short-term is the segment of power generation. We've -- we're doing that with small hydropower plant so the, this segment -- this is the business segment where we could consider some concentration of assets. If there -- we have more clear opportunities on transmission or distribution. So this would be like a summary of our growth strategy. And the reduction of assets -- the corresponding reduction of assets that may be necessary to fund such investments.

Now I'll turn over to Henrique to talk about losses.

A - Henrique Freire {BIO 19117781 <GO>}

Thiago, let me talk about losses. First, I would like to talk about this accounting, because losses are calculated according to the billed market. Every quarter, there are some fluctuations quarter-on-quarter based on the amount billed, but this indicator -- it's important to say how it happens, how has been the development. First, the focus on

commercial business, then both companies, there has been a development, and we are below the regulatory target. This is good news.

In technical losses, we still have a gap in terms of the regulatory amount. But the trend is positive. EDP Sao Paulo, if you look at -- we had BRL843 million of total losses, now BRL811 million. So there has been a development.

In Espirito Santo it was BRL1,194 million and then BRL1,245 million. So we had some important comments to make. We had Santa Maria's concession -- that's within our concession area. There was supply directly, and it was removed from this account. So 0.2% of this figure, it's a percentage number that would be removed. There has been a change in the billing of public lights, both in Sao Paulo and Espirito Santo that changed the billing to public lighting and reduces it a bit.

There is also a slight increase in losses of 0.1% there in this calculation and then affect is more concentrated in Espirito Santo. It has to do with -- the network of Espirito Santo is used as well as a transmission network between the state and the better energy locally caused the local load to increase.

We see an increase. This was a mismatch because we had some construction work for reduction, and this direct effect creates a 0.6 effect in that area. This is Espirito Santo that could compare to 90 -- to BRL1,194 million to BRL1,160 million, but it's easily explained. So that the downward trend in the -- is not included there. And with that these are the main figures for commercial losses.

Q - Thiago Silva {BIO 17655676 <GO>}

Thank you.

Operator

Our next question comes from Carolina Carneiro from Credit Suisse.

Q - Carolina Carneiro

Good morning everyone. Thank you for the call. Could you please comment a bit -- I know, Miguel, that you said that today, the group is more focused on the network. But what about the results of the year and especially if the fourth quarter was very good in terms of generation and trading, so you were able to generate a lot of value with the strategy you adopted. So if possible, if you could talk a bit more about the contracts and trading trust strategy for this year? And obviously, if you could give us some comments on the GSF prospects there for 2020?

A - Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Thank you Carol. I will just make a comment, and then I'll turn the floor to Joao Gomes, our recently appointed officer for the energy sector to talk about expected contracts in GSF. But in terms of the portfolio, we are fully aware that the company has had important

results in terms of its capacity to mitigate the hydrological risk. We've had historical performance levels in the markets, and that started to appear in the GSF for 2014, 2015. The company has been very attractive and very successful in mitigating such risks. What we also see is that this risk, somehow has become a structural risk of the market. And we have to weigh this risk in terms of expectations. So when we make an evaluation of investment priorities, this risk in generation is taken into account.

Having said that, I guess, I answered half of your question. I'll now turn the floor over to Joao Gomes.

A - Joao Gomes {BIO 21091030 <GO>}

Good morning, Carolina. About the improvement in the results in the fourth quarter. Last year, we did a hedging with purchase of energy in our generation company and seasonalization with purchase of energy in the second half to protect the group against the GSF that happened in the second half of 2019. And these two mitigation factors that we have -- that have been contracted since 2015 caused the result of the generation company, as we had warned you in some results calls, caused the quarter results to be also satisfactory.

In terms of commercialization, in the last quarter of the year, we had a price increase plus transactions that it had in the market for protection in addition to purchase and sale transactions that caused the figures to improve, that's for 2019.

And you asked about the expectation for 2020. The hydrological scenario for 2020 is quite volatile. In the beginning of the year, we start -- we had a delay in the rainy season. And then the energy prices exceeded BRL300. And then in February, we -- rainfall went back to normal level, and then prices now are around BRL140 and BRL150 per megawatt hour. In the -- for 2020, we also have a protection for the second half of the year. We are protected with buying contracts for 2020, and the GSF is around 85%, growing stronger in the second half of the year.

Q - Carolina Carneiro

Okay. Thank you very much for your answers.

Operator

Our next question comes from Pedro Manfredini from Goldman Sachs.

Q - Pedro Manfredini {BIO 21633245 <GO>}

Good morning, everyone. Thank you for your time. In terms of trading, I would like to understand your results were very significant, especially in the fourth quarter. How much of that is the spread of the subsidiaries, Lajeado, for example, that you sell at a lower tariff. And then you have a trading with a part of this spread. So it remains inside the group. Could you break down the results? And first to have an idea of what would be the results of trading regardless of the -- your own subsidiaries?

And the second part of the question, are you involved in any discussions either for the subsidiaries of the holding company, the group as a whole, even including the essence, you do not consolidate in terms of prepaying debts or rolling debts that are more expensive? And what are the terms? If you could comment on I would be very thankful. Thank you.

A - Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Good morning Pedro. This is Pedro speaking from the trading company. As for your first question, the trading transactions are a result of transactions held in the market, and the generation results are allocated in generation. So there is no transfer of results between the group. The trading or the commercialization transactions are mainly focused on end customers in our customer base and transactions with other trading companies and generations.

And as Joao Gomes said in the previous question, we created a strategy of building a long position at the end of the year, observing the end of increasing prices, which became true, especially in the -- in November, where the spot price went above BRL300 and which allowed us to have a positive advantage in terms of building results. We have a portfolio of end customers, and the excess of these end customers also contributes with a good position at the end of the period where the spot prices are higher. So answering your questions, these results are the consequence of trading with end customers and other agents in the market.

Q - Pedro Manfredini {BIO 21633245 <GO>}

Okay. Great. Thank you.

A - Henrique Freire {BIO 19117781 <GO>}

Regarding your question about funding about (inaudible) values. The first point is -- I think it's a great question, and this is part of our agenda. First Pecem. Pecem is an asset that is a strong generator of cash with a strong leverage, and it's anchored on a bad debt structure with BNDES that goes up to 27, and it's a major distribution of results. So it's -- plus BRL290 million, BRL330 million for the next year. But this debt reducing the leverage of percentage in our agenda. But of course, this would maximize the cash.

And in the other assets, we are also studying leverage to maximize the extraction of dividends. And for the other subsidiaries that we do not consolidate, we still have a long way to go with them, but they are still being analyzed, but it's a long way. These are BNDES structures that are still in their initial phase. There are some companies that have a strong generation of cash at jari [ph] that could be leveraged this year, next year. This is a work in progress.

Q - Pedro Manfredini {BIO 21633245 <GO>}

Okay. Thank you, Henrique. Let me get this opportunity since you talked about this thing, is there any discussion in the group, maybe 4%, it would make more sense to have some type of organizational structure arrangement to transform Pecem from an SPS to a special purpose enterprise to the Holding company? Because, correct me if I'm wrong, but if you

have the BNDES discussion that restricts you somehow. But is there any strategy in that line to be able to unlock the dividend that comes from the strong generation from the same cash generation from Pecem to the Holding company? Or using Pecem to make investments in other SPE? Anything along those lines to unlock the strong generation from Pecem to -- for that cash to go directly to the holding?

A - Henrique Freire {BIO 19117781 <GO>}

Well, Pedro, these are all being studied, but the most clear thing is we had interest on equity this year. It's optimizing on a tax level that asset. Yes, these are ideas. But for now, what is on our daily activities in terms of topic is the reduction of the debt.

Q - Pedro Manfredini {BIO 21633245 <GO>}

Okay. Great. Thank you.

Operator

(Operator Instructions) The next question is from Gabriel Francisco from XP Investimentos.

Q - Gabriel Francisco {BIO 20569389 <GO>}

Hello, Miguel and Henrique. Congratulations for the whole team for the results. My -- I have a quick question. In our interactions in EVP event, we discussed whether the dividend payment level could be changed with the acceleration of investments in years to come. Do you have any update on that topic or the payout level that we see with leverage under control is sustainable? This is it. Thank you.

A - Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Thank you for your question. Well, we raised dividends this year and as well as -- to BRL 1 per share as well as 1% of the adjusted net income. And our intention is to keep our dividend at least to 50% of the income. So we understand that there is room to raise it, giving -- taking into account our leveraged amount, which is moderate. I'd say that formally, we don't have any change in that policy. But obviously, if there is conditions permitting, dividends will have to follow the results. But we don't make any statement in terms of changing in that policy.

Q - Gabriel Francisco {BIO 20569389 <GO>}

Okay, perfect. If you could allow me to ask more of my questions. In terms of portfolio recycling, you mentioned that the company was looking at mature hydrological risk assets and Pecem. But given that, it has contributed to the cash generation of the company, do you continue to pursue that alternative? Does it still make sense? I ask that because returns in transition, greenfield has very little, and brownfield will be scarcer. Thank you.

A - Miguel Stilwell de Andrade {BIO 16870735 <GO>}

Thank you, Francisco. As for capital recycling, and particularly, you mentioned Pecem. I think, Henrique was very detailed in his comments about that topic during the

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presentation. Pecem today plays a rolling that is key for the group in terms of cash generation. It is a plant that operates with stability -- operational stability with a 20% availability. And Pecem plays a strategic role for us.

The EDP Group in global terms has the goal of being carbon-free up to 2030. So we consider that this period -- this is the period we have for that recycling. So there is no plan or project right now to recycle capital using Pecem. Pecem is strategic for us and coal for us, is a technology that's no longer seen as a technology of the future. There are other technologies that are naturally more environmentally friendly.

And the market today, is a market that doesn't value these assets at a fair value. So this asset is more valuable for us than for the market. So we'll continue to maintain that up until the maximum period that we are allowed according to the group strategy, which is 2030. So right now, we don't have any goal to recycle capital in thermal generation.

In hydroelectric generation, we had a sale of some small hydropower plants in Espirito Santo, in the south, according to our strategy. And as you may know, in our financial statements, there is an asset for sale that's reported -- that is for sale, which is Mascarenhas plant, it's around 200 megawatts plant in Espirito Santo, which shows the intention to keep this asset recycling strategy active. But it has to be -- we have to consider the availability of funds that would result from such capital result. We had to be user specific. So we'll always consider opportunities that may arise and are identified by the company.

Q - Gabriel Francisco {BIO 20569389 <GO>}

Perfect, Miguel. Thank you very much for your answer.

Operator

(Operator Instructions) Excuse me since there are no further questions, the conference call to convey the results of EDP do Brasil for the fourth quarter of 2019 is now closed. Further questions will be answered by the Investor Relations team. Thank you all for participating, and have a good day. Thank you.

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