

ENGIE Brasil Energia S.A.

Quarterly Information

1Q22

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NIRE: 42 3 0002438-4
R. Paschoal Apóstolo Pitsica, 5064
Agronômica - Florianópolis – SC
CEP 88025-255

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Company Information / Capital Composition

Number of shares (Units)	Current quarter 3/31/2022
Paid-in capital	
Common	815,927,740
Preferred	0
Total	815,927,740
Treasury shares	
Common	0
Preferred	0
Total	0

Parent company Financial Statements / Balance Sheet - Assets (In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
1	Total assets	23,901,759	23,610,526
1.01	Current assets	3,392,123	4,362,561
1.01.01	Cash and cash equivalents	1,813,666	2,559,208
1.01.03	Accounts receivable	678,374	893,458
1.01.03.01	Trade accounts receivable	553,952	487,837
1.01.03.02	Other accounts receivable	124,422	405,621
1.01.03.02.01	Dividends receivable	124,422	405,621
1.01.04	Inventories	19,922	19,267
1.01.06	Taxes recoverable	146,957	163,182
1.01.06.01	Current taxes recoverable	146,957	163,182
1.01.06.01.01	Income tax and social contribution credits	146,957	163,182
1.01.08	Other current assets	733,204	727,446
1.01.08.01	Non-current assets held for sale	4,577	4,577
1.01.08.03	Other	728,627	722,869
1.01.08.03.01	Unrealized gains on hedge operations	12,150	2,561
1.01.08.03.03	Restricted deposits	604,402	589,898
1.01.08.03.04	Risk premium to recognize – renegotiation of hydrological risk	13,016	13,016
1.01.08.03.07	Other current assets	99,059	117,394
1.02	Non-current assets	20,509,636	19,247,965
1.02.01	Long term assets	330,142	483,032
1.02.01.10	Other non-current assets	330,142	483,032
1.02.01.10.03	Unrealized gains on hedge operations	0	165,442
1.02.01.10.05	Restricted deposits	9,230	9,106
1.02.01.10.06	Judicial deposits	80,354	78,182
1.02.01.10.07	Risk premium to recognize – renegotiation of hydrological risk	61,002	64,256
1.02.01.10.10	Right to use lease	19,410	20,797
1.02.01.10.11	Other non-current assets	160,146	145,249
1.02.02	Investments	14,279,492	12,772,597
1.02.02.01	Equity interest	14,279,492	12,772,597
1.02.02.01.02	Interest on subsidiaries	11,054,721	10,218,939
1.02.02.01.03	Interest in joint ventures	3,224,771	2,553,658
1.02.03	Property, plant and equipment	3,522,748	3,585,160
1.02.03.01	Property, plant and equipment in operation	3,416,518	3,478,345
1.02.03.03	Construction in progress	106,230	106,815
1.02.04	Intangible assets	2,377,254	2,407,176

Parent Company Financial Statements / Balance Sheet - Liabilities (In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
2	Total liabilities	23,901,759	23,610,526
2.01	Current liabilities	3,561,798	3,737,879
2.01.01	Social and labor obligations	171,868	155,596
2.01.01.02	Labor obligations	171,868	155,596
2.01.02	Suppliers	141,728	183,800
2.01.02.01	Domestic suppliers	141,728	183,800
2.01.03	Tax Liabilities	116,724	13,426
2.01.03.01	Federal tax liabilities	116,724	13,426
2.01.03.01.01	Income tax and social contribution payable	116,724	13,426
2.01.04	Loans and financing	2,588,936	2,818,436
2.01.04.01	Loans and financing	2,265,610	2,536,436
2.01.04.01.01	In local currency	26,971	34,967
2.01.04.01.02	In foreign currency	2,238,639	2,501,469
2.01.04.02	Debentures	323,326	282,000
2.01.05	Other liabilities	480,141	514,309
2.01.05.02	Other	480,141	514,309
2.01.05.02.01	Dividends and interest on equity payable	9,306	56,252
2.01.05.02.04	Lease payable	7,470	6,669
2.01.05.02.05	Concessions payable	272,999	267,117
2.01.05.02.06	Other tax and regulatory liabilities	48,031	34,124
2.01.05.02.08	Other current liabilities	142,335	150,147
2.01.06	Provisions	62,401	52,312
2.01.06.01	Tax, social security, labor and civil Provisions	8,156	10,248
2.01.06.01.01	Fiscal provisions	500	500
2.01.06.01.02	Social security and labor provisions	7,656	8,548
2.01.06.01.04	Civil provisions	0	1,200
2.01.06.02	Other provisions	54,245	42,064
2.01.06.02.04	Retirement benefits obligations	54,245	42,064
2.02	Non-current liabilities	11,980,661	11,943,639
2.02.01	Loans and financing	5,870,440	6,190,961
2.02.01.01	Loans and financing	1,912,811	2,337,601
2.02.01.01.01	In local currency	79	222
2.02.01.01.02	In foreign currency	1,912,732	2,337,379
2.02.01.02	Debentures	3,957,629	3,853,360
2.02.02	Other liabilities	4,960,660	4,512,016
2.02.02.02	Other	4,960,660	4,512,016
2.02.02.02.03	Lease payable	4,347	5,732
2.02.02.02.06	Concessions payable	4,680,583	4,490,976
2.02.02.02.07	Other non-current liabilities	275,730	15,308
2.02.03	Deferred taxes	647,817	728,083
2.02.03.01	Deferred income tax and social contribution	647,817	728,083
2.02.04	Provisions	501,744	512,579
2.02.04.01	Tax, social security, labor and civil provisions	90,894	90,647
2.02.04.01.01	Tax provisions	3,944	3,879
2.02.04.01.02	Social security and labor provisions	12,611	12,200
2.02.04.01.04	Civil provisions	74,339	74,568

Parent Company Financial Statements / Balance Sheet - Liabilities (In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
2.02.04.02	Other provisions	410,850	421,932
2.02.04.02.04	Retirement benefits obligations	410,850	421,932
2.03	Shareholders' equity	8,359,300	7,929,008
2.03.01	Paid-in capital stock	4,902,648	4,902,648
2.03.02	Capital reserves	-192,449	0
2.03.02.07	Transactions with related parties – acquisition of subsidiary	-192,449	0
2.03.04	Profit reserves	2,928,014	3,561,197
2.03.04.01	Legal reserve	980,530	980,530
2.03.04.05	Retained earnings reserve	1,127,417	1,766,086
2.03.04.07	Tax incentive reserve	270,269	264,783
2.03.04.10	Additional dividends proposed	549,798	549,798
2.03.05	Retained earnings/losses	657,425	0
2.03.06	Assets valuation adjustments	320,696	331,070
2.03.08	Other comprehensive income	-257,034	-865,907

Parent Company Financial Statements / Income Statement (In thousands of Reais)

Account Code	Account description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
3.01	Revenue from sales of goods and/or services	1,059,377	1,030,703
3.02	Cost of products and/or services sold	-384,268	-315,331
3.02.01	Energy purchases	-110,381	-109,746
3.02.02	Charges for the use of and connection to the power grid	-96,632	-82,422
3.02.03	Transactions in the short-term energy market	-8,902	-9,970
3.02.04	Renegotiation of hydrological risk	0	35,343
3.02.05	Other operating costs	-158,250	-140,906
3.02.06	Cost of services rendered	-10,103	-7,630
3.03	Gross profit	675,109	715,372
3.04	Operating expenses/income	507,365	365,044
3.04.01	Selling expenses	-5,122	-4,271
3.04.02	General and administrative expenses	-71,999	-60,610
3.04.04	Other operating income	118,361	0
3.04.04.02	Reversal of impairment of assets	118,361	0
3.04.05	Other operating expenses	-95,384	-742
3.04.05.02	Sale of subsidiary	-94,430	0
3.04.05.03	Other operating expenses, net	-954	-742
3.04.06	Equity income	561,509	430,667
3.04.06.01	Equity	562,344	431,502
3.04.06.02	Goodwill amortization	-835	-835
3.05	Income before financial result and taxes	1,182,474	1,080,416
3.06	Financial result	-503,340	-505,513
3.06.01	Financial income	76,685	84,816
3.06.02	Financial expenses	-580,025	-590,329
3.06.02.01	Interest and inflation adjustment – loans and financing	-38,420	-49,944
3.06.02.02	Interest and inflation adjustment – concessions payable	-264,981	-369,957
3.06.02.03	Interest and inflation adjustment – debentures	-155,944	-135,275
3.06.02.04	Interest and inflation adjustment – hedge on loans and debentures	-100,871	-18,318
3.06.02.06	Other	-19,809	-16,835
3.07	Income before income taxes	679,134	574,903
3.08	Income tax and social contribution	-34,414	-46,102
3.08.01	Current	-232,810	0
3.08.02	Deferred	198,396	-46,102
3.09	Net income from continuing operations	644,720	528,801
3.11	Net income/loss for the period	644,720	528,801
3.99	Earnings per share (R$ /share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	0.79017	0.6481
3.99.02	Diluted earnings per share		
3.99.02.01	ON	0.79017	0.6481

Parent Company Financial Statements / Comprehensive Income Statement (In thousands of Reais)

Account Code	Account description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
4.01	Net income for the period	644,720	528,801
4.02	Other comprehensive income	608,873	-186,200
4.02.01	Unrealized gains (losses) of cash flow hedge operations in the year	347,443	-92,732
4.02.02	Deferred income tax and social contribution – unrealized gains (losses) of cash flow hedge operations in the year	-118,130	31,529
4.02.03	Equity income in (losses) gains of cash flow hedge of subsidiaries, net of deferred taxes	-116,966	58,369
4.02.04	Equity income in gains (losses) gains of cash flow hedges of joint venture, net of deferred taxes	496,526	-183,366
4.03	Comprehensive income for the period	1,253,593	342,601

Parent Company Financial Statements / Cash Flow Statement (Indirect Method) (In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
6.01	Net cash from operating activities	519,616	757,143
6.01.01	Cash generated from operations	765,176	697,691
6.01.01.01	Income before income taxes	679,134	574,903
6.01.01.02	Equity interest income	-561,509	-430,667
6.01.01.03	Depreciation and amortization	105,974	82,027
6.01.01.04	Reversal of impairment of assets	-118,361	0
6.01.01.05	Renegotiation of hydrological risk	0	-35,343
6.01.01.06	Monetary variation	260,416	365,778
6.01.01.07	Interest	312,638	205,783
6.01.01.08	Sale of subsidiary	94,430	0
6.01.01.09	Market value adjustment of marketable securities	0	-59,934
6.01.01.13	Other	-7,546	-4,856
6.01.02	Changes in assets and liabilities	-245,560	59,452
6.01.02.01	Trade accounts receivable	-66,045	48,841
6.01.02.02	Income tax and social contribution credit	16,225	21,606
6.01.02.03	Restricted and court deposits	-1,053	4,749
6.01.02.06	Other assets	13,813	25,739
6.01.02.07	Suppliers	-41,245	-3,813
6.01.02.08	Other tax and regulatory obligations	13,025	3,178
6.01.02.09	Labor obligations	16,273	16,453
6.01.02.10	Retirement benefits obligations	-10,387	-8,557
6.01.02.11	Other liabilities	-10,055	-16,839
6.01.03.12	Payment of interest on debt, net of hedge	-65,093	-12,715
6.01.03.13	Payment of income tax and social contribution	-111,018	-19,190
6.02	Net cash from investment activities	-477,911	651,272
6.02.01	Dividends received from subsidiaries and joint ventures	281,199	32,501
6.02.02	Capital increase in subsidiaries	-756,046	-245,678
6.02.03	Capital decrease in subsidiaries	7,500	880,000
6.02.06	Investment in property, plant and equipment and intangible assets	-13,864	-15,551
6.02.09	New marketable securities	3,300	0
6.03	Net cash from financing activities	-787,247	-1,329,475
6.03.02	Payment of loans and financing, net of hedge	-8,743	-12,139
6.03.03	Payment of concession installments	-69,492	-57,703
6.03.04	Payment of dividends and interest on equity	-694,473	-1,250,462
6.03.05	Lease payment	-1,054	-1,534
6.03.06	Deposits linked to debt service	-13,485	-7,643
6.03.07	Other	0	6
6.05	Increase (decrease) in cash and cash equivalents	-745,542	78,940
6.05.01	Opening balance of cash and cash equivalents	2,559,208	1,924,589
6.05.02	Closing balance of cash and cash equivalents	1,813,666	2,003,529

Parent Company Financial Statements / Changes in Shareholders' Equity Statement / YTD Current Year - 1/1/2022 to 3/31/2022 (In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Accumulated Loss)	Other Comprehensive Income	Shareholders' Equity
5.01	Opening balances	4,902,648	0	3,561,197	0	-534,837	7,929,008
5.03	Adjusted opening balances	4,902,648	0	3,561,197	0	-534,837	7,929,008
5.04	Capital transactions with partners	0	-192,449	-638,669	7,817	0	-823,301
5.04.08	Dividends and interest on equity not claimed	0	0	0	7,817	0	7,817
5.04.09	Interim dividends	0	0	-638,669	0	0	-638,669
5.04.10	Transactions with related parties – acquisition of subsidiary	0	-192,449	0	0	0	-192,449
5.05	Total comprehensive income	0	0	0	644,720	608,873	1,253,593
5.05.01	Net income for the period	0	0	0	644,720	0	644,720
5.05.02	Other comprehensive income	0	0	0	0	608,873	608,873
5.05.02.06	Fair value of cash flow hedge	0	0	0	0	112,347	112,347
5.05.02.07	Interest in joint venture	0	0	0	0	496,526	496,526
5.06	Internal changes in shareholders' equity	0	0	5,486	4,888	-10,374	0
5.06.07	Realization of deemed cost	0	0	0	10,374	-10,374	0
5.06.08	Tax incentive reserve	0	0	5,486	-5,486	0	0
5.07	Closing balances	4,902,648	-192,449	2,928,014	657,425	63,662	8,359,300

Parent Company Financial Statements / Changes in Shareholders' Equity Statement / YTD Current Year - 1/1/2021 to 3/31/2021

(In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Accumulated Losses)	Other Comprehensive Income	Shareholders' Equity
5.01	Opening balances	4,902,648	0	3,546,496	0	-709,615	7,739,529
5.03	Adjusted opening balances	4,902,648	0	3,546,496	0	-709,615	7,739,529
5.04	Capital transactions with partners	0	0	0	6,829	0	6,829
5.04.08	Dividends and interest on equity not claimed	0	0	0	6,829	0	6,829
5.05	Total comprehensive income	0	0	0	528,801	-186,200	342,601
5.05.01	Net income for the period	0	0	0	528,801	0	528,801
5.05.02	Other comprehensive income	0	0	0	0	-186,200	-186,200
5.05.02.06	Fair value of cash flow hedge	0	0	0	0	-2,834	-2,834
5.05.02.07	Interest in joint venture	0	0	0	0	-183,366	-183,366
5.06	Internal changes in shareholders' equity	0	0	0	6,833	-6,833	0
5.06.07	Realization of deemed cost	0	0	0	6,833	-6,833	0
5.07	Closing balances	4,902,648	0	3,546,496	542,463	-902,648	8,088,959

Parent Company Financial Statements / Value Added Statement
(In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
7.01	Revenues	1,077,922	1,145,426
7.01.01	Sale of products and services	1,173,306	1,146,168
7.01.02	Other revenues	-95,384	-742
7.01.02.07	Sale of subsidiary	-94,430	0
7.01.02.08	Other operating income, net	-954	-742
7.02	Raw material acquired from third parties	-143,086	-205,301
7.02.02	Materials, energy, third parties services and other	-36,547	-30,067
7.02.04	Other	-106,539	-175,234
7.02.04.01	Energy purchases	-110,381	-109,746
7.02.04.03	Charges for the use of and connection to the power grid	-96,632	-82,422
7.02.04.05	Transactions in short-term energy market	-8,902	-9,970
7.02.04.07	Insurance	-7,043	-4,601
7.02.04.08	Reversal of impairment of assets	118,361	0
7.02.04.09	Renegotiation of hydrological asset	0	35,343
7.02.04.10	Other	-1,942	-3,838
7.03	Gross added value	934,836	940,125
7.04	Retentions	-105,974	-82,027
7.04.01	Depreciation, amortization and depletion	-105,974	-82,027
7.05	Net added value generated	828,862	858,098
7.06	Added value received in transfer	638,194	515,483
7.06.01	Equity income	561,509	430,667
7.06.02	Financial income	76,685	84,816
7.07	Total added value to distribute	1,467,056	1,373,581
7.08	Distribution of added value	1,467,056	1,373,581
7.08.01	Labor	64,343	57,747
7.08.01.01	Direct remuneration	43,783	38,842
7.08.01.02	Benefits	10,311	9,991
7.08.01.03	F.G.T.S. - workers' severance fund	2,918	2,781
7.08.01.04	Other	7,331	6,133
7.08.01.04.01	Profit sharing	7,331	6,133
7.08.02	Taxes, duties and contributions	151,682	163,179
7.08.02.01	Federal	149,463	157,925
7.08.02.02	State	1,228	4,325
7.08.02.03	Municipal	991	929
7.08.03	Third-party capital remuneration	315,460	220,835
7.08.03.01	Interest	313,050	213,786
7.08.03.02	Rentals	426	501
7.08.03.03	Other	1,984	6,548
7.08.03.03.02	Other financial expenses	1,984	6,548
7.08.04	Remuneration of own capital	657,425	542,463
7.08.04.03	Retained earnings / loss for the period	657,425	542,463
7.08.05	Other	278,146	389,357
7.08.05.01	Sectorial charges	25,870	33,062
7.08.05.02	Charges on concessions payable	264,981	369,957
7.08.05.05	Tax incentive reserves	5,486	0

Parent Company Financial Statements / Value Added Statement (In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
7.08.05.07	Realization of deemed cost	-10,374	-6,833
7.08.05.08	Dividends and interest on equity not claimed	-7,817	-6,829

Consolidated Financial Statements / Balance Sheet - Assets
(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
1	Total assets	39,605,144	38,115,725
1.01	Current assets	8,048,054	8,517,934
1.01.01	Cash and cash equivalents	4,587,654	5,156,406
1.01.03	Accounts receivable	1,202,250	1,114,105
1.01.03.01	Trade accounts receivable	1,202,250	1,114,105
1.01.04	Inventories	152,184	151,146
1.01.06	Taxes recoverable	240,763	248,324
1.01.06.01	Current taxes recoverable	240,763	248,324
1.01.06.01.01	Income tax and social contribution credits	240,763	248,324
1.01.08	Other current assets	1,865,203	1,847,953
1.01.08.01	Non-current assets for sale	4,577	4,577
1.01.08.03	Other	1,860,626	1,843,376
1.01.08.03.01	Unrealized hedge gains	12,150	42,577
1.01.08.03.02	Unrealized trading gains	183,850	206,647
1.01.08.03.03	Restricted deposits	654,614	638,606
1.01.08.03.04	Risk premium to recognize – renegotiation of hydrological risk	15,089	15,089
1.01.08.03.05	Concession financial asset	344,136	333,638
1.01.08.03.06	Contract asset	458,025	387,529
1.01.08.03.07	Other current assets	192,762	219,290
1.02	Non-current assets	31,557,090	29,597,791
1.02.01	Long term assets	9,129,768	8,814,140
1.02.01.10	Other non-current assets	9,129,768	8,814,140
1.02.01.10.03	Unrealized hedge gains	0	184,155
1.02.01.10.04	Unrealized trading gains	96,685	100,523
1.02.01.10.05	Restricted deposits	291,711	265,432
1.02.01.10.06	Judicial deposits	82,814	79,198
1.02.01.10.07	Premium risk to appropriate – renegotiation of hydrological risk	81,735	85,507
1.02.01.10.08	Concession financial asset	2,794,630	2,729,112
1.02.01.10.09	Agreement asset	5,328,718	4,936,101
1.02.01.10.10	Right of use of leases	172,653	145,158
1.02.01.10.11	Other non-current assets	280,822	288,954
1.02.02	Investments	3,035,800	2,366,708
1.02.02.01	Equity interest	3,035,800	2,366,708
1.02.02.01.04	Interest in joint ventures	3,035,800	2,366,708
1.02.03	Property, plant and equipment	15,366,665	14,378,787
1.02.03.01	Property, plant and equipment in operation	14,668,153	13,810,201
1.02.03.03	Construction in progress	698,512	568,586
1.02.04	Intangible assets	4,024,857	4,038,156

Consolidated Financial Statements / Balance Sheet - Liabilities
(In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
2	Total liabilities	39,605,144	38,115,725
2.01	Current liabilities	5,791,562	5,775,159
2.01.01	Social and labor obligations	185,523	171,232
2.01.01.02	Labor obligations	185,523	171,232
2.01.02	Suppliers	609,664	649,962
2.01.02.01	Domestic suppliers	609,664	649,962
2.01.03	Tax liabilities	163,092	82,443
2.01.03.01	Federal tax liabilities	163,092	82,443
2.01.03.01.01	Income tax and social contribution payable	163,092	82,443
2.01.04	Loans and financing	3,282,522	3,390,934
2.01.04.01	Loans and financing	2,657,359	2,848,070
2.01.04.01.01	In local currency	418,720	346,601
2.01.04.01.02	In foreign currency	2,238,639	2,501,469
2.01.04.02	Debentures	625,163	542,864
2.01.05	Other liabilities	1,476,547	1,416,464
2.01.05.02	Other	1,476,547	1,416,464
2.01.05.02.01	Dividends and interest on equity payable	9,612	56,558
2.01.05.02.04	Lease payable	22,838	19,568
2.01.05.02.05	Concessions payable	280,196	274,071
2.01.05.02.06	Other tax and regulatory liabilities	103,832	106,555
2.01.05.02.07	Unrealized trading losses	170,202	190,348
2.01.05.02.08	Other current liabilities	889,867	769,364
2.01.06	Provisions	74,214	64,124
2.01.06.01	Tax, social security, labor and civil provisions	19,969	22,060
2.01.06.01.01	Tax provisions	536	537
2.01.06.01.02	Social security and labor provisions	7,668	8,559
2.01.06.01.04	Civil provisions	11,765	12,964
2.01.06.02	Other provisions	54,245	42,064
2.01.06.02.04	Retirement benefits obligations	54,245	42,064
2.02	Non-current liabilities	25,450,361	24,407,969
2.02.01	Loans and financing	17,310,168	16,743,783
2.02.01.01	Loans and financing	11,153,448	10,749,031
2.02.01.01.01	In local currency	9,240,716	8,411,652
2.02.01.01.02	In foreign currency	1,912,732	2,337,379
2.02.01.02	Debentures	6,156,720	5,994,752
2.02.02	Other liabilities	5,869,750	5,366,647
2.02.02.02	Other	5,869,750	5,366,647
2.02.02.02.03	Leases payable	134,255	106,816
2.02.02.02.04	Unrealized trading losses	77,709	80,414
2.02.02.02.05	Redeemable preferred shares	524,909	510,160
2.02.02.02.06	Concessions payable	4,735,336	4,544,720
2.02.02.02.07	Other non-current liabilities	397,541	124,537
2.02.03	Deferred taxes	1,480,796	1,504,825
2.02.03.01	Deferred income tax and social contribution	1,480,796	1,504,825
2.02.04	Provisions	789,647	792,714
2.02.04.01	Tax, social security, labor and civil provisions	378,781	370,767

Consolidated Financial Statements / Balance Sheet - Liabilities (In thousands of Reais)

Account Code	Account Description	Current Quarter 3/31/2022	Prior Year 12/31/2021
2.02.04.01.01	Tax provisions	4,008	3,941
2.02.04.01.02	Social security and labor provisions	13,609	13,185
2.02.04.01.04	Civil provisions	97,200	95,912
2.02.04.01.05	Provision for divestment	263,964	257,729
2.02.04.02	Other provisions	410,866	421,947
2.02.04.02.04	Retirement benefits obligations	410,866	421,947
2.03	Consolidated shareholders' equity	8,363,221	7,932,597
2.03.01	Paid-in capital stock	4,902,648	4,902,648
2.03.02	Capital reserves	-192,449	0
2.03.02.07	Transactions with related parties – acquisition of subsidiary	-192,449	0
2.03.04	Profit reserves	2,928,014	3,561,197
2.03.04.01	Legal reserve	980,530	980,530
2.03.04.05	Retained earnings reserve	1,127,417	1,766,086
2.03.04.07	Tax incentive reserve	270,269	264,783
2.03.04.10	Additional dividend proposed	549,798	549,798
2.03.05	Retained earnings/losses	657,425	0
2.03.06	Assets valuation adjustments	320,696	331,070
2.03.08	Other comprehensive income	-257,034	-865,907
2.03.09	Non-controlling interest	3,921	3,589

Consolidated Financial Statements / Income Statement (In thousands of Reais)

Account Code	Account description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
3.01	Revenue from sales of goods and/or services	3,062,301	3,249,940
3.02	Cost of products and/or services sold	-1,535,308	-1,846,405
3.02.01	Energy purchases	-575,931	-432,452
3.02.02	Charges for the use of and connection to the power grid	-148,859	-142,209
3.02.03	Transactions in the short-term energy market	-79,222	-71,270
3.02.04	Renegotiation of hydrological risk	0	51,961
3.02.05	Other operating costs	-721,193	-1,244,805
3.02.06	Cost of services rendered	-10,103	-7,630
3.03	Gross profit	1,526,993	1,403,535
3.04	Operating expenses/income	114,498	103,853
3.04.01	Selling expenses	8,313	-6,211
3.04.02	General and administrative expenses	-78,863	-63,890
3.04.04	Other operating income	107,264	0
3.04.04.02	Reversal of impairment of assets, net	107,264	0
3.04.05	Other operating expenses	-94,782	-575
3.04.05.02	Sale of subsidiary	-94,430	0
3.04.05.03	Other operating expenses, net	-352	-575
3.04.06	Equity income (loss)	172,566	174,529
3.05	Income before financial result and taxes	1,641,491	1,507,388
3.06	Financial result	-824,287	-832,306
3.06.01	Financial income	149,914	24,903
3.06.02	Financial expenses	-974,201	-857,209
3.06.02.01	Interest and inflation adjustment – loans and financing	-292,674	-201,164
3.06.02.02	Interest and inflation adjustment – concessions payable	-268,014	-372,512
3.06.02.03	Interest and inflation adjustment – debentures	-255,094	-209,052
3.06.02.04	Interest and inflation adjustment – hedge on loans and debentures	-105,250	-32,794
3.06.02.05	Interest and inflation adjustment – redeemable preferred shares	-14,749	-4,132
3.06.02.06	Other	-38,420	-37,555
3.07	Income before income taxes	817,204	675,082
3.08	Income tax and social contribution	-172,152	-145,972
3.08.01	Current	-295,082	-78,571
3.08.02	Deferred	122,930	-67,401
3.09	Net income from continuing operations	645,052	529,110
3.11	Consolidated net income/loss for the period	645,052	529,110
3.11.01	Attributable to the partners of the parent company	644,720	528,801
3.11.02	Attributable to non-controlling partners	332	309

Consolidated Financial Statements / Income Statement
(In thousands of Reais)

Account Code	Account description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
3.99	Earnings per share (R$ /share)		
3.99.01	Basic earnings per share		
3.99.01.01	ON	0.79017	0.6481
3.99.02	Diluted earnings per share		
3.99.02.01	ON	0.79017	0.6481

Consolidated Financial Statements / Comprehensive Income Statement (In thousands of Reais)

Account Code	Account description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
4.01	Consolidated net income for the period	645,052	529,110
4.02	Other comprehensive income	608,873	-186,200
4.02.01	Unrealized gains (losses) in cash flow hedge operations in the period	230,477	-34,216
4.02.02	Deferred income tax and social contribution - Unrealized gains (losses) in cash flow hedge operations in the period	-118,130	31,382
4.02.04	Equity income in gains (losses) gains of cash flow hedge operations of joint venture, net of deferred taxes	496,526	-183,366
4.03	Consolidated comprehensive income for the period	1,253,925	342,910
4.03.01	Attributed to the parent company's shareholders	1,253,593	342,601
4.03.02	Attributed to non-controlling shareholders	332	309

Consolidated Financial Statements / Cash Flow Statement (Indirect Method)
(In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
6.01	Net cash from operating activities	847,516	611,039
6.01.01	Cash generated from operations	1,404,833	1,246,779
6.01.01.01	Income tax before income	817,204	675,082
6.01.01.02	Equity interest income	-172,566	-174,529
6.01.01.03	Depreciation and amortization	249,026	230,675
6.01.01.04	Reversal of impairment of assets, net	-107,264	0
6.01.01.05	Renegotiation of hydrological risk	0	-51,961
6.01.01.06	Monetary variation	456,557	507,957
6.01.01.07	Interest	487,793	335,077
6.01.01.08	Sale of subsidiary	94,430	0
6.01.01.10	Remuneration of contract asset	-248,573	-137,766
6.01.01.11	Remuneration of concession financial asset	-154,213	-127,678
6.01.01.12	Unrealized trading losses (gains), net	3,784	-5,620
6.01.01.13	Other	-21,345	-4,458
6.01.02	Changes in assets and liabilities	-557,317	-635,740
6.01.02.01	Trade accounts receivable	-72,810	220,318
6.01.02.02	Income tax and social contribution credit	5,564	18,015
6.01.02.03	Restricted and judicial deposits	-4,052	13,478
6.01.02.04	Concession financial asset	78,197	72,172
6.01.02.05	Agreement asset	-214,540	-702,242
6.01.02.06	Other assets	93,375	40,074
6.01.02.07	Suppliers	-107,884	-34,376
6.01.02.08	Other tax and regulatory obligations	-3,847	-595
6.01.02.09	Labor obligations	15,475	20,844
6.01.02.10	Retirement benefits obligations	-10,387	-8,593
6.01.02.11	Other liabilities	8,859	-20,458
6.01.03.12	Payment of interest on debt, net of hedge	-153,123	-64,080
6.01.03.13	Payment of income tax and social contribution	-192,144	-190,297
6.02	Net cash from investment activities	-540,755	-233,319
6.02.01	Dividends received from joint ventures	0	32,501
6.02.04	Acquisition of subsidiaries	-656,157	0
6.02.05	Cash and cash equivalents of subsidiary acquired	199,870	0
6.02.06	Acquisition of property, plant and equipment and intangible assets	-86,610	-265,845
6.02.09	Other	2,142	25
6.03	Net cash from financing activities	-875,513	-602,644
6.03.01	New loans and financing	0	871,039
6.03.02	Payment of loans and financing, net of hedge	-73,264	-67,899
6.03.03	Payment of concession installments	-71,273	-59,380
6.03.04	Payment of dividends and interest on equity	-694,473	-1,250,462
6.03.05	Lease payment	-3,780	-5,532
6.03.06	Deposits linked to debt service	-32,723	-90,684
6.03.07	Other	0	274

Consolidated Financial Statements / Cash Flow Statement - Indirect Method
(In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
6.05	Increase (decrease) in cash and cash equivalents	-568,752	-224,924
6.05.01	Opening balance of cash and cash equivalents	5,156,406	4,538,946
6.05.02	Closing balance of cash and cash equivalents	4,587,654	4,314,022

Consolidated Financial Statements / Changes in Shareholders' Equity Statement / YTD Current Year - 1/1/2022 to 3/31/2022 (In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity	Interest of Non-Controlling Shareholders	Consolidated Shareholders' Equity
5.01	Opening balances	4,902,648	0	3,561,197	0	-534,837	7,929,008	3,589	7,932,597
5.03	Adjusted opening balances	4,902,648	0	3,561,197	0	-534,837	7,929,008	3,589	7,932,597
5.04	Capital transactions with partners	0	-192,449	-638,669	7,817	0	-823,301	0	-823,301
5.04.08	Dividends and interest on equity not claimed	0	0	0	7,817	0	7,817	0	7,817
5.04.09	Interim dividends	0	0	-638,669	0	0	-638,669	0	-638,669
5.04.10	Transactions with related parties – acquisition of subsidiary	0	-192,449	0	0	0	-192,449	0	-192,449
5.05	Total comprehensive income	0	0	0	644,720	608,873	1,253,593	332	1,253,925
5.05.01	Net income for the period	0	0	0	644,720	0	644,720	332	645,052
5.05.02	Other comprehensive income	0	0	0	0	608,873	608,873	0	608,873
5.05.02.06	Fair value of cash flow hedge	0	0	0	0	112,347	112,347	0	112,347
5.05.02.07	Interest in joint venture	0	0	0	0	496,526	496,526	0	496,526
5.06	Internal changes in shareholders' equity	0	0	5,486	4,888	-10,374	0	0	0
5.06.07	Realization of deemed cost	0	0	0	10,374	-10,374	0	0	0
5.06.08	Tax incentive reserve	0	0	5,486	-5,486	0	0	0	0
5.07	Closing balances	4,902,648	-192,449	2,928,014	657,425	63,662	8,359,300	3,921	8,363,221

Consolidated Financial Statements / Changes in Shareholders' Equity Statement / YTD Current Year - 1/1/2021 to 3/31/2021 (In thousands of Reais)

Account Code	Account Description	Paid-in Capital	Capital Reserves, Options Granted and Treasury Shares	Profit Reserves	Retained Earnings (Loss)	Other Comprehensive Income	Shareholders' Equity	Interest of Non-Controlling Shareholders	Consolidated Shareholders' Equity
5.01	Opening balances	4,902,648	0	3,546,496	0	-709,615	7,739,529	2,469	7,741,998
5.03	Adjusted opening balances	4,902,648	0	3,546,496	0	-709,615	7,739,529	2,469	7,741,998
5.04	Capital transactions with partners	0	0	0	6,829	0	6,829	0	6,829
5.04.08	Dividends and interest on equity not claimed	0	0	0	6,829	0	6,829	0	6,829
5.05	Total comprehensive income	0	0	0	528,801	-186,200	342,601	309	342,910
5.05.01	Net income for the period	0	0	0	528,801	0	528,801	309	529,110
5.05.02	Other comprehensive income	0	0	0	0	-186,200	-186,200	0	-186,200
5.05.02.06	Fair value hedge of cash flow	0	0	0	0	-2,834	-2,834	0	-2,834
5.05.02.07	Interest in joint venture	0	0	0	0	-183,366	-183,366	0	-183,366
5.06	Internal changes in shareholders' equity	0	0	0	6,833	-6,833	0	0	0
5.06.07	Realization of deemed cost	0	0	0	6,833	-6,833	0	0	0
5.07	Closing balances	4,902,648	0	3,546,496	542,463	-902,648	8,088,959	2,778	8,091,737

Consolidated Financial Statements / Value Added Statement (In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
7.01	Revenues	3,332,866	3,698,225
7.01.01	Sale of products and services	2,653,582	2,520,461
7.01.02	Other income	679,284	1,177,764
7.01.02.01	Revenue from transmission infrastructure construction	252,002	699,427
7.01.02.02	Remuneration of contract asset	248,573	137,766
7.01.02.03	Remuneration of concession financial asset	154,213	127,678
7.01.02.04	Revenue from generation construction	117,463	202,654
7.01.02.05	Unrealized gains from trading operations	1,815	10,814
7.01.02.07	Sale of subsidiary	-94,430	0
7.01.02.08	Other operating expenses, net	-352	-575
7.02	Raw material acquired from third parties	-1,231,238	-1,708,141
7.02.02	Materials, energy, third parties services and other	-111,649	-111,918
7.02.04	Other	-1,119,589	-1,596,223
7.02.04.01	Energy purchases	-575,931	-432,452
7.02.04.02	Transmission infrastructure construction costs	-264,642	-680,416
7.02.04.03	Charges on use of and connection to power grid	-148,859	-142,209
7.02.04.04	Plant construction costs	-103,461	-164,720
7.02.04.05	Transactions in the short-term energy market	-79,222	-71,270
7.02.04.06	Fuels for energy production	-41,520	-125,388
7.02.04.07	Insurance	-19,202	-20,884
7.02.04.08	Reversal of impairment of assets	107,264	0
7.02.04.09	Renegotiation of hydrological risk	0	51,961
7.02.04.10	Other	5,984	-10,845
7.03	Gross added value	2,101,628	1,990,084
7.04	Retentions	-249,026	-230,675
7.04.01	Depreciation, amortization and depletion	-249,026	-230,675
7.05	Net added value generated	1,852,602	1,759,409
7.06	Added value received in transfer	322,480	199,432
7.06.01	Equity income (loss)	172,566	174,529
7.06.02	Financial income	149,914	24,903
7.07	Total added value to distribute	2,175,082	1,958,841
7.08	Distribution of added value	2,175,082	1,958,841
7.08.01	Labor	76,898	90,435
7.08.01.01	Direct remuneration	52,138	59,935
7.08.01.02	Benefits	12,642	16,557
7.08.01.03	F.G.T.S. - workers' severance fund	3,480	4,444
7.08.01.04	Other	8,638	9,499
7.08.01.04.01	Equity interest	8,638	9,499
7.08.02	Taxes, duties and contributions	422,915	395,789
7.08.02.01	Federal	419,703	384,429
7.08.02.02	State	1,763	10,009
7.08.02.03	Municipal	1,449	1,351

Consolidated Financial Statements / Value Added Statement (In thousands of Reais)

Account Code	Account Description	YTD current year 1/1/2022 to 3/31/2022	YTD previous year 1/1/2021 to 3/31/2021
7.08.03	Third-party capital remuneration	722,936	524,719
7.08.03.01	Interest	685,955	457,575
7.08.03.02	Rentals	2,920	2,448
7.08.03.03	Other	34,061	64,696
7.08.03.03.01	Capitalized interest, inflation adjustment and depreciation	14,002	37,934
7.08.03.03.02	Other financial expenses	20,059	26,762
7.08.04	Remuneration of own capital	657,425	542,463
7.08.04.03	Retained earnings / accumulated losses for the period	657,425	542,463
7.08.05	Other	294,908	405,435
7.08.05.01	Sectorial charges	39,267	46,276
7.08.05.02	Charges on concession payable	268,014	372,512
7.08.05.05	Tax incentive reserves	5,486	0
7.08.05.07	Realization of deemed cost	-10,374	-6,833
7.08.05.08	Dividends and interest on equity not claimed	-7,817	-6,829
7.08.05.10	Non-controlling shareholder	332	309

Economic-Financial Performance

Result by segment – 1Q22 X 1Q21 (in R$ million)

	Electric Energy					
	Generation[1]	Transmission	Trading	Solar panels	Gas transportation	Consolidated
1Q22						
Net operating revenue	2,388	502	165	7	-	3,062
Operational costs	(1,102)	(267)	(163)	(3)	-	(1,535)
Gross income	**1,286**	**235**	**2**	**4**	**-**	**1,527**
Selling, general and administrative expenses	(66)	(1)	(1)	(3)	-	(71)
Impairment, net	(11)	-	-	118	-	107
Disposal of subsidiary	-	-	-	(94)	-	(94)
Equity income	-	-	-	-	173	173
Income before financial results and taxes	**1,209**	**234**	**1**	**25**	**173**	**1,642**
1Q21						
Net operating revenue	2,145	837	260	8	-	3,250
Operational costs	(900)	(680)	(257)	(9)	-	(1,846)
Gross income (loss)	**1,245**	**157**	**3**	**(1)**	**-**	**1,404**
Selling, general and administrative expenses	(68)	(1)	(1)	(1)	-	(71)
Equity income	-	-	-	-	175	175
Other operating expenses, net	(1)	-	-	-	-	(1)
Income (loss) before financial results and taxes	**1,176**	**156**	**2**	**(2)**	**175**	**1,507**
Variation						
Net operating revenue	243	(335)	(95)	(1)	-	(188)
Operational costs	(202)	413	94	6	-	311
Gross income (loss)	**41**	**78**	**(1)**	**5**	**-**	**123**
Selling, general and administrative expenses	2	-	-	(2)	-	-
Impairment, net	(11)	-	-	118	-	107
Disposal of subsidiary	-	-	-	(94)	-	(94)
Equity income	-	-	-	-	(2)	(2)
Other operating expenses, net	1	-	-	-	-	1
Income (loss) before financial results and taxes	**33**	**78**	**(1)**	**27**	**(2)**	**135**

[1] Generation and sale of electric energy from the Company's portfolio ("Generation").

The Company's financial result is not allocated by segment since Management administers the cash flow on a consolidated and corporate basis.

Economic-Financial Performance

Net Operating Revenue

Operating revenue by segment – 1Q22 X 1Q21 (in R$ million)

	Electric energy				
	Generation	Transmission	Trading	Solar panels	Consolidated
1Q22					
Distribution companies	1,036	-	-	-	1,036
Free consumers	848	-	-	-	848
Remuneration of concession financial assets	154	249	-	-	403
Construction revenue	-	252	-	-	252
Trading companies	182	-	-	-	182
Energy trading operations	-	-	163	-	163
Transactions in the short-term market	123	-	-	-	123
Services rendered revenue	34	-	-	-	34
Unrealized gains on trading operations	-	-	2	-	2
Other revenues	11	1	-	7	19
Net operating revenue	**2,388**	**502**	**165**	**7**	**3,062**
1Q21					
Distribution companies	921	-	-	-	921
Free consumers	802	-	-	-	802
Remuneration of concession financial assets	128	138	-	-	266
Construction revenue	-	699	-	-	699
Trading companies	140	-	-	-	140
Energy trading operations	-	-	249	-	249
Transactions in the short-term market	107	-	-	-	107
Services rendered revenue	31	-	-	-	31
Unrealized gains on trading operations	-	-	11	-	11
Other revenues	16	-	-	8	24
Net operating revenue	**2,145**	**837**	**260**	**8**	**3,250**
Variation					
Distribution companies	115	-	-	-	115
Free consumers	46	-	-	-	46
Remuneration of concession financial assets	26	111	-	-	137
Construction revenue	-	(447)	-	-	(447)
Trading companies	42	-	-	-	42
Energy trading operations	-	-	(86)	-	(86)
Transactions in the short-term market	16	-	-	-	16
Services rendered revenue	3	-	-	-	3
Unrealized gains on trading operations	-	-	(9)	-	(9)
Other revenues	(5)	1	-	(1)	(5)
Net operating revenue	**243**	**(335)**	**(95)**	**(1)**	**(188)**

Economic-Financial Performance

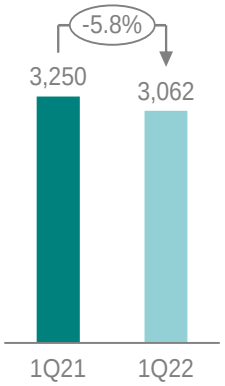
In 1Q22, net operating revenue fell 5.8% (R$ 188 million) when compared with 1Q21, decreasing from R$ 3,250 million to **R$ 3,062 million**. This variation reflects largely the following factors:

Generation and sale of energy from the portfolio: growth of R$ 243 million (11.3%), due largely to the following factors: (i) R$ 203 million in revenue with energy sales agreements in the regulated and free energy environments, the result of increases in the amount of energy sold and the net average selling price; (ii) R$ 26 million, from the remuneration of the concessions' financial assets relative to the payment an installment on the Jaguara and Miranda hydropower plants concession grants with respect to energy allocated to the Regulated Contracting Environment (ACR); and (iii) R$ 16 million in transactions conducted across the short-term market principally on the Electric Energy Trade Board (CCEE).

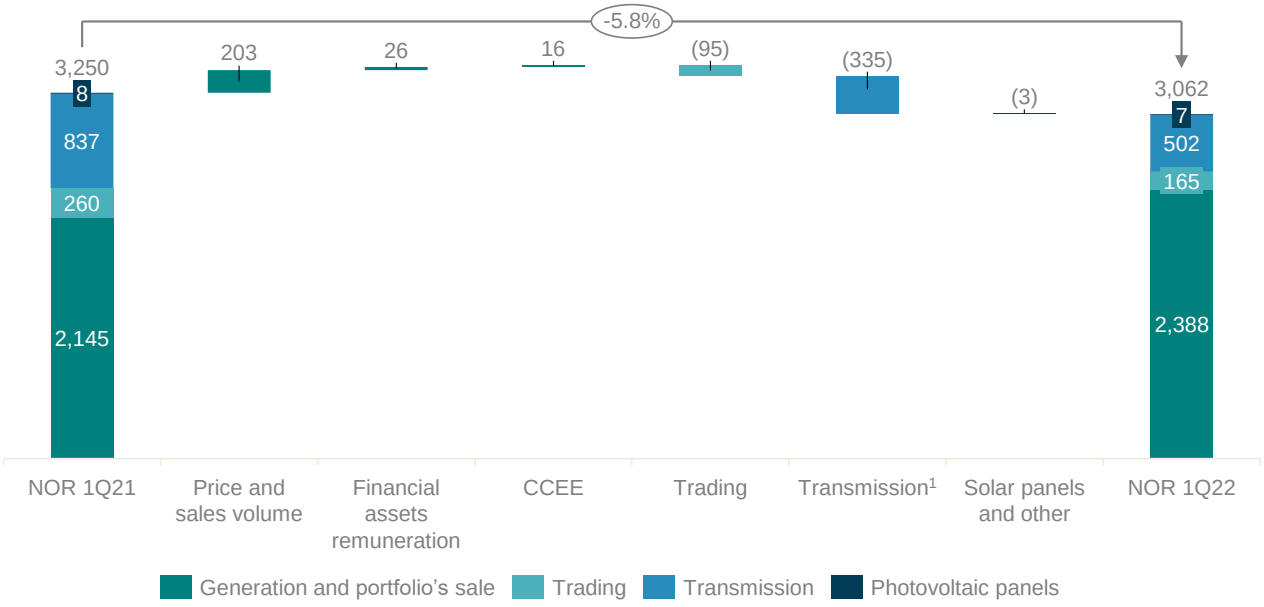
Transmission: decrease of R$ 335 million (40.0%) in the transmission segment. Further details are described below in a specific item.

Trading: reduction of R$ 95 million (36.5%) reflected largely from the reduction in revenue from operations realized and gains from marking-to-market of future sales.

Net Operating Revenue
R$ million



Net Operating Revenue Change by Segment
R$ million



[1] *Capex reduction in the quarters under comparison.*

Comments on Variation in Net Operating Revenue

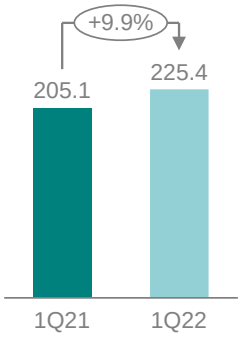
Generation and Sales of Energy from the Portfolio

- Net Average Selling Price

The net average selling price of energy, net of charges on revenue reached **R$ 225.35/MWh in 1Q22, 9.9% higher** than reported for 1Q21 when the amount was R$ 205.13/MWh.

The price increase was largely driven by monetary restatement of existing agreements.

Net Average Selling Price*
R$/MWh



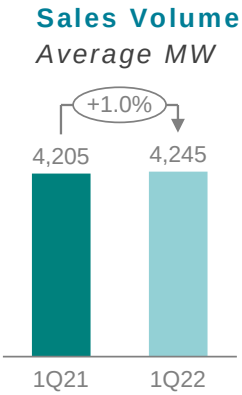
** Net of sale taxes and trading operations.*

Economic-Financial Performance

➢ Sales Volume

Energy sales volume under agreements increased from 9,084 GWh (4,205 average MW) in 1Q21 to **9,169 GWh (4,245 average MW) in 1Q22**, a growth of 85 GWh (40 average MW), or 1.0%, between compared periods.

There was no significant variation in energy sales volume despite the disposal of the Diamante Geração de Energia Ltda. ("Diamante" or "Corporation") subsidiary on October 18, 2021, given the energy purchase agreement signed between the Company and the Corporation post divestment.



➢ Revenue from Sale of Electric Energy

- *Distribution Companies:*

Revenue from sales to distributors reached R$ 1,036 million in 1Q22, R$ 115 million (12.5%) greater than the R$ 921 million posted in 1Q21. The variation was due to the following effects: (i) R$ 83 million — growth of 8.8% in the net average selling price; and (ii) R$ 32 million — an increase of 126 GWh (59 average MW) in the amount sold.

Price rises are largely due to monetary restatement on existing agreements. The growth in sales volumes between compared quarters are largely the effects of contracted volumes adjusted for seasonal variations.

- *Free Consumers:*

Revenue from sales to free consumers increased by R$ 46 million (5.7%) between the quarters under analysis from R$ 802 million in 1Q21 to **R$ 848 million in 1Q22**. The following events contributed to this variation: (i) R$ 84 million — increase of 10.5% in the average net selling price; and (ii) R$ 38 million — a decrease of 205 GWh (95 average MW) in the volume of energy sold.

The reduction in energy sales volume was driven essentially by the expiry of existing contracts. On a year-on-year basis, the increase in net average selling price was mainly a reflection of monetary restatement of existing agreements.

- *Trading Companies:*

In 1Q22, revenue from sales to trading companies was R$ 182 million, R$ 42 million (30.0%) more than the revenue recorded in 1Q21, which was R$ 140 million. This increase resulted from a combination of the following aspects: (i) R$ 13 million — growth of 10.2% in net average selling price; and (ii) R$ 29 million — an increase of 164 GWh (76 average MW) in energy sales volume.

The increase in prices was basically due to monetary restatement of existing agreements. Growth in volumes between the periods analyzed was due principally to new sales agreements.

➢ Remuneration of Concession Financial Assets

Concessions' financial assets represent the present value of future cash flows of the portion of energy allocated to the Regulated Contracting Environment (ACR) of the Jaguara and Miranda Hydroelectric Power Plants, equivalent to 70% of the physical guarantee of these plants. These assets are remunerated by the internal rate of return and by the variation in the Consumer Price Index - Comprehensive (IPCA).

The remuneration of the concessions' financial assets rose from R$ 128 million in 1Q21 to R$ **154 million in 1Q22, an increase of R$ 26 million (20.3%)**. Comparing the same quarters in successive years, the growth was driven substantially by the increase in average balance of the asset and by the variation of the IPCA.

➢ Transactions in the Short-term Energy Market

In 1Q22, revenue from transactions in the short-term market was **R$ 123 million**, while in 1Q21 the same item was R$ 107 million, representing an **increase of R$ 16 million (15.0%)** between compared quarters. Further explanations on these operations and the variation may be found in "Details of short-term operations".

➢ Revenue from Services Rendered

Again, in respect of the Jaguara and Miranda Hydroelectric Power plants and their sales in the Regulated Contracting Environment, also as part of the Annual Generation Revenue (RAG), the companies receive for Generation Assets' Management (GAG), as payment to cover the costs of operations and maintenance, as well as expenditures with improvements and investments during the concession period. The value for the GAG booked to the accounts in **1Q22 was R$ 34 million**, R$ 3 million (9.7%) higher than R$ 31 million in 1Q21, substantially due to monetary restatement.

Economic-Financial Performance

Operating Costs

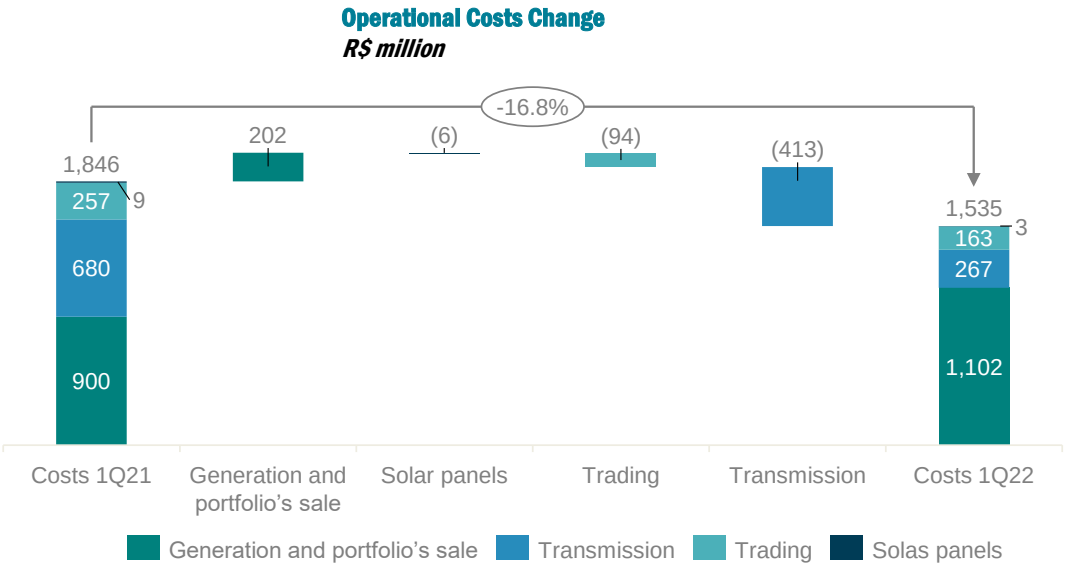
Costs by segment – 1T22 x 1T21 (in R$ million)

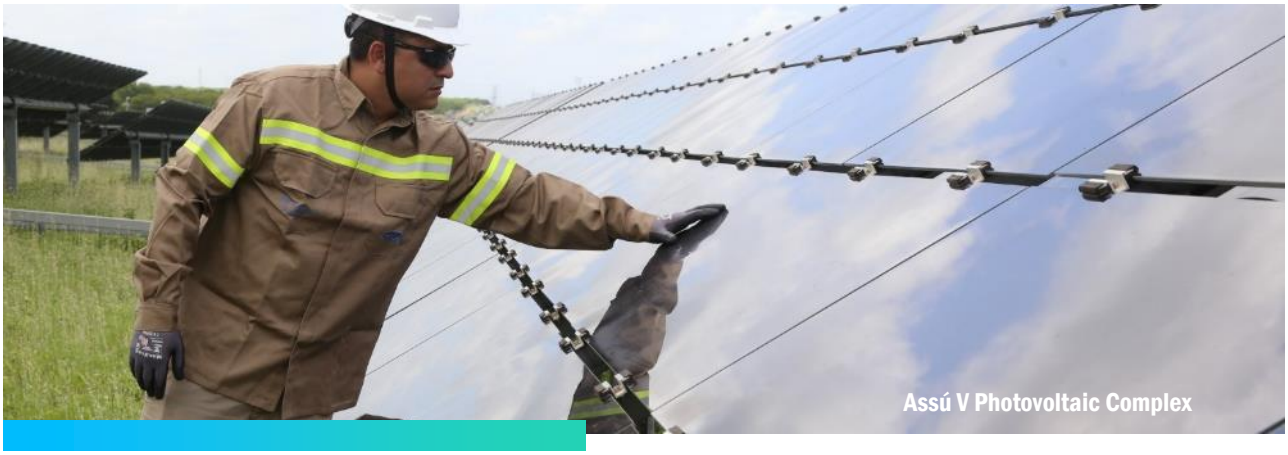
	Electric energy				
	Generation	Transmission	Trading	Solar Panels	Consolidated
1Q22					
Electric power purchases	413	-	157	-	570
Construction costs	-	265	-	-	265
Depreciation and amortization	241	-	-	-	241
Charges for the use of and connection to the power grid	149	-	-	-	149
Materials and third-party services	84	-	-	1	85
Transactions in the short-term market	79	-	-	-	79
Personnel	49	-	-	-	49
Fuel for generation	42	-	-	-	42
Royalties	20	-	-	-	20
Insurance	19	-	-	-	19
Unrealized losses on trading operations	-	-	6	-	6
Other operational costs, net	6	2	-	2	10
Operational costs	**1,102**	**267**	**163**	**3**	**1,535**
1Q21					
Electric power purchases	176	-	251	-	427
Construction costs	-	680	-	-	680
Depreciation and amortization	225	-	-	-	225
Charges for the use of and connection to the power grid	142	-	-	-	142
Materials and third-party services	90	-	-	2	92
Transactions in the short-term market	70	-	1	-	71
Personnel	66	-	-	2	68
Fuel for generation	125	-	-	-	125
Royalties	26	-	-	-	26
Insurance	21	-	-	-	21
Unrealized losses on trading operations	-	-	5	-	5
Hydrological risk renegotiation	(52)	-	-	-	(52)
Other operational costs, net	11	-	-	5	16
Operational costs	**900**	**680**	**257**	**9**	**1,846**
Variation					
Electric power purchases	237	-	(94)	-	143
Construction costs	-	(415)	-	-	(415)
Depreciation and amortization	16	-	-	-	16
Charges for the use of and connection to the power grid	7	-	-	-	7
Materials and third-party services	(6)	-	-	(1)	(7)
Transactions in the short-term market	9	-	(1)	-	8
Personnel	(17)	-	-	(2)	(19)
Fuel for generation	(83)	-	-	-	(83)
Royalties	(6)	-	-	-	(6)
Insurance	(2)	-	-	-	(2)
Unrealized losses on trading operations	-	-	1	-	1
Hydrological risk renegotiation	52	-	-	-	52
Other operational costs, net	(5)	2	-	(3)	(6)
Operational costs	**202**	**(413)**	**(94)**	**(6)**	**(311)**

Economic-Financial Performance

Operational costs were down by R$ 311 million (16.8%) between the compared quarters of the two successive years from R$ 1,846 million in 1Q21 to **R$ 1,535 million in 1Q22**. This variation reflects the variation of the following factors: (i) a decrease of R$ 413 million (60.7%) in the costs of the transmission segment; (ii) a decrease of R$ 94 million (36.6%) in the costs of energy trading operations; (iii) a decrease of R$ 6 million (66.7%) in solar panel selling and installation costs; and (iv) an increase of R$ 202 million (22.4%) in the costs of generation and sale of energy from the Company's portfolio segment.

Of the variation in item (iv), particularly noteworthy was the impact from the clawback of costs of energy from previous periods due to the renegotiation of hydrological risk in 1Q21, amounting to R$ 52 million.





Such variations resulted essentially from the behavior of the main components below:

Comments on Variations in Operational Costs

Generation and Energy Sales from the Portfolio

- **Energy purchases:** between 1Q21 and 1Q22 there was an increase of R$ 237 million (134.7%) in purchases for energy portfolio management — mainly a reflection of growth of 1,255 GWh (581 averaged MW) in purchase volumes. There was no variation in net average purchase price between the compared periods.

The variation in energy purchase volume is largely due to the sale of the Diamante subsidiary, with which the Company has signed a power purchasing agreement.

» **Depreciation and amortization:** increase of R$ 16 million (7.1%) between quarters under analysis and the result mainly of the amortization of amounts relating to hydrological risk initiated in 4Q21 and the entry into commercial operations during 2021 of the Campo Largo II Wind Complex. These effects were partially attenuated by the disposal of the Diamante subsidiary.

Economic-Financial Performance

» **Charges for use of electric energy network and connections:** an increase of R$ 7 million (4.9%) between the two quarters under review and a consequence largely of the annual tariff readjustment for transmission and distribution as well as the entry into commercial operations of the Campo Largo II Wind Complex over the course of 2021. These effects were partially offset by the divestment of the Diamante subsidiary.

» **Material and third-party services:** reduction of R$ 6 million (6.7%) in 1Q22, in relation to the same quarter of 2021, once more largely a reflection of the Diamante disposal. This effect was offset by the readjustment of the Company's plant operation and maintenance agreements.

» **Transactions in the short-term energy market:** on a year-on-year basis, costs with these transactions were R$ 9 million (12.9%) higher. More explanations on these operations and with respect to the variation can be found in the "Details if the short-term operations" section.

» **Personnel:** reduction of R$ 17 million (25.8%) between compared quarters, substantially a reflection of the sale of Diamante. This effect was partially attenuated by the annual readjustment in employee remuneration.

» **Fuels for generation:** decrease of R$ 83 million (66.4%) on a 1Q21 x 1Q22 comparison basis due to the sale of the Diamante subsidiary in October 2021. This effect was partially attenuated by a higher consumption of own coal at Pampa Sul.

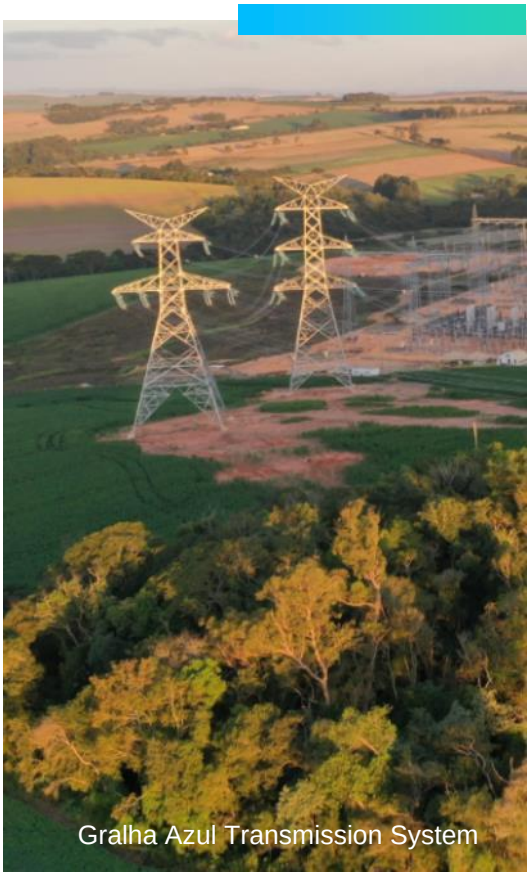
» **Financial compensation for the use of water resources (royalties):** a reduction of R$ 6 million (23.1%) between the compared quarters due largely to a reduction in generation at the hydropower plants albeit partially offset by the annual readjustment.

» **Hydrological risk renegotiation:** on March 2, 2021, the CCEE published the revised compensation amounts covering: (i) the application of the discount rate in the calculation of the extended concession grants; (ii) consideration for the impacts arising from the expiration of the concession covering offtake from the Belo Monte Hydroelectric Plant; and (iii) recognition of the right of the plants operating on a quotas regime basis pursuant to Law 13.783/13 to compensations calculated pursuant to Law 14.052/20. In the light of this revised compensation, the Company booked an amount of R$ 52 million in 1Q21.

Operational Result from the Energy Transmission Segment

The Company has primary responsibility for the construction and installation of infrastructure pertaining to the Gralha Azul and Novo Estado transmission systems and is exposed to the risks and benefits of these constructions. Consequently, based on prevailing accounting practices, the Company books revenue over the course of the implementation of the transmission infrastructure for an amount corresponding to the construction costs plus a gross residual margin to cover the construction management. Expenditures incurred in the construction are recognized in the cost of the transmission infrastructure. The Annual Allowed Revenue (RAP) is received once the transmission system goes into commercial operations. Thus, only resources generated from the operational activity are received from then onwards. By the end of the 1Q22, the ONS granted the Gralha Azul and Novo Estado transmission systems additional authorization for entries into commercial operations on a piecemeal basis, representing 77% and 9% of their total capacities, respectively.

The gross result from the energy transmission segment reached R$ 235 million in 1Q22, an increase of R$ 78 million (49.7%), in relation to the same quarter in 2021, mainly a reflection of the advancing construction work on the two transmission systems. This effect was partially impacted by the expected postponement of the entry into operation of certain transmission lines. In addition, remuneration revenue from transmission infrastructure is also impacted by the variation in the IPCA.


Gralha Azul Transmission System

Operational Result of the Energy Trading Segment

The Company operates in the physical energy trading market in order to generate results through energy price variations, within preestablished limits of risk. Energy trading operations are transacted in an active market and for accounting purposes, are defined as financial instruments according to their fair value. This is principally due to the fact that there is no commitment to match purchase and sale operations, flexibility being permitted to manage the contracts and obtain results through price variations in the market.

Economic-Financial Performance

Gross revenue between quarters under analysis declined by R$ 1 million (33.3%), from R$ 3 million in 1Q21 to R$ 2 million in 1Q22, largely the result of the following events: (i) R$ 10 million from the negative impact of marking-to-market — the difference between contractual prices and those of the market — of the net contracted operations outstanding on March 31, 2021 and 2022; (ii) R$ 8 million due to an increase in the gross result from energy purchase and sale operations executed; and (iii) an increase of R$ 1 million in the result of the transactions in the short-term energy market.

Details of Short-Term Operations

Short-term operations are classified as energy purchase or sale operations, the principal objective being the management of the Company's exposure on the CCEE. Consequently, the price of these operations is characterized by the linkage with the Price for Settlement of Differences (PLD). This item also includes the transactions conducted through the CCEE, given their volatile and seasonal nature, therefore, short-term, of the results originating from accounting movement in the CCEE. Additionally, the long and short positions are settled at the PLD, thus, similar to the short-term operations described above.

In relation to the transactions conducted through the CCEE, the various monthly credit or debit entries to the account of a Board agent are summarized in a single billing as a receivable or a payable. This therefore requires an entry to either an income or an expense item. In this context, it is worth pointing out that due to adjustments in the Company's portfolio management strategy, changes have been taking place in the profile of the mentioned billings. Such fluctuations complicate the direct comparison of the elements comprising each billing for the periods being analyzed - the reason for including this specific topic. The strategy allows us to analyze the fluctuations of the principal elements involved in spite of allocation being either to an income or expenses account according to the credit or debit nature of the billing to which they relate.

Generically, these elements are revenues or expenses arising, for example, (i) from the application of the Energy Reallocation Mechanism (MRE); (ii) from the Generation Scaling Factor (GSF), triggered when generation of plants, part of the MRE, is smaller or greater (Secondary Energy) than the allocated energy; (iii) from the so-called "submarket risk"; (iv) dispatch driven by the Risk Aversion Curve (CAR); (v) the application of System Service Charges (ESS), resulting in dispatch which diverges from the thermal plants order of merit; and (vi) naturally, exposure (a short or long position in the monthly accounting) and settled at the PLD.

In 1Q22 and in 1Q21, **the net results** (difference between revenues and costs — less taxes) from short-term transactions — particularly those executed on the CCEE — **were positive at R$ 44 million** and R$ 36 million, respectively. This represents a **growth of R$ 8 million between the two quarters**, being an increase of R$ 7 million on the result for transactions in the generation and sales of energy from the Company's portfolio segment and an increase of R$ 1 million in the result from energy trading transactions.

This variation was largely a consequence of the following factors: (i) the reduced negative impact of the MRE Adjustment Factor (GSF) — already deducted for the effects of the hydrological risk renegotiations, a reflection of the water crisis in 1Q21; (ii) decrease in the result from thermal generation due to the disposal of the Diamante subsidiary; (iii) an increase in the negative effect in the MRE due to a reduction in hydroelectric power generation; and (iv) a reduction in the financial impact from short-term operations in 1Q22, when compared with 1Q21 due to the variation in PLD between the periods under analysis.

In December 2021, Aneel established PLD maximum and minimum limits for 2022 at R$ 646.58/MWh and R$ 55.70/MWh, respectively. The following table shows the average PLD values for the submarkets in which the Company operates, in MWh.

Average PLD in R$/MWh	1Q22	1Q21	Chg. 1T (%)
South	58.11	171.68	(66.2%)
Southeast/Center-West	58.10	172.57	(66.3%)
Northeast	56.21	159.91	(64.8%)

Sale of a subsidiary

On February 21, 2022, the sale of a corporate stake which the Company held in the ENGIE Geração Solar Distribuída (EGSD) subsidiary was concluded. On this date, the corporation ceased to be controlled by the Company, also ceasing to be consolidated. The result from the sale of the asset, net of selling costs (R$ 94 million), and the reversal of impairment (R$ 118 million), produced an overall positive result of R$ 24 million.

Economic-Financial Performance

Equity Income – Gas Transportation

The Company has a 32.5% direct corporate stake in TAG. The result of equity income from TAG for the compared quarters in analysis is composed of the following items:

	1Q22		1Q21	
Income statement – in R$ mil	**100%**	**Company's share**	**100%**	**Company's share**
Net operational revenue	2,051	667	1,715	557
Costs of services provided	(703)	(229)	(576)	(187)
Gross income	**1,348**	**438**	**1,139**	**370**
General and administrative expenses	(47)	(15)	(39)	(13)
Income before financial result and taxes	**1,301**	**423**	**1,100**	**357**
Financial result	(490)	(159)	(281)	(91)
Income before taxes	**811**	**264**	**819**	**266**
Income tax and social contribution	(280)	(91)	(282)	(91)
TAG's net income	**531**	**173**	**537**	**175**

The reconciliation of TAG's net profit with EBITDA is shown in the following table:

	1Q22		1Q21	
EBITDA – in R$ million	**100%**	**Company's share**	**100%**	**Company's share**
Income before financial result and taxes	**1,301**	**423**	**1,100**	**357**
Depreciation and amortization	162	53	159	52
Amortization of surplus	228	74	251	82
EBITDA	**1,691**	**550**	**1,510**	**491**

Between 1Q21 and 1Q22, the result for equity income fell by R$ 2 million (1.1%) from R$ 175 million to R$ 173 million, respectively.

The variation was the consequence of the following effects: (i) an increase in net financial expenses of R$ 68 million, largely the result of the growth in CDI between the quarters under review, this effect being attenuated by the reduction in the US Dollar exchange rate in the case of currency denominated debt which is protected by a hedge and has its effects offset against the item "Net operating revenue" in TAG's balance sheet; (ii) R$ 59 million growth in EBITDA due principally to the updating of transportation tariffs, partially attenuated by the readjustment in operation and maintenance agreements and the exchange variation in one of the transportation agreements; and (iii) a decrease of R$ 7 million in depreciation and amortization expenses.

Economic-Financial Performance

Balance Sheet

TAG's principal asset and liability groups as of March 31, 2022 and December 31, 2021 were as follows:

Balance Sheet	03/31/2022	03/31/2021
ASSETS		
Current assets	**2,663**	**2,079**
Cash and cash equivalents	874	439
Accounts receivables from clients	1,497	1,439
Restricted deposits	-	5
Unrealized gains on hedging transactions	7	-
Other current assets	285	196
Non-current assets	**32,002**	**31,154**
Accounts receivables from clients	7	540
Restricted deposits	1,051	115
Unrealized gains on hedging transactions	61	-
Other non-current assets	665	5
Property, plant and equipment	27,460	27,742
Intangible	2,758	2,752
Total	**34,665**	**33,233**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	**4,030**	**3,707**
Loans, financing and debentures	3,641	3,377
Unrealized losses on hedging transactions	-	11
Other current liabilities	389	319
Non-current liabilities	**21,828**	**22,778**
Loans, financing and debentures	18,018	19,632
Unrealized losses on hedging transactions	-	412
Deferred income taxes and social contribution	3,142	2,075
Other non-current liabilities	668	659
Shareholders' equity	**8,807**	**6,748**
Total	**34,665**	**33,233**



Economic-Financial Performance

EBITDA and EBITDA Margin

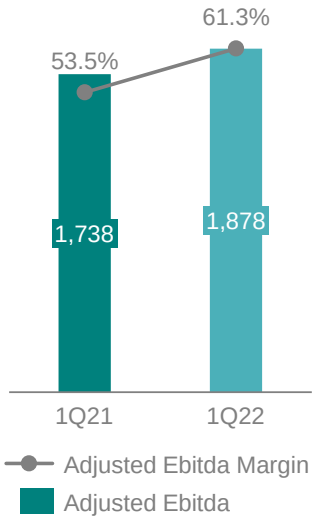
EBITDA by segment – 1Q22 x 1Q21 (in R$ million)

	Electric Energy					
	Generation	Transmission	Trading	Solar Panels	Gas Transportation	Consolidated
1Q22						
Income (loss) before financial results and taxes	1,209	234	1	25	173	1,642
Depreciation and amortization	249	-	-	-	-	249
EBITDA	**1,458**	**234**	**1**	**25**	**173**	**1,891**
Impairment, net	11	-	-	(118)	-	(107)
Disposal of subsidiary	-	-	-	94	-	94
Adjusted EBITDA	**1,469**	**234**	**1**	**1**	**173**	**1,878**
Adjusted EBITDA margin	**61.5%**	**46.6%**	**0.6%**	**14.3%**	**-**	**61.3%**
1Q21						
Income (loss) before financial results and taxes	1,176	156	2	(2)	175	1,507
Depreciation and amortization	231	-	-	-	-	231
EBITDA / Adjusted EBITDA	**1,407**	**156**	**2**	**(2)**	**175**	**1,738**
EBITDA margin / Adjusted EBITDA margin	**65.6%**	**18.6%**	**0.8%**	**(25.0%)**	**-**	**53.5%**
Variation						
Income (loss) before financial results and taxes	33	78	(1)	27	(2)	135
Depreciation and amortization	18	-	-	-	-	18
EBITDA	**51**	**78**	**(1)**	**27**	**(2)**	**153**
Impairment, net	11	-	-	(118)	-	(107)
Disposal of subsidiary	-	-	-	94	-	94
Adjusted EBITDA	**62**	**78**	**(1)**	**3**	**(2)**	**140**
Adjusted EBITDA margin	**(4.1 p.p.)**	**28.0 p.p.**	**(0.2 p.p.)**	**39.3 p.p.**	**-**	**7.8 p.p.**

Between 1Q22 and 1Q21, adjusted EBITDA increased R$ 140 million (8.1%), from R$ 1,738 million in 1Q21 to R$ 1.878 million in 1Q22. This variation was a consequence of the combination of the following **positive effects**: (i) R$ 78 million (50.0%) originating from the energy transmission segment; (ii) R$ 62 million (4.4%) in the generation and sale of energy from the Company's portfolio segment; and (iii) R$ 3 million (150.0%) in the solar panels segment. The positive impacts were counterbalanced by the **negative effects** as follows: (iv) R$ 2 million (1.1%) due to the smaller result from the corporate stake in the jointly held controlled company – TAG; and (v) R$ 1 million (50.0%) from the energy trading segment.

The key variations in adjusted EBITDA are in the generation and sale of energy segment shown in item (ii) above, the positive effects of which were: (i) R$ 203 million from the combination of the variations in the amount of electric energy sold and the net average selling price; (ii) R$ 83 million with the consumption of own fuel; (iii) R$ 26 million of remuneration revenue and monetary restatement on the concession assets of Jaguara and Miranda HPPs; (iv) R$ 17 million in payroll costs; (v) R$ 7 million in transactions effected in the short-term market; (vi) R$ 6 million in the costs of materials and third party services; and (vii) R$ 9 million relative to other revenues, costs and operational and administrative expenses. These effects were attenuated by the decrease in the following factors: (viii) R$ 237 million in energy purchases; and (ix) R$ 52 million of hydrological risk renegotiation, booked in 1Q21.

Adjusted Ebitda[1] and Ebitda Margin



1 Adjustes Ebitda: net income + income tax and social contribution + financial results + depreciation and amortization + impairment + non-recurrent effects.

Economic-Financial Performance

Generation Adjusted EBITDA Margin

The adjusted EBITDA margin in the generation segment reported a reduction of 4.1 p.p., decreasing from 65.6% in 1Q21 to 61.5% in 1Q22.

Consolidated Adjusted EBITDA Margin

The consolidated adjusted EBITDA margin reported an increase of 7.8 p.p. from 53.5% in 1Q21 to 61.3% in 1Q22.

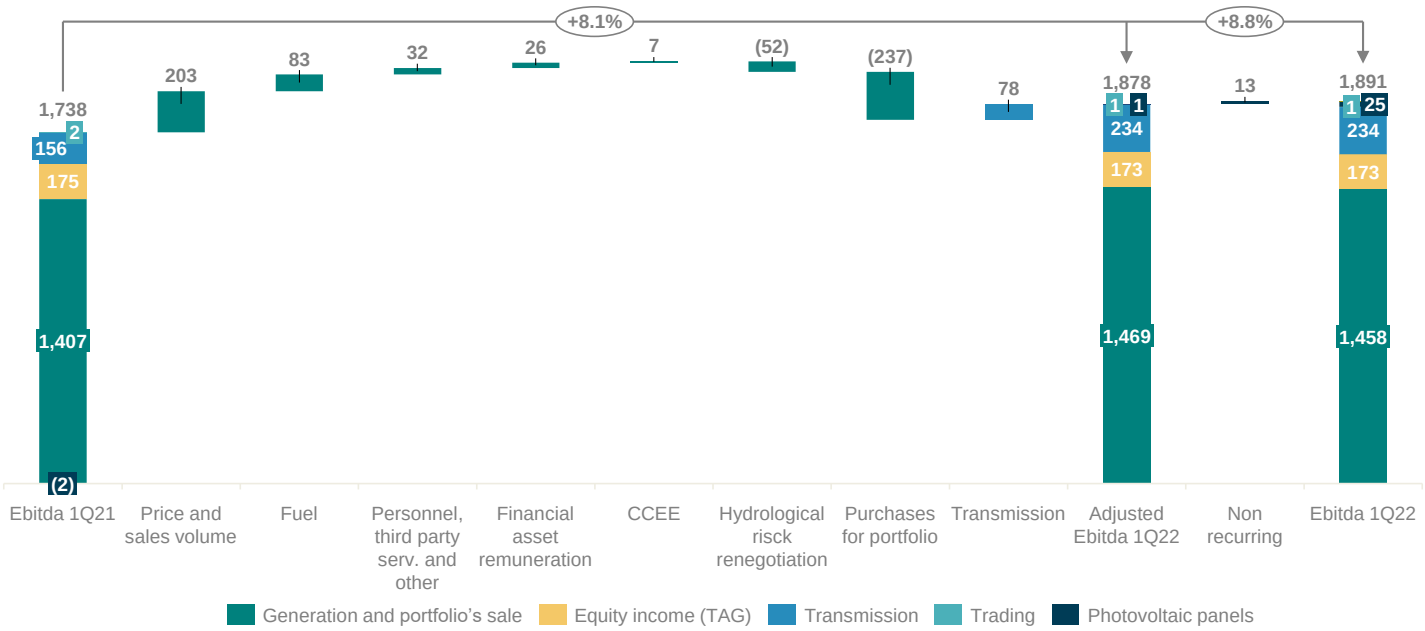
It should be pointed out that the consolidated adjusted EBITDA margin is partially reduced by the effects of the energy trading operations, the booking of revenue and costs relative to the construction of the transmission lines and operations executed by the EGSD subsidiary, the margins of which are thinner than those recorded in the other Company business.

For the purposes of reconciliation of net income with EBITDA, we show the following table:

(In millions of R$)	1Q22	1Q21	Chg. %
Net income	645	529	21.9
(+) Income tax and social contribution	173	146	18.5
(+) Net financial result	824	832	-1.0
(+) Depreciation and amortization	249	231	8.0
Ebitda	**1,891**	**1,738**	**8.8**
Non-recurrent effects			
(+) Impairment	(107)	-	-100.0
(+) Disposal of subsidiary	94	-	100.0
Adjusted Ebitda	**1,878**	**1,738**	**8.1**

Ebitda Change

R$ million




Conjunto Eólico Umburanas

Economic-Financial Performance

Financial Result

(In millions of R$)	1Q22	1Q21	Chg.
Income from financial investments	137	20	117
Other financial income	13	5	8
Total financial income	**150**	**25**	**125**
Debt:			
Monetary restatement	(298)	(217)	(81)
Interest	(372)	(230)	(142)
Concessions:			
Monetary restatement	(158)	(279)	121
Interest	(110)	(93)	(17)
Other financial expenses	(36)	(38)	2
Total financial expenses	**(974)**	**(857)**	**(117)**
Net financial result	**(824)**	**(832)**	**8**

Financial expenses: in 1Q22, financial revenues reached R$ 150 million, R$ 125 million or 500.0% above the R$ 25 million recorded in the same quarter 2021, mainly due to the increase of R$ 117 million in the revenue from financial investments due to the variation in the CDI between the compared quarters.

Financial income: expenses in 1Q22 were R$ 974 million, that is, R$ 117 million or 13.7% more than the R$ 857 million reported in the same quarter in 2021. The leading variations were: (i) an increase of R$ 223 million in debt between the two quarters, of which: (i.i) R$ 81 million in monetary restatement reflecting the variation in inflationary indices; and (i.ii) R$ 142 million of interest and adjustment to fair value due mainly to the issue of debentures and the contracting of loans and financing during the course of 2021; and (ii) the reduction of R$ 104 million in concessions payable between the periods analyzed, of which: (ii.i) R$ 121 million in monetary restatement, largely due to the alteration in the index for monetary restatement but counterbalanced by the acceleration in IPCA; and (ii.ii) a R$ 17 million increase in interest.

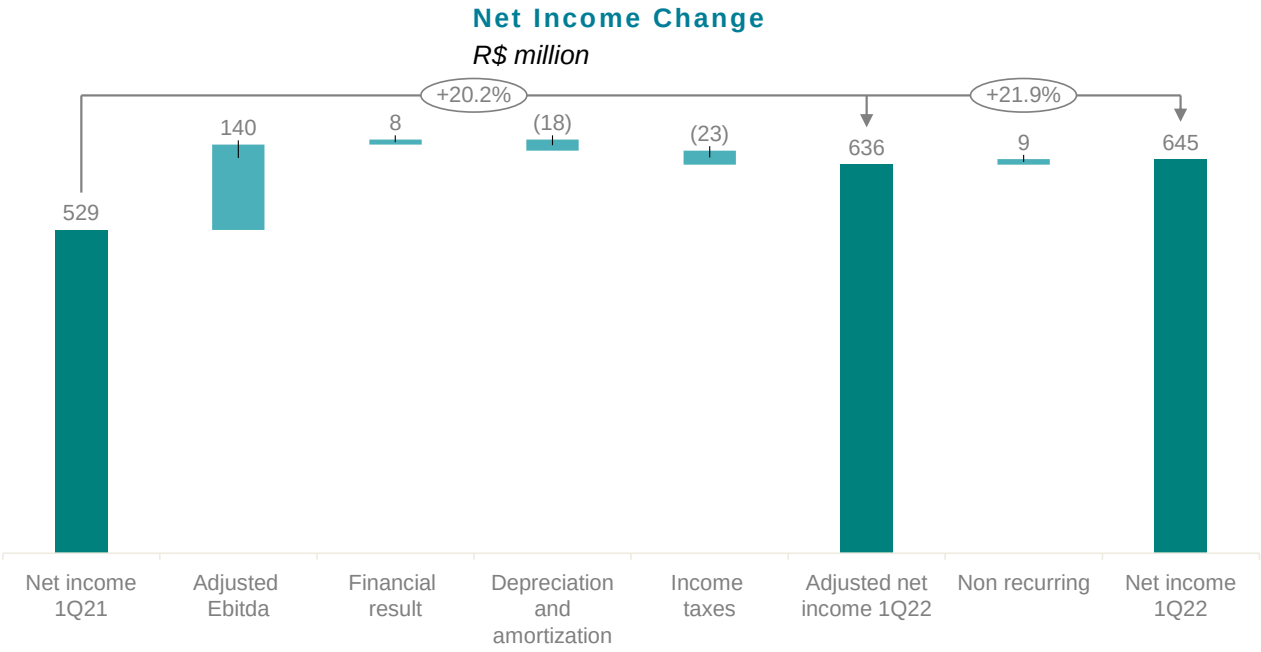
Income Tax and Social Contribution

Income Tax and Social Contribution expenses in 1Q22 were R$ 173 million, R$ 27 million (18.5%) more than registered in the same quarter 2021, of R$ 146 million, due to the increase in profit before Income Tax and Social Contribution 1Q21 x 1Q22. This effect was partially attenuated by the greater benefits from tax incentives in 1Q22 when compared with 1Q21. Excluding non-recurring effects, expenses with Income Tax and Social Contribution reported a variation of R$ 23 million or 15.8%, between the quarters for the two consecutive years.

Net Income

Net income for 1Q22 was R$ 645 million, R$ 116 million or 21.9% greater than the R$ 529 million presented in the same quarter of 2021. This growth reflects the following factors: (i) an increase of R$ 140 million in the adjusted EBITDA; (ii) an increase of R$ 18 million in depreciation and amortization; (iii) a decrease of R$ 8 million of net financial expenses; (iv) a growth of R$ 23 million in income tax and social contribution, considering recurring transactions; and (v) the booking of the non-recurring effects with a positive impact of R$ 9 million.

Economic-Financial Performance



Notes to the Financial Statements

ENGIE BRASIL ENERGIA S.A.
CNPJ No. 02.474.103/0001-19 | NIRE Nº 42 3 0002438-4
NOTES TO THE QUARTERLY INFORMATION AS OF 3.31.2022
(In thousands of Reais or other currencies, unless otherwise indicated)

NOTE 1 – OPERATIONS

ENGIE Brasil Energia S.A. ("Company" or "ENGIE Brasil Energia" or "ENGIE") is an independent utility concessionaire and a publicly held corporation with its registered headquarters in the municipality of Florianópolis, state of Santa Catarina, Brazil. ENGIE is an platform for infrastructure investments focused on the centralized generation, sale, trading and transmission of electricity. These activities are regulated by the Brazilian Electricity Regulatory Agency ("Aneel"). The Company also operates in the gas transportation segment. For more information, see Note 29 – Segment Information.

The shares of the Company are listed in the New Market segment of B3 S.A. – Brasil, Bolsa, Balcão (B3) under the ticker EGIE3. ENGIE Brasil Energia also trades Level 1 American Depositary Receipts (ADR) in the U.S. Over-the-Counter market under the ticker EGIEY, in the proportion of one ADR for each common share.

The Company is controlled by ENGIE Brasil Participações Ltda. ("ENGIE Participações"), a company established in Brazil and controlled by International Power S.A., headquartered in Belgium. International Power is a subsidiary of International Power Ltd., a company headquartered in the United Kingdom, which is part of the economic group ENGIE group, headquartered in France.

ENGIE Brasil Energia is part of the largest independent energy producer in Brazil, accounting for approximately 5.8%[1] of the country's installed capacity. At 3.31.2022, its installed capacity, including its stakes in energy generation consortia, was 8,440.9 MW. Out of this total, 75.7% arises from hydroelectric power plants, 4.1% from thermal power plants and 20.2% from complementary energy (wind, solar, biomass and small hydroelectric power plants). Physical guarantee for sale averaged was 4,556.5 MW, of which 377.4 average MW are related to the portion of 70% of physical guarantee of the Jaguara and Miranda Hydroelectric Power Plants, which were allocated to the Regulated Contracting Environment (ACR) in the Physical Guarantee Quota System.

On 3.31.2022, the Company's generation facilities in operation consisted of 76 plants, of which 11 hydroelectric power plants (HPP), one conventional thermal power plant (TPP), 50 wind farms, three biomass plants, nine photovoltaic solar power plants and two small hydroelectric power plants (SHPP).

The main corporate and operational events occurred in the three-month period ended March 31, 2022 are as follows:

[1] The non-financial information herein, such as MW, average MW, installed power and others has not been revised by the independent auditors.

Notes to the Financial Statements

a) Company's ratings

The following table shows the reaffirmations of ratings assigned by rating agencies during 2022:

Company	Risk Agency	Rating	Classification	Date
ENGIE Brasil Energia	Fitch Ratings	long-term national rating	'AAA(bra)' with stable outlook	02.25.2022
ENGIE Brasil Energia	Fitch Ratings	long-term international rating in foreign currency	'BB' with negative outlook	02.25.2022
ENGIE Brasil Energia	Fitch Ratings	long-term international rating in domestic currency	'BBB-' with negative outlook	02.25.2022
ENGIE Brasil Energia	Fitch Ratings	long-term national rating – 6th, 7th, 9th and 10th issues of debentures	'AAA(bra)' with stable outlook	02.25.2022

b) Sale of subsidiary

On 02.21.2022, after the conditions precedent were fulfilled, the equity interest held by the Company in the subsidiary ENGIE Geração Solar Distribuída ("EGSD") was sold. On that date, the company ceased to be a subsidiary of the Company and is also not consolidated in the books. The sale price for 100% equity interest in -EGSD was R$ 14 million. For more information see Note 9 – Investments.

c) Acquisition of Paracatu and Floresta Photovoltaic Complexes

In March 2022, the Company acquired 100% of the shares of Solairedirect Holding Brasil S.A. ("Solairedirect"), owner of the Paracatu and Floresta Photovoltaic Complexes, and ENGIE Solar Brasil Energia e Consultoria Ltda. ("ENGIE Solar"), both belonging to the ENGIE Group. The Board of Directors of ENGIE Brasil Energia set up a Special Independent Committee for Transactions with Related Parties ("Committee") to evaluate the acquisition. The Committee also hired the following independent consultants to aid in the process: (i) legal due diligence and support in negotiating the purchase and sale agreement; (ii) accounting, financial, tax and labor due diligence; (iii) technical due diligence; and (iv) consulting services for issuing fairness opinion on the valuation and value generation of assets.

After the conclusion of due diligence, asset valuations and negotiations of the terms and conditions of the transaction with support from specialized consultants hired by it, the Committee submitted a report with its recommendation to the Board of Directors, which approved the acquisition of the companies at a meeting held on 02.14.2022. The transaction was concluded after the conditions precedent established in the contract were met, on 03.16.2022, for R$ 692 million, with R$ 36 million subject to the fulfillment of conditions established in the contract.

The Paracatu Photovoltaic Complex, located in Paracatu, Minas Gerais, has an installed capacity of 132 MW, with an agreement to sell 34.0 MW average for 20 years, whose auction will go until 10.31.2038, at R$ 403.00/MWh (base March 2022), adjusted by the IPCA index, and began commercial operations in February 2019.

Notes to the Financial Statements

The Floresta Photovoltaic Complex, located in Areia Branca, Rio Grande do Norte, has an installed capacity of 86 MW and has contracted, for 20 years, whose auction will go until 10.31.2038, 25.1 MW average at R$ 395.96/MWh (base March 2022), adjusted by the IPCA, and started commercial operations in December 2017.
For more information see Note 9 – Investments.

d) Dividends and Interest on equity for 2021

On 03.17.2022, the company paid interest on equity for the period from 01.01.2021 to 12.31.2021, in the gross amount of R$ 60 million (R$ 0.0735359237 per share). On the same date, the company also paid interim dividends based on the retained earnings reserve, in the amount of R$ 639 million (R$ 0.7827524080 per share), which were approved at the Board of Directors Meeting held in 02.14.2022.

e) Status of projects related to Gralha Azul ("Gralha Azul") and Novo Estado ("Novo Estado") Transmission Systems

In the 1st quarter of 2022, the Gralha Azul and Novo Estado Transmission Systems obtained fresh authorizations from the National System Operator (ONS) for partial commercial operation of their transmission lines. Gralha Azul and Novo Estado reached about 59% and 9%, respectively, of the monthly Annual Allowed Revenue (RAP) in 03.2022 and 77% and 9%, respectively, of the assets in commercial operation on 03.31.2022. Gralha Azul and Novo Estado are expected to start full commercial operations in February 2023 and December 2022, respectively.

f) Impacts of the war in Ukraine

After four months of crisis with the West, Russia decided to attack Ukraine on 02.24.2022, sparking the most serious military conflict in Europe since World War II.

This has drawn economic sanctions on Russia, such as: (i) sanctions on the financial services sector; (ii) restrictions against the energy sector; (iii) geographic restrictions; (iv) restrictions on doing business in Russia; (v) controls and exports; and (vi) similar restrictions against Belarus.

The main impact is the increase in the prices of oil, natural gas, grains and other commodities, since the sudden decline in the supply of these products has raised prices on the international market. Depending on the magnitude and duration of the war, the impact on the economy can be severe, which could reduce prospects for economic growth.

In the first quarter of 2022, the Company did not observe any impacts of the war at Ukraine on its individual and consolidated quarterly information. The Company does not have contracts with any of the parties involved in the conflict. In addition, provided the war does not worsen, the Company does not estimate significant effects in its results that could compromise the operational capacity and implementation of its projects.

NOTE 2 – PRESENTATION OF QUARTERLY INFORMATION

The Company's quarterly information was prepared in compliance with Accounting Pronouncement CPC 21 – Demonstração Intermediária (*Interim Financial Statements*), and the consolidated quarterly information (ITR) is simultaneously presented in accordance with the international standard IAS 34 – Interim Financial Reporting and with CPC 21.

Notes to the Financial Statements

The Brazilian accounting standards are convergent with the IFRS, except for the recording, in the parent company's balance sheet, (i) of the controlling interest in joint ventures which, under Brazilian rules, are recognized by the equity income method and, according to IFRS, by the rules applicable to joint ventures, which stipulate that assets, liabilities and profit or loss are recognized in proportion to its share in the joint venture; and (ii) capitalization of interest on loans in the parent company whose qualifying asset is in a subsidiary, which in the parent company's financial statements impact the investment pursuant to Brazilian accounting standards, while there is no provision for this accounting in the individual financial statements as per IFRS.

There is no difference between shareholders' equity and the parent company and consolidated results included, respectively, in the individual and consolidated (ITR) financial statements. There is also no difference between the basic and diluted net earnings per share, since no shares were issued with diluting effects in the periods reported.

The quarterly information was also prepared in accordance with the rules of the Securities and Exchange Commission of Brazil (CVM), using amortized historical cost as base value, except for the fair value assessment of certain financial instruments, when required by the rules.

While preparing the quarterly information, the Company Management uses estimates to record certain transactions that affect its assets, liabilities and expenses.

The content and values of certain notes presented in the financial statements of fiscal year ended 12.31.2021 that did not require significant updates were not reported again in the quarterly information of 3.31.2022. This quarterly information, therefore, must be read jointly with the financial statements of 12.31.2021.

The accounting practices and calculation methods adopted while preparing the quarterly information of 3.31.2022, as well as the main judgments and uncertainties in the estimates used in the application of the accounting practices, were the same adopted to prepare the financial statements of fiscal year ended 12.31.2021. Moreover, in the 1st quarter of 2022, the new accounting practice shown below was applied as a result of the acquisition by the Company of the shares of Solairedirect Holding Brasil S.A. ("Solairedirect") and ENGIE Solar Brasil Energia e Consultoria Ltda. ("ENGIE Solar").

Business combination involving entities under common control

Based on the standards in effect on the date of this Quarterly Information, acquisitions of companies between entities under common control are not included in the scope of CPC 15 (R1) - Combinação de Negócios. Moreover, there is no specific Pronouncement, Interpretation or Guideline addressing transactions of this nature.

Hence, the Company individually analyzes transactions of this type at each occurrence, based on CPC 23 - Políticas Contábeis, Mudança de Estimativa e Retificação de Erro and CPC 00 (R2) - Estrutura Conceitual para Relatório Financeiro. In the absence of standards, the Company management exercises critical judgment of the operation considering the importance for the economic decision-making of users, the adequacy of equity and financial positions, the economic essence, as well as guidelines of other regulatory bodies and usual market practices.

Notes to the Financial Statements

For the transaction in 2022, management considered appropriate the use of the cost method, in which the acquiring entity measures the transferred assets and liabilities at their book values and the difference between the book values of the net assets acquired and the value of the consideration transferred is booked under shareholders' equity as a capital transaction between related parties under "Capital reserve".

a) Standards and changes applicable to the Company starting from 1.1.2022

As of 1.1.2022, the following pronouncements are in force:

Revision and Standards affected	IASB Correlation
Revision of Technical Pronouncements No. 19	
Technical Pronouncements CPC 15 (R1) – Combinação de negócios, CPC 25 – Provisões, passivos contingentes e ativos contingentes, CPC 27 – Ativo imobilizado, CPC 29 – Ativo biológico e produto agrícola, CPC 37 (R1) – Adoção inicial das normas internacionais de contabilidade e CPC 48 – Instrumentos financeiros.	*Annual Improvements to IFRS Standards 2018-2020; Property, Plant and Equipment: Proceeds before Intended Use; Costs of Fulfilling a contract*; e *Reference to the Conceptual Framework*
Amendments to IAS 16 (CPC 27) – Property, Plant and Equipment — Proceeds The amendments prohibit deducting from the cost of a property, plant and equipment item any proceeds from the sale of items produced before the asset is available for use, i.e. funds to bring the asset to the location and condition necessary for it to be able to operate in the manner planned by Management. Consequently, the entity recognizes these proceeds from sale and its corresponding costs in profit or loss.	IAS 16

The adoption of the changes in these standards did not result in material impacts on the individual and consolidated quarterly information of 3.31.2022.

b) EmpresasNet system

In the "Statement of Changes in Shareholders' Equity" table of the EmpresasNet system of the CVM, the equity valuation adjustment, though not corresponding to "Other Comprehensive Income," is presented in the column with this indication because there is not a more appropriate option to present said transaction in the standard statement of CVM.

c) Approval of the quarterly information

The ITR was approved at the Board of Directors Meeting held on 5.5.2022.

Notes to the Financial Statements

NOTE 3 – CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Cash and bank deposits	**4,234**	**2,529**	**92,898**	**51,915**
Marketable securities:				
Exclusive investment fund				
Repurchase transactions backed by federal bonds	1,808,925	2,556,143	4,475,307	5,071,186
Other marketable securities	507	536	19,449	33,305
	1,809,432	**2,556,679**	**4,494,756**	**5,104,491**
	1,813,666	**2,559,208**	**4,587,654**	**5,156,406**

NOTE 4 – TRADE ACCOUNTS RECEIVABLE

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Distributors	293,090	292,911	540,918	506,659
Free Consumers	39,378	34,486	374,659	358,583
Transactions in the short-term market	48,182	6,180	143,991	109,943
Traders	179,482	160,440	75,192	57,197
Trading operations	-	-	56,726	86,100
Others	-	-	19,877	19,877
Allowance for expected losses	(6,180)	(6,180)	(9,113)	(24,254)
Current assets	**553,952**	**487,837**	**1,202,250**	**1,114,105**
Free Consumers	1,454	1,454	8,527	9,243
Distributors	748	748	748	748
Non-current assets[1]	**2,202**	**2,202**	**9,275**	**9,991**
	556,154	**490,039**	**1,211,525**	**1,124,096**

(1) The amounts refer to trade accounts receivable in the long term are presented as part of "Other non-current assets."

The breakdown of overdue accounts receivable recorded under current assets is as follows:

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Overdue up to 30 days	-	1,486	5,042	5,242
Overdue more than 30 days				
With estimated losses recognized	6,180	6,180	9,113	24,254
Other	1,494	8	5,439	3,205
	7,674	**7,674**	**19,594**	**32,701**

Notes to the Financial Statements

In 2022, the Company reversed R$ 15 million of credit losses expected as a result of an agreement with a client, having received the outstanding balances. The change in balances, related to expected losses, is as follows:

	Parent Company	Consolidated
Balances at 12.31.2021	**(6,180)**	**(24,254)**
Reversal	-	15,141
Balances at 3.31.2022	**(6,180)**	**(9,113)**

NOTE 5 – RESTRICTED DEPOSITS

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Financing guarantees	573,052	559,487	573,060	559,487
Contractual commitment guarantees	-	-	46,470	45,360
Guarantees for negative balance at CCEE	28,630	27,945	30,421	29,349
Reinvestment deposits	2,720	2,466	4,663	4,410
Current assets	**604,402**	**589,898**	**654,614**	**638,606**
Financing guarantees	9,230	9,106	285,328	259,164
Others	-	-	6,383	6,268
Non-current assets	**9,230**	**9,106**	**291,711**	**265,432**
	613,632	**599,004**	**946,325**	**904,038**

NOTE 6 – CONCESSION FINANCIAL ASSET

a) Breakdown

	Consolidated					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Jaguara HPP	213,504	1,733,807	1,947,311	206,990	1,693,159	1,900,149
Miranda HPP	130,632	1,060,823	1,191,455	126,648	1,035,953	1,162,601
	344,136	**2,794,630**	**3,138,766**	**333,638**	**2,729,112**	**3,062,750**

Notes to the Financial Statements

b) Changes in concession financial assets

	Consolidated		
	Jaguara HPP	Miranda HPP	Total
Balances at 12.31.2021	**1,900,149**	**1,162,601**	**3,062,750**
Amounts received	(48,513)	(29,684)	(78,197)
Interest	37,188	22,753	59,941
Inflation adjustment	58,487	35,785	94,272
Balances at 3.31.2022	**1,947,311**	**1,191,455**	**3,138,766**

c) Realization profile of the concession financial asset presented under non-current assets

	Consolidated		
	Jaguara HPP	Miranda HPP	Total
April to December 2023	137,266	83,985	221,251
2024	167,646	102,572	270,218
2025	151,656	92,789	244,445
2026	137,195	83,942	221,137
2027	124,113	75,938	200,051
2028 to 2032	463,916	283,846	747,762
2033 to 2047	552,015	337,751	889,766
	1,733,807	**1,060,823**	**2,794,630**

NOTE 7 – CONTRACT ASSET

Changes in contract asset

	Consolidated		
	Novo Estado	Gralha Azul	Total
Balance at 12.31.2021	**3,076,745**	**2,246,885**	**5,323,630**
Transmission infrastructure construction cost	169,714	76,445	246,159
Transmission infrastructure construction margin	3,806	2,037	5,843
Loss due to inefficiency in construction	(7,567)	(10,916)	(18,483)
Interest	46,746	45,396	92,142
Inflation adjustment	91,501	64,930	156,431
Revenue from RAP construction	(7,486)	(11,493)	(18,979)
Balance at 3.31.2022	**3,373,459**	**2,413,284**	**5,786,743**
Classification in balance sheet			
Current assets	224,400	233,625	458,025
Non-current assets	3,149,059	2,179,659	5,328,718
	3,373,459	**2,413,284**	**5,786,743**

In 2022, the Gralha Azul and Novo Estado Transmission Systems obtained additional authorizations from the ONS for partial commercial operation, which represented, on 3.2022, approximately 59% and 9% of their monthly RAP, respectively.

Notes to the Financial Statements

NOTE 8 – OTHER ASSETS

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Sale of subsidiary [1]	129,740	114,233	129,740	114,233
Tax credits recoverable	2,460	2,398	105,683	123,448
Deferred income tax and social contribution[2]	-	-	41,906	61,135
Divestments and services in course	30,515	35,494	35,139	32,135
Recoverable income tax and social contribution	19,209	19,209	34,787	34,787
Prepaid expenses	10,976	18,141	23,279	38,302
Trade accounts receivables[3]	2,202	2,202	9,275	9,991
Advances to employees	6,944	2,966	7,910	3,609
Other amounts receivable	57,159	68,000	85,865	90,604
	259,205	**262,643**	**473,584**	**508,244**
Classification in balance sheet				
Current assets	99,059	117,394	192,762	219,290
Non-current assets	160,146	145,249	280,822	288,954
	259,205	**262,643**	**473,584**	**508,244**

(1) Further information is available in Note 9 – Investments.
(2) Further information is available in Note 21 – Deferred income tax and social contribution.
(3) Further information is available in Note 4 – Trade accounts receivable.

NOTE 9 – INVESTMENTS

a) Breakdown

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Interest on subsidiaries:				
Measured at the equity method				
Equity in earnings of subsidiaries	15,133,180	13,702,984	2,862,146	2,193,054
Impairment of equity value of investment	(1,079,972)	(1,157,506)	-	-
	14,053,208	**12,545,478**	**2,862,146**	**2,193,054**
Goodwill from investment acquisition	52,630	53,465	-	-
Goodwill from expected future profitability	173,654	173,654	173,654	173,654
	14,279,492	**12,772,597**	**3,035,800**	**2,366,708**

Notes to the Financial Statements

b) Changes in investments evaluated through the equity method

	Parent Company							
	Balance at 12.31.2021	Capital increase	Capital decrease	Sale of subsidiary	Reversal of impairment	Equity in earnings of subsidiaries	Other comprehensive income and Capital reserve[13]	Balances at 3.31.2022
Subsidiaries								
ECP[1]	**4,339,999**	755,984	-	-	-	117,828	(309,415)	**4,904,396**
CEE[2]	**1,667,660**	-	-	-	-	76,203	-	**1,743,863**
Jaguara[3]	**1,323,204**	-	-	-	-	62,950	-	**1,386,154**
ETP II[4]	**1,120,148**	62	-	-	-	51,583	-	**1,171,793**
Miranda[5]	**881,448**	-	-	-	-	37,678	-	**919,126**
EBC[6]	**408,461**	-	-	-	-	8,935	-	**417,396**
Pampa Sul[7]	**325,022**	-	-	-	-	6,408	-	**331,430**
ENGIE Trading[8]	**46,426**	-	-	-	-	9,956	-	**56,382**
Lages[9]	**30,530**	-	-	-	-	17,519	-	**48,049**
ECV[10]	**20,332**	-	-	-	-	(418)	-	**19,914**
Other	**2,244**	-	(7,500)	(67,805)	77,534	(885)	-	**3,588**
Under shared control								
Itasa[11]	**186,950**	-	-	-	-	2,021	-	**188,971**
Joint venture								
TAG[12]	**2,193,054**	-	-	-	-	172,566	496,526	**2,862,146**
	12,545,478	**756,046**	**(7,500)**	**(67,805)**	**77,534**	**562,344**	**187,111**	**14,053,208**

(1) ENGIE Brasil Energias Complementares Participações Ltda.
(2) Companhia Energética Estreito.
(3) Companhia Energética Jaguara.
(4) ENGIE Transmissão de Energia Participações II S.A.
(5) Companhia Energética Miranda.
(6) ENGIE Brasil Energia Comercializadora Ltda.
(7) Usina Termoelétrica Pampa Sul S.A.
(8) ENGIE Trading Comercializadora de Energia Ltda.
(9) Lages Bioenergética Ltda.
(10) ENGIE Comercializadora Varejista de Energia Ltda.
(11) Itá Energética S.A.
(12) Transportadora Associada de Gás is a joint venture, therefore it is not consolidated by the Company.
(13) Equity income of other comprehensive income (loss) and capital reserve.

b.1) ECP

The capital increase in the subsidiary ECP, in the 1st quarter of 2022, was mainly intended for investments in the acquisition of Solairedirect and ENGIE Solar. In the 1st quarter of 2022, the Company recognized R$ 116,966 in "Other comprehensive income" and R$ 192,449 in "Capital reserve", totaling R$ 309,415.

- Acquisition of Solairedirect and ENGIE Solar

On 02.14.2022, the Board of Directors of the Company approved the acquisition by ENGIE Brasil Energias Complementares Participações Ltda. ("ECP"), a direct subsidiary of the Company, of all the shares of Solairedirect, which owns the Paracatu and Floresta Photovoltaic Complexes, and of ENGIE Solar, which were subsidiaries of ENGIE Solar S.A. Solairedirect Investment Management S.A. and Drankensberg Capital 1 S.A., both belonging to the ENGIE Group. On 02.15.2022, the purchase agreement was signed and, after the conditions precedent were met, the acquisition was concluded on 03.16.2022.

Notes to the Financial Statements

The acquisition price was R$ 691,863, as follows: (i) 499,414 – related to the book value of the net assets acquired; and R$ 192,449 – resulting from the difference between the consideration transferred and the book value of the assets, booked under "Capital reserve" in shareholders' equity.

(a) Adjusted base purchase price: on the closing date of the transaction, the seller was paid R$ 656,157, broken down as: R$ 625,000 related to the base purchase price and R$ 31,157 corresponding to the result of closing adjustments established in the agreement.

(b) Contingent portion – generation performance of photovoltaic complexes: The purchase agreement establishes an additional payment linked to the generation of the photovoltaic complexes in 2022. The agreement envisages the payment of an additional R$ 3.5/MWh (base October 2021), adjusted by the CDI and 3.5% p.a., limited to R$ 50,000. The estimated amount on the acquisition date was R$ 35,706 and the restated balance on 03.31.2021 was R$ 35,948.

	Book value – 3.16.2022		
Balance sheet	**Solairedirect**	**ENGIE Solar**	**Total**
ASSETS			
Current assets	**218,663**	**11,762**	**230,425**
Cash and cash equivalents	188,609	11,261	199,870
Other current assets	30,054	501	30,555
Non-current assets	**1,155,118**	**357**	**1,155,475**
Other non-current assets	28,771	83	28,854
Property, plant and equipment	1,069,243	267	1,069,510
Intangible assets	27,992	7	27,999
Lease use right	29,112	-	29,112
Total	**1,373,781**	**12,119**	**1,385,900**
LIABILITIES			
Current liabilities	**111,241**	**852**	**112,093**
Trade accounts payable	35,316	153	35,469
Loans and financing	49,989	-	49,989
Other current liabilities	25,936	699	26,635
Non-current liabilities	**774,393**	**-**	**774,393**
Loans and financing NC	743,736	-	743,736
Other non-current liabilities	30,657	-	30,657
Total	**885,634**	**852**	**886,486**
Net assets	**488,147**	**11,267**	**499,414**

	Solairedirect	**ENGIE Solar**	**Total**
Acquisition base price	640,869	15,288	656,157
Contingent portion	35,706	-	35,706
Consideration transferred	**676,575**	**15,288**	**691,863**
Net assets	488,147	11,267	499,414
Capital reserve	188,428	4,021	192,449

Notes to the Financial Statements

b.2) Other investments

The effects of "Sale of subsidiary" and "Reversal of impairment" refer to the sale of the entire equity interest held by the Company in EGSD on 02.21.2022 after the conditions precedent established in the share purchase agreement were met. On that date, the company ceased to be a subsidiary of the Company and is also not consolidated in the books. The sale price for 100% of the equity interest was estimated at R$ 14,202, and consisted of two installments: (i) R$ 3,300 – received while closing the operation; and (ii) up to R$ 10,902 – related to supervening assets and liabilities, which will be received by EGSD and transferred to the Company at future dates, and adjustment to the price on the closing date, net of estimated provisions for technical assistance under the responsibility of ENGIE. The amount related to item (ii) is pending receipt and is shown under "Other non-current assets."

The impairment constituted in previous years was reversed together with the recognition of the receipt from sale and the cost of investment. The impairment reversed was R$ 118,361, as follows: (i) book value of R$ 77,534; (ii) surplus of R$ 22,306; and (iii) goodwill of R$ 18,521. The cost of investment written off was R$ 108,632, as follows: (i) book value of R$ 67,805; (ii) surplus of R$ 22,306; and (iii) goodwill of R$ 18,521. These effects, together with the recognition of receipt from the sale, resulted in a gain of R$ 23,931 recognized in profit or loss.

b.3) Information on main investees

		3.31.2022				1st quarter of 2022	
	Interest (%)	Assets	Liabilities	Adjusted shareholders' equity	Capital	Net revenue	Adjusted net income (loss)
ECP	99.99	10,114,345	5,383,350	4,908,317	3,702,863	370,334	118,160
CEE	99.99	2,026,401	282,538	1,743,863	1,369,380	140,823	76,203
Jaguara	99.99	2,654,393	1,268,239	1,386,154	854,409	151,007	62,950
ETP II	99.99	6,378,684	5,220,516	1,171,793	1,204,193	502,484	51,583
Miranda	99.99	1,660,417	741,291	919,126	582,663	92,365	37,678
EBC	99.99	928,074	510,678	417,396	10,038	1,203,373	8,935
Pampa Sul	99.99	3,387,942	2,242,917	1,411,402	1,076,692	185,862	6,408
ENGIE Trading	99.99	333,456	277,074	56,382	36,000	160,997	9,956
Lages	99.99	93,396	45,347	48,049	30,530	6,887	17,519
ECV	99.99	99,636	79,722	19,914	23,970	219,228	(418)
Joint Venture							
Itasa	48.75	435,306	47,674	387,632	350,136	47,181	4,146
Under shared control							
TAG	32.50	38,121,323	29,314,721	8,806,602	1,294,197	2,050,917	530,973

Non-controlling shareholder

The non-controlling interest of Ibitiúva on 3.31.2022 in the shareholders' equity and the net income of ECP presented above was R$ 3,921 and R$ 332 (R$ 3,589 in the shareholders' equity on 12.31.2021 and R$ 309 in net income in 3.31.2021), respectively.

Notes to the Financial Statements

Capitalized amounts

In the table "Information on main subsidiaries", the amounts under "Adjusted shareholders' equity" and "Adjusted net income (loss)" include the items described below.

- Loans, financing and debentures

ENGIE Brasil Energia took out loans and debentures to finance the construction of the Campo Largo, Umburanas Phase I, Campo Largo II and Santo Agostinho Phase I Wind Power Complexes and the Assú V Photovoltaic Power Plant, investments that are part of ECP, and of Pampa Sul. The interest on these debts is capitalized during the construction period of the Plants in the consolidated financial statements and recognized using the equity method in the parent company's financial statements. After the commercial startup, the amounts capitalized are amortized in the period corresponding to the amortization of property, plant and equipment.

The effects of these items in the parent company are presented in the table:

	Parent Company			
	Cost of capitalized debt, net of depreciation			
	Shareholders' equity		Net income (loss)	
	3.31.2022	12.31.2021	1st quarter of 2022	1st quarter of 2021
ECP	177,322	170,167	7,155	1,638
Pampa Sul	266,377	268,755	(2,378)	(2,378)

Moreover, in 2020, Pampa Sul, the Company's direct subsidiary, issued simple debentures, which were acquired by ENGIE and were measured at fair value in the parent company and at amortized cost in the subsidiary. For consolidation purposes, until its settlement in 2021, this operation was fully eliminated, and the difference between the fair value and amortized cost was recognized as equity income in the parent company. On 3.31.2021, the accumulated amount was negative R$ 28,674 and the amount recognized in the results of the 1st quarter of 2021 was R$ 39,556 (negative). Due to the settlements made during 2021, there was no impact in the 1st quarter of 2022.

- Redeemable preferred shares

In 2020, ETP II issued redeemable preferred shares and the cost of this issue was paid by its parent company ENGIE Brasil Energia, in the amount of R$ 15,250. This cost was capitalized in the consolidated financial statements and recognized in equity income (loss) in the parent company financial statements and will be amortized on a straight line basis until the redemption of shares. On 3.31.2022, the total capitalized amount was R$ 13,625 (R$ 13,896 on 12.31.2021). The amount recognized in the 1st quarter of 2021 and 2022 was R$ 271.

Notes to the Financial Statements

NOTE 10 – PROPERTY, PLANT AND EQUIPMENT

a) Breakdown

		Parent Company					
		3.31.2022			12.31.2021		
	Average rate of depreciation	Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
In service							
Reservoirs, dams and ducts	3.0%	5,125,670	(3,593,609)	1,532,061	5,125,655	(3,563,538)	1,562,117
Machinery and equipment	3.5%	4,228,713	(2,697,013)	1,531,700	4,225,096	(2,670,299)	1,554,797
Buildings and improvements	3.3%	1,285,707	(904,558)	381,149	1,285,705	(895,499)	390,206
Furniture and fixtures	6.3%	8,883	(5,059)	3,824	8,848	(4,955)	3,893
Vehicles	14.3%	2,242	(1,984)	258	2,242	(1,967)	275
Special obligations		(43,122)	10,648	(32,474)	(43,122)	10,179	(32,943)
		10,608,093	**(7,191,575)**	**3,416,518**	**10,604,424**	**(7,126,079)**	**3,478,345**
In progress							
Machinery and equipment		54,468	-	54,468	57,031	-	57,031
Reservoirs, dams and ducts		3,516	-	3,516	3,363	-	3,363
Buildings and improvements		178	-	178	178	-	178
Advances to suppliers		29,668	-	29,668	28,587	-	28,587
Acquisitions to be apportioned		18,400	-	18,400	17,656	-	17,656
		106,230	**-**	**106,230**	**106,815**	**-**	**106,815**
		10,714,323	**(7,191,575)**	**3,522,748**	**10,711,239**	**(7,126,079)**	**3,585,160**

Notes to the Financial Statements

		Consolidated					
		3.31.2022			12.31.2021		
	Average rate of depreciation	Cost[1]	Accumulated depreciation[1]	Net amount	Cost[1]	Accumulated depreciation[1]	Net amount
In service							
Machinery and equipment	5.0%	15,669,948	(4,821,341)	10,848,607	14,477,081	(4,547,079)	9,930,002
Reservoirs, dams and ducts	3.2%	7,302,723	(4,422,399)	2,880,324	7,302,708	(4,376,635)	2,926,073
Buildings and improvements	3.5%	2,064,206	(1,099,767)	964,439	2,063,775	(1,084,261)	979,514
Furniture and fixtures	6.3%	12,282	(5,845)	6,437	12,625	(5,954)	6,671
Vehicles	14.3%	4,540	(3,595)	945	4,540	(3,531)	1,009
Special obligations		(43,247)	10,648	(32,599)	(43,247)	10,179	(33,068)
		25,010,452	**(10,342,299)**	**14,668,153**	**23,817,482**	**(10,007,281)**	**13,810,201**
In progress							
Machinery and equipment		259,339	-	259,339	44,184	-	44,184
Buildings and improvements		69,997	-	69,997	7,308	-	7,308
Reservoirs, dams and ducts		7,461	-	7,461	200,473	-	200,473
Advances to suppliers		275,755	-	275,755	255,177	-	255,177
Acquisitions to be apportioned		85,960	-	85,960	61,444	-	61,444
		698,512	**-**	**698,512**	**568,586**	**-**	**568,586**
		25,708,964	**(10,342,299)**	**15,366,665**	**24,386,068**	**(10,007,281)**	**14,378,787**

(1) Costs and accumulated depreciation are net of impairment in the amount of R$ 1,091,069 on 3.31.2022 and R$ 1,089,435 on 12.31.2021.

b) Changes in property, plant and equipment

	Parent Company						
	Reservoirs, dams and ducts	Machinery and equipment	Buildings and improvements	Other	Construction in progress	Special obligations	Total
Balance at 12.31.2021	**1,562,117**	**1,554,797**	**390,206**	**4,168**	**106,815**	**(32,943)**	**3,585,160**
Additions	-	-	-	-	5,294	-	5,294
Transfers	16	5,825	2	36	(5,879)	-	-
Write-offs	-	(658)	-		-	-	(658)
Depreciation	(30,072)	(28,264)	(9,059)	(122)	-	469	(67,048)
Balance at 3.31.2022	**1,532,061**	**1,531,700**	**381,149**	**4,082**	**106,230**	**(32,474)**	**3,522,748**

Notes to the Financial Statements

	Consolidated						
	Machinery and equipment	Reservoirs, dams and ducts	Buildings and improvements	Other	Construction in progress	Special obligations	Total
Balance at 12.31.2021	**9,930,002**	**2,926,073**	**979,514**	**7,680**	**568,586**	**(33,068)**	**14,378,787**
Additions	-	-	-	-	115,885	-	115,885
Acquisition of subsidiaries	1,053,180	-	6	340	15,984	-	1,069,510
Sale of subsidiary	(10,243)	-	-	(9)	-	-	(10,252)
Capitalized interest, IA[1] and depreciation	-	-	-	-	14,002	-	14,002
Impairment	(1,634)	-	-	-	-	-	(1,634)
Transfers	15,600	14	293	38	(15,945)	-	-
Write-offs	(1,886)	-	-	-	-	(2)	(1,888)
Depreciation	(136,412)	(45,763)	(15,374)	(667)	-	471	(197,745)
Balance at 3.31.2022	**10,848,607**	**2,880,324**	**964,439**	**7,382**	**698,512**	**(32,599)**	**15,366,665**

(1) Inflation adjustment.

NOTE 11 – INTANGIBLE ASSETS

a) Breakdown

		Parent Company					
		3.31.2022			12.31.2021		
	Amortization period	Cost	Accumulated amortization	Net amount	Cost	Accumulated amortization	Net amount
Right to extend the concession[1]	Until 2040	2,404,041	(137,377)	2,266,664	2,404,041	(105,795)	2,298,246
Right to use assets	Until 2027	181,883	(71,293)	110,590	174,139	(65,209)	108,930
		2,585,924	**(208,670)**	**2,377,254**	**2,578,180**	**(171,004)**	**2,407,176**

(1)The right to extend concession arising from consortia will be amortized in the extension period to reflect the standard of consumption of future economic benefits, as determined by CPC 04 (R1) – Intangible.

Notes to the Financial Statements

		Consolidated					
		3.31.2022			12.31.2021		
	Amortization period	Cost	Accumulated amortization	Net amount	Cost	Accumulated amortization	Net amount
Right to extend the concession [1]	Until 2048	2,558,505	(137,986)	2,420,519	2,558,505	(106,254)	2,452,251
Grant bonus – Plants holding shares	Until 2048	1,031,550	(151,508)	880,042	1,031,550	(142,931)	888,619
Rights of projects – in operation							
Wind power projects in operation	Until 2054	110,793	(12,713)	98,080	110,793	(11,807)	98,986
Solar power projects in operation	Until 2051	26,341	(523)	25,818	3,039	(523)	2,516
		137,134	**(13,236)**	**123,898**	**113,832**	**(12,330)**	**101,502**
Rights of projects – under development							
Novo Estado Transmission System		236,021	-	236,021	236,021	-	236,021
Wind power projects under construction / development		76,376	-	76,376	76,376	-	76,376
Solar power projects under construction / development		56,163	-	56,163	56,163	-	56,163
		368,560	**-**	**368,560**	**368,560**	**-**	**368,560**
		505,694	**(13,236)**	**492,458**	**482,392**	**(12,330)**	**470,062**
Right to use assets	Until 2027	244,511	(101,838)	142,673	228,407	(91,852)	136,555
Energy purchase right	Until 2023	64,561	(55,643)	8,918	64,561	(54,139)	10,422
Goodwill – Novo Estado		80,247	-	80,247	80,247	-	80,247
		4,485,068	**(460,211)**	**4,024,857**	**4,445,662**	**(407,506)**	**4,038,156**

(1)The right to extend concession arising from consortia will be amortized in the extension period to reflect the standard of consumption of future economic benefits, as determined by CPC 04 (R1) – Intangible.

b) Changes in intangible assets

	Parent Company		
	Right to extend the concession	Right to use assets	Total
Balance at 12.31.2021	**2,298,246**	**108,930**	**2,407,176**
Additions	-	7,744	7,744
Amortization	(31,582)	(6,084)	(37,666)
Balance at 3.31.2022	**2,266,664**	**110,590**	**2,377,254**

	Consolidated						
	Right to extend the concession	Grant bonus	Project rights	Right to use assets	Energy purchase right	Other	Total
Balance at 12.31.2021	**2,452,251**	**888,619**	**470,062**	**136,555**	**10,422**	**80,247**	**4,038,156**
Additions	-	-	-	7,751	-	-	7,751
Acquisition of subsidiaries	-	-	23,302	4,697	-	-	27,999
Amortization	(31,732)	(8,577)	(906)	(6,330)	(1,504)	-	(49,049)
Balance at 3.31.2022	**2,420,519**	**880,042**	**492,458**	**142,673**	**8,918**	**80,247**	**4,024,857**

Notes to the Financial Statements

NOTE 12 – SUPPLIERS

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Suppliers of property, plant and equipment and intangible assets	39,788	40,614	241,267	204,422
Electricity purchased for resale	42,661	38,845	109,045	187,840
Trading operations	-	-	104,865	59,090
Suppliers of materials and services	22,074	28,184	81,248	85,633
Charges for the use of the power grid	37,205	37,188	62,607	63,592
Fossil fuels and biomass	-	-	10,315	10,097
Transactions in the short-term market	-	38,969	317	39,288
Current liabilities	**141,728**	**183,800**	**609,664**	**649,962**
Suppliers of property, plant and equipment and intangible assets	7,471	7,471	14,806	14,625
Suppliers of materials and services	-	-	6,383	6,268
Non-current liabilities [1]	**7,471**	**7,471**	**21,189**	**20,893**
	149,199	**191,271**	**630,853**	**670,855**

(1) The amounts related to trade accounts payable in the long term are presented as part of "Other non-current liabilities."

The Company's average payment term is approximately 30 days, and no interest is charged on the balances, except for estimated future disbursements of property, plant and equipment, shown under the items "Suppliers property, plant and equipment and intangible assets", whose expected payment reflects the difference between current and non-current liabilities."

NOTE 13 – RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

In order to conduct more efficiently risk evaluation and monitoring process in its business, the Company has the Risk Management Forum, which is responsible for: (i) internally promote the awareness on risk treatment; (ii) define goals and guidelines for its management; (iii) promote and suggest improvements in its evaluation processes; and (iv) classify and define control procedures.

In the three-month period ended 3.31.2022, there was no change in the risks to which the Company and its subsidiaries are exposed or in the management and measurement of these risks, when compared to those presented in Note 17 – Risk management and financial instruments of the financial statements of 12.31.2021.

Notes to the Financial Statements

a) Hedge operations

Unrealized gains (losses) with hedge operations are as follows:

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Unrealized gains from hedge operations				
Current assets				
Cash flow hedge – loans	12,150	2,561	12,150	2,561
Cash flow hedge – obligations	-	-	-	40,016
	12,150	**2,561**	**12,150**	**42,577**
Non-current assets				
Fair value hedge – loans and debentures	-	165,442	-	165,442
Cash flow hedge - obligations	-	-	-	18,713
	-	**165,442**	**-**	**184,155**
Long positions	**12,150**	**168,003**	**12,150**	**226,732**
Unrealized losses from hedge operations				
Current liabilities				
Fair value hedge – loans and debentures	(57,744)	(51,401)	(102,643)	(98,993)
Cash flow hedge – obligations	-	-	(58,237)	-
Cash flow hedge – loans	(8,689)	(5,231)	(8,689)	(5,231)
	(66,433)	**(56,632)**	**(169,569)**	**(104,224)**
Non-current liabilities				
Fair value hedge – loans and debentures	(260,422)	-	(273,800)	(5,786)
	(260,422)	**-**	**(273,800)**	**(5,786)**
Short positions	**(326,855)**	**(56,632)**	**(443,369)**	**(110,010)**
Net positions	**(314,705)**	**111,371**	**(431,219)**	**116,722**
Fair value hedge – loans and debentures	(318,166)	114,041	(376,443)	60,663
Cash flow hedge – loans	3,461	(2,670)	3,461	(2,670)
	(314,705)	**111,371**	**(372,982)**	**57,993**
Cash flow hedge - obligations	**-**	**-**	**(58,237)**	**58,729**
Net positions	**(314,705)**	**111,371**	**(431,219)**	**116,722**

a.1) Hedge operations on loans and debentures

At 3.31.2022, the Company held no relevant financial obligation denominated in foreign currencies whose exchange variation was not fully hedged against.

Notes to the Financial Statements

The table below presents the net changes in hedge operations on loans and debentures:

	Parent Company			Consolidated		
	Current	Non-Current	Total	Current	Non-Current	Total
Assets (Liabilities) at 12.31.2021, net	**(54,071)**	**165,442**	**111,371**	**(101,663)**	**159,656**	**57,993**
Interest	(100,871)	-	(100,871)	(104,830)	(420)	(105,250)
Exchange variation	(295,549)	(350,583)	(646,132)	(295,549)	(350,583)	(646,132)
Fair value adjustment through profit or loss	7,699	(75,281)	(67,582)	7,273	(75,375)	(68,102)
Fair value adjustment through other comprehensive income	347,443	-	347,443	347,443	-	347,443
Transfers	-	-	-	7,078	(7,078)	-
Repayment of interest	41,066	-	41,066	41,066	-	41,066
(Liabilities) at 3.31.2022, net	**(54,283)**	**(260,422)**	**(314,705)**	**(99,182)**	**(273,800)**	**(372,982)**

a.2) Cash flow hedge operations on obligations

The Company maintains on 3.31.2022 a Non-Deliverable Forward (NDF) to hedge all of its future foreign currency payments resulting from contractual commitments in the construction contracts of the first phase of the Santo Agostinho Wind Power Complex. The NDF was contracted on 12.29.2020 and the notional amount on 3.31.2022 is US$ 66,863 thousand, € 25,889 thousand and Hong Kong renminbi (CN¥) 184,695 thousand, entered into with BNP Paribas and Itaú, with maturities between August 2022 and April 2023.

On 3.31.2022, unrealized losses of NDF totaled a short position of R$ 58,237 (long position of R$ 58,729 on 12.31.2021). The corresponding entry of this unrealized loss is directly recognized in shareholders' equity under "Other comprehensive income". The companies in the Santo Agostinho Wind Power Complex follow the presumptive tax regime. Therefore, the Company does not constitute deferred income tax and social contribution on the effects of this operation.

a.3) Unrealized losses (gains) on cash flow hedge operations

Unrealized losses (gains) in cash flow hedge operations originated in the period presented in the "Statement of comprehensive income" are:

	Parent Company		Consolidated	
	3.31.2022	12..31.2021	3.31.2022	12..31.2021
Cash flow hedge – loans	347,443	16,877	347,443	16,877
Cash flow hedge – obligations	-	-	(116,966)	57,111
Cash flow hedge – inventories	-	-	-	(2,786)
Unrealized gains from cash flow hedge operations originated in the period	**347,443**	**16,877**	**230,477**	**71,202**

b) Sensitivity analysis of the exposure to risks related to interest rates and floating rates and foreign currency quotation variation

The Company presents a sensitivity analysis on its financial instruments exposed to interest rate variation risks and floating rate risks. The probable basic scenario for 3.31.2022 was defined using these following assumptions available in the market (Source: Central Bank of Brazil Market Readout):

Notes to the Financial Statements

Risk of variation in interest rates and indices:	12 months Variation 3.31.2022	Probable Scenario 3.31.2023	Sensitivity		
			Probable	Δ + 25% (*)	Management
TJLP	6.1%	6.8%	0.7 p.p.	1.7 p.p.	0.0 p.p.
CDI	11.7%	13.0%	1.3 p.p.	3.3 p.p.	-0.3 p.p.
IPCA	11.3%	5.8%	-5.5 p.p.	1.5 p.p.	0.9 p.p.
IGP-M	14.8%	6.7%	-8.1 p.p.	1.7 p.p.	0.4 p.p.

(*)Variations on probable scenario for 2023.

The probable sensitivity was calculated based on the variation of indices in the last 12 months, observed on 3.31.2022, and those expected for the next 12 months, ending on 3.31.2023, and showed any additional impacts in the Company's consolidated profit or loss. The other sensitivities shown were calculated based on (i) the variation of 25%; and (ii) Management's estimates of the projected scenario, which correspond to the Managements evaluation of reasonably possible change in interest rates and floating indexes for the following 12 months. Variations that could impact the consolidated result, and consequently the shareholders' equity in the following 12 months compared to the last 12 months, if the scenarios materialize are the following:

	Balances at 3.31.2022	Sensitivity		
		Probable	Δ + 25%	Management
Risk of increase (liability)				
Loans and financing				
IPCA	7,659,461	380,471	(99,290)	(60,698)
TJLP	1,998,602	(14,438)	(33,205)	-
U.S. dollar – with swap to CDI rate	1,924,997	(27,737)	(71,083)	(5,126)
Debentures				
IPCA	6,516,771	354,370	(92,205)	(56,355)
CDI – with swap to IPCA rate	265,112	10,834	(2,828)	(1,729)
Redeemable preferred shares				
CDI	524,909	(7,430)	(19,260)	1,377
Concessions payable[1]				
IPCA	3,321,541	106,357	(49,630)	(30,825)
IGP-M	1,693,991	97,866	(21,989)	(20,853)
Risk of decrease (asset)				
Concession financial asset				
IPCA	3,138,766	(169,905)	(62,427)	27,802

Notes to the Financial Statements

c) Risk related to energy prices in trading operations

The balance sheets for outstanding trading transactions are presented below.

	Consolidated					
	3.31.2022			12.31.2021		
	Assets	Liabilities	Net gain	Assets	Liabilities	Net gain
Classification in balance sheet						
Current	183,850	(170,202)	13,648	206,647	(190,348)	16,299
Non-current	96,685	(77,709)	18,976	100,523	(80,414)	20,109
	280,535	**(247,911)**	**32,624**	**307,170**	**(270,762)**	**36,408**

The variation in the balances for outstanding trading transactions is follows:

	Consolidated
Balances at 12.31.2021	**36,408**
Unrealized gain recognized for the period	1,815
Unrealized loss recognized for the period	(5,599)
Balances at 3.31.2022	**32,624**

c.1) Sensitivity analysis regarding trading operations

The main risk factor impacting prices in trading operations is the exposure to energy market prices.

In the decision-making process related to trading activities, the Company management uses sensitivity analysis considering the percentiles of historical volatility of energy prices for the product.

Percentiles are measures that divide the sample, by ascending order of data, in 100 parts, each one with an approximately equal percentage, considering, in this case the historical price volatility of each energy product. Therefore, the 25th percentile (P25) and the 75th percentile (P75) determine the lowest 25% and 75% prices observed, respectively.

The sensitivity analyses considering this methodology are shown below:

	Consolidated		
	3.31.2022	P25 Scenario	P75 Scenario
Unrealized gains (losses) on trading operations	32,624	(128)	138

The variation in the discount rate does not significantly impact the fair value determined, given the short duration of the outstanding trading portfolio, which is why no sensitivity analysis was presented.

Notes to the Financial Statements

d) Capital management risk

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Debt[1]	8,774,081	8,898,026	21,490,581	20,586,884
(-)Deposits pegged to debt service	(582,282)	(568,593)	(858,388)	(818,651)
(-)Cash and cash equivalents	(1,813,666)	(2,559,208)	(4,587,654)	(5,156,406)
Net debt	**6,378,133**	**5,770,225**	**16,044,539**	**14,611,827**
Shareholders' equity	**8,359,300**	**7,929,008**	**8,363,221**	**7,932,597**
Total debt/Shareholders' equity	**0.8**	**0.7**	**1.9**	**1.8**

(1) Composed of loans and debentures, financing and redeemable preferred shares – including hedge effects.

e) Liquidity risk

The following statement presents the estimated settlement profile for the Company's main financial liabilities recorded at 3.31.2022. Amounts were determined based on the estimated undiscounted cash flows, considering estimates of principal amortization and future interest payment, when applicable. For debts with floating interest rates, the amount was obtained based on interest curve at year end.

	Parent Company				
	Up to 1 year	From 2 to 3 years	From 4 to 5 years	Over 5 years	Total
Suppliers	141,728	7,471	-	-	149,199
Post-fixed interest rates:					
Loans and financing[1]	26,102	-	-	-	26,102
Debentures	404,704	1,149,613	2,121,221	5,401,775	9,077,313
Fixed interest rates:					
Loans and financing	1,312	80	-	-	1,392
Concessions payable	279,590	1,272,021	1,506,056	5,480,503	8,538,170
	853,436	**2,429,185**	**3,627,277**	**10,882,278**	**17,792,176**

	Consolidated				
	Up to 1 year	From 2 to 3 years	From 4 to 5 years	Over 5 years	Total
Suppliers	609,664	21,189	-	-	630,853
Post-fixed interest rates:					
Loans and financing [1]	727,548	1,778,880	1,767,077	9,766,434	14,039,939
Debentures[1]	817,975	2,015,679	2,936,293	3,088,355	8,858,302
Redeemable preferred shares	-	230,628	141,354	817,764	1,189,746
Fixed interest rates:					
Loans and financing	1,312	80	-	-	1,392
Concessions payable	286,911	1,286,862	1,520,897	5,562,748	8,657,418
	2,443,410	**5,333,318**	**6,365,621**	**19,235,301**	**33,377,650**

(1) Net of hedge effects.

Notes to the Financial Statements

f) Category of financial instruments

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Financial assets				
Fair value through profit or loss				
Financial investments	1,809,432	2,556,679	4,494,756	5,104,491
Unrealized gains on fair value hedge operations	-	165,442	-	165,442
Unrealized gains on trading operations	-	-	280,535	307,170
Amortized cost				
Cash and bank deposits	4,234	2,529	92,898	51,915
Trade accounts receivable	556,154	490,039	1,211,525	1,124,096
Restricted deposits	613,632	599,004	946,325	904,038
Concession financial asset	-	-	3,138,766	3,062,750
Fair value through other comprehensive income				
Unrealized gains on cash flow hedge operations	12,150	2,561	12,150	61,290
	2,995,602	**3,816,254**	**10,176,955**	**10,781,192**
Financial liabilities				
Fair value through profit or loss				
Foreign currency	2,467,284	2,876,759	2,467,284	2,876,759
Debentures	-	-	265,112	257,852
Unrealized losses on fair value hedge operations [1]	318,166	51,401	376,443	104,779
Unrealized losses on trading operations	-	-	247,911	270,762
Amortized cost				
Suppliers	149,199	191,271	630,853	670,855
Loans in local currency	27,050	35,189	9,659,436	8,758,253
Loans in foreign currency	1,684,087	1,962,089	1,684,087	1,962,089
Redeemable preferred shares	-	-	524,909	510,160
Debentures	4,280,955	4,135,360	6,516,771	6,279,764
Concessions payable	4,953,582	4,758,093	5,015,532	4,818,791
Liabilities linked to investment acquisition[1]	-	-	122,868	84,403
Reimbursement to distributors[1]	-	-	510,306	471,094
Fair value through other comprehensive income				
Unrealized losses on cash flow hedge operations[1]	8,689	5,231	66,926	5,231
	13,889,012	**14,015,393**	**28,088,438**	**27,070,792**

(1) Presented under "Other current liabilities" and "Other non-current liabilities."

Financial assets and liabilities measured at fair value through profit or loss are assessed based on observable data (Level 2), except for marketable securities, which are assessed based on the market prices in active markets (Level 1).

Notes to the Financial Statements

g) Market value of financial instruments

In operations involving financial instruments, significant differences were identified only between amounts presented in the balance sheet and their market values in the financial instruments presented below. These differences occurred mainly because these instruments have long-term settlements and different costs in relation to interest rates currently used for similar contracts.

The market values were determined based on future cash flows discounted to present value at rates considered as adequate for operations with similar characteristics.

	Parent Company			
	3.31.2022		12.31.2021	
	Book	Market	Book	Market
Loans in foreign currency	4,151,371	4,466,092	4,838,848	4,727,500
Debentures	4,280,955	4,253,000	4,135,360	4,114,931
Concessions payable	4,953,582	4,004,534	4,758,093	4,004,534
	13,385,908	**12,723,626**	**13,732,301**	**12,846,965**

	Consolidated			
	3.31.2022		12.31.2021	
	Book	Market	Book	Market
Assets				
Concession financial asset	3,138,766	3,110,029	3,062,750	2,953,958
	3,138,766	**3,110,029**	**3,062,750**	**2,953,958**
Liabilities				
Loans and financing in local currency	9,659,436	9,769,283	8,758,253	8,865,558
Loans in foreign currency	4,151,371	4,466,092	4,838,848	4,727,500
Redeemable preferred shares	524,909	546,795	510,160	532,482
Debentures	6,781,883	6,876,187	6,537,616	6,626,378
Concessions payable	5,015,532	4,056,697	4,818,791	4,056,697
	26,133,131	**25,715,054**	**25,463,668**	**24,808,615**

Notes to the Financial Statements

NOTE 14 – LOANS AND FINANCING

a) Breakdown

	Parent Company					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Local currency						
Measured at amortized cost						
BNDES onlendings (Banks)[1]	1,293	79	1,372	1,533	222	1,755
NIB[2]	25,506	-	25,506	33,199	-	33,199
Charges	172	-	172	235	-	235
	26,971	**79**	**27,050**	**34,967**	**222**	**35,189**
Foreign currency – with hedge						
Measured at amortized cost						
Scotiabank	1,424,895	-	1,424,895	1,674,128	-	1,674,128
BNP Paribas	237,485	-	237,485	279,025	-	279,025
Charges	21,707	-	21,707	8,936	-	8,936
	1,684,087	**-**	**1,684,087**	**1,962,089**	**-**	**1,962,089**
Measured at fair value						
BNP Paribas	-	1,060,021	1,060,021	-	1,276,919	1,276,919
HSBC	527,650	-	527,650	519,069	-	519,069
Scotiabank	-	451,004	451,004	-	561,809	561,809
MUFG[3]	-	401,707	401,707	-	498,651	498,651
Charges	26,902	-	26,902	20,311	-	20,311
	554,552	**1,912,732**	**2,467,284**	**539,380**	**2,337,379**	**2,876,759**
Loans and financing	**2,265,610**	**1,912,811**	**4,178,421**	**2,536,436**	**2,337,601**	**4,874,037**

(1) Banks responsible for analyzing and approving the financing and which assume the credit risk in the indirect operations with BNDES.
(2) Nordic Investment Bank.
(3) MUFG Bank LTD. is the new name of Bank of Tokyo.

Notes to the Financial Statements

Balances of loans and financing in the parent company, net of hedge effects, are:

	Parent Company					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Loans and financing	**2,265,610**	**1,912,811**	**4,178,421**	**2,536,436**	**2,337,601**	**4,874,037**
Fair value hedge (swap) effects						
Long position	-	-	-	-	(165,442)	(165,442)
Short position [1]	57,744	260,422	318,166	51,401	-	51,401
Cash flow hedge (NDF[2]) effects						
Long position	(12,150)	-	(12,150)	(2,561)	-	(2,561)
Short position[1]	8,689	-	8,689	5,231	-	5,231
Loans and financing, net of hedge effects	**2,319,893**	**2,173,233**	**4,493,126**	**2,590,507**	**2,172,159**	**4,762,666**

(1) Hedge short position is presented as part of "Other current liabilities" and "Other non-current liabilities."
(2) Non-Deliverable Forward (Forward currency contract without physical delivery).

	Consolidated					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Local currency						
Measured at amortized cost						
BNDES	338,961	8,437,994	8,776,955	267,461	7,600,450	7,867,911
BNDES onlendings (Banks)	1,293	79	1,372	1,533	222	1,755
BASA[1]	13,924	715,704	729,628	5,570	724,048	729,618
BNB[2]	-	86,939	86,939	-	86,932	86,932
NIB	25,506	-	25,506	33,199	-	33,199
Charges	39,036	-	39,036	38,838	-	38,838
	418,720	**9,240,716**	**9,659,436**	**346,601**	**8,411,652**	**8,758,253**
Foreign currency – with hedge						
Measured at amortized cost						
Scotiabank	1,424,895	-	1,424,895	1,674,128	-	1,674,128
BNP Paribas	237,485	-	237,485	279,025	-	279,025
Charges	21,707	-	21,707	8,936	-	8,936
	1,684,087	**-**	**1,684,087**	**1,962,089**	**-**	**1,962,089**
Measured at fair value						
BNP Paribas	-	1,060,021	1,060,021	-	1,276,919	1,276,919
HSBC	527,650	-	527,650	519,069	-	519,069
Scotiabank	-	451,004	451,004	-	561,809	561,809
MUFG	-	401,707	401,707	-	498,651	498,651
Charges	26,902	-	26,902	20,311	-	20,311
	554,552	**1,912,732**	**2,467,284**	**539,380**	**2,337,379**	**2,876,759**
Loans and financing	**2,657,359**	**11,153,448**	**13,810,807**	**2,848,070**	**10,749,031**	**13,597,101**

(1) Banco da Amazônia S.A.
(2) Banco do Nordeste do Brasil S.A.

Balances of loans and financing in the consolidated, net of hedge effects, are:

Notes to the Financial Statements

	Consolidated					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Loans and financing	**2,657,359**	**11,153,448**	**13,810,807**	**2,848,070**	**10,749,031**	**13,597,101**
Fair value hedge (swap) effects						
Long position	-	-	-	-	(165,442)	(165,442)
Short position [1]	57,744	260,422	318,166	51,401	-	51,401
Cash flow hedge (NDF) effects						
Long position	(12,150)	-	(12,150)	(2,561)	-	(2,561)
Short position[1]	8,689	-	8,689	5,231	-	5,231
Loans and financing, net of hedge effects	**2,711,642**	**11,413,870**	**14,125,512**	**2,902,141**	**10,583,589**	**13,485,730**

(1) Hedge short position is presented as part of the items "Other current liabilities" and "Other non-current liabilities."

b) Changes in loans and financing

	Parent Company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balances at 12.31.2021	**2,536,436**	**2,337,601**	**4,874,037**	**2,848,070**	**10,749,031**	**13,597,101**
Additions due to the acquisition of subsidiaries[1]	-	-	-	49,989	743,736	793,725
Interest	37,778	-	37,778	150,774	-	150,774
Inflation adjustments	642	-	642	4,725	137,175	141,900
Capitalized interest and inflation adjustments	-	-	-	13,894	-	13,894
Exchange variations	(295,549)	(350,583)	(646,132)	(295,549)	(350,583)	(646,132)
Fair value adjustment	8,580	(74,063)	(65,483)	8,580	(74,063)	(65,483)
Transfers	144	(144)	-	51,848	(51,848)	-
Payment of principal	(8,743)	-	(8,743)	(73,264)	-	(73,264)
Repayment of interest	(13,678)	-	(13,678)	(101,708)	-	(101,708)
Balances at 3.31.2022	**2,265,610**	**1,912,811**	**4,178,421**	**2,657,359**	**11,153,448**	**13,810,807**

(1) Further information is available in Note 9 – Investments.

Notes to the Financial Statements

c) Main transactions in 2022

c.1) Financing in domestic currency

- Entry by acquisition of subsidiaries

In March 2022, the Company acquired the Floresta and Paracatu Photovoltaic Complexes. These Complexes have financing agreements with BNDES for which the main contracted conditions were:

		Payment conditions		
Company	Interest	Maturity	Principal and interest	Covenants
Floresta	TJLP + 2.15% p.a.	10.2036	Monthly	ICSD[1] ≥ 1.3
Paracatu	IPCA + 4.98% p.a.	10.2038	Monthly	ICSD ≥ 1.3

(1) Debt service coverage rate: Operational cash generation / Debt service.

d) Breakdown of borrowings and financing by index and currency

	Parent Company				Consolidated			
	3.31.2022	%	12.31.2021	%	3.31.2022	%	12.31.2021	%
Local currency								
TJLP	-	-	-	-	1,998,602	14.5	1,750,129	12.9
IPCA	25,677	0.6	33,431	0.7	7,659,461	55.5	7,006,366	51.5
Not indexed (fixed rate)	1,373	-	1,758	-	1,373	-	1,758	-
	27,050	**0.6**	**35,189**	**0.7**	**9,659,436**	**70.0**	**8,758,253**	**64.4**
Foreign currency – with hedge								
U.S. dollar – with swap for fixed rate	542,286	13.0	523,875	10.7	542,286	3.9	523,875	3.9
U.S. dollar – with swap for CDI	1,924,997	46.1	2,352,883	48.3	1,924,997	13.9	2,352,883	17.3
U.S. dollar – with NDF[1] for fixed U.S. dollar rate	1,684,088	40.3	1,962,090	40.3	1,684,088	12.2	1,962,090	14.4
	4,151,371	**99.4**	**4,838,848**	**99.3**	**4,151,371**	**30.0**	**4,838,848**	**35.6**
Loans and financing	**4,178,421**	**100.0**	**4,874,037**	**100.0**	**13,810,807**	**100.0**	**13,597,101**	**100.0**

(1) Non-Deliverable Forward (Forward currency contract without physical delivery).

e) Maturity of loans and financing under non-current liabilities

	Parent Company	Consolidated
April to December 2023	466,053	795,654
2024	781,060	1,290,653
2025	201,969	698,496
2026	463,729	947,593
2027	-	509,315
2028 to 2032	-	2,661,479
2033 to 2037	-	2,499,560
2038 to 2042	-	1,410,240
2043 to 2044	-	340,458
Loans and financing	**1,912,811**	**11,153,448**

Notes to the Financial Statements

f) Covenants

There was no change in the covenants compared to those presented in Note 18 – Loans and financing of the financial statements of 12.31.2021, except for the information presented in the main transactions carried out in 2022. The financial covenants established in the loan and financing agreements did not generate any default by the Company and its subsidiaries. The covenants are calculated annually, as established in these agreements, except for those of the parent company, which are calculated on a quarterly basis.

NOTE 15 – DEBENTURES

a) Breakdown

	Parent Company					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Measured at amortized cost						
ENGIE – 5th issue	89,214	165,990	255,204	90,077	158,904	248,981
ENGIE – 6th issue	111,157	572,308	683,465	111,479	555,003	666,482
ENGIE – 7th issue	-	913,684	913,684	-	890,827	890,827
ENGIE – 9th issue	-	1,900,146	1,900,146	-	1,853,388	1,853,388
ENGIE – 10th issue	-	405,501	405,501	-	395,238	395,238
Charges	122,955	-	122,955	80,444	-	80,444
Debentures	**323,326**	**3,957,629**	**4,280,955**	**282,000**	**3,853,360**	**4,135,360**

	Consolidated					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Measured at amortized cost						
ENGIE – 5th issue	89,214	165,990	255,204	90,077	158,904	248,981
ENGIE – 6th issue	111,157	572,308	683,465	111,479	555,003	666,482
ENGIE – 7th issue	-	913,684	913,684	-	890,827	890,827
ENGIE – 9th issue	-	1,900,146	1,900,146	-	1,853,388	1,853,388
ENGIE – 10th issue	-	405,501	405,501	-	395,238	395,238
Jaguara – 1st issue	39,850	691,911	731,761	40,123	673,389	713,512
Miranda – 1st issue	17,114	443,703	460,817	17,237	432,097	449,334
Pampa Sul – 1st issue	6,637	384,032	390,669	6,644	374,520	381,164
Pampa Sul – 2nd issue	9,634	591,643	601,277	9,643	574,367	584,010
Charges	174,247	-	174,247	96,828	-	96,828
	447,853	**6,068,918**	**6,516,771**	**372,031**	**5,907,733**	**6,279,764**
Measured at fair value						
Jaguara – 1st issue	104,633	54,237	158,870	104,830	53,761	158,591
Miranda – 1st issue	64,716	33,565	98,281	64,838	33,258	98,096
Charges	7,961	-	7,961	1,165	-	1,165
	177,310	**87,802**	**265,112**	**170,833**	**87,019**	**257,852**
Debentures	**625,163**	**6,156,720**	**6,781,883**	**542,864**	**5,994,752**	**6,537,616**
Hedge (swap) effects						
Short position [1]	44,899	13,378	58,277	47,592	5,786	53,378
Debentures, net of hedge effects	**670,062**	**6,170,098**	**6,840,160**	**590,456**	**6,000,538**	**6,590,994**

(1) Hedge short position is presented as part of the items "Other current liabilities" and "Other non-current liabilities."

Notes to the Financial Statements

b) Changes in debentures

	Parent Company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balances at 12.31.2021	**282,000**	**3,853,360**	**4,135,360**	**542,864**	**5,994,752**	**6,537,616**
Interest	54,790	-	54,790	99,444	-	99,444
Inflation adjustments	11,419	89,735	101,154	47,299	108,351	155,650
Fair value adjustment	-	-	-	(319)	(159)	(478)
Transfers	(14,534)	14,534	-	(53,776)	53,776	-
Repayment of interest	(10,349)	-	(10,349)	(10,349)	-	(10,349)
Balances at 3.31.2022	**323,326**	**3,957,629**	**4,280,955**	**625,163**	**6,156,720**	**6,781,883**

c) Breakdown of debentures by index

	Parent Company				Consolidated			
	3.31.2022	%	12.31.2021	%	3.31.2022	%	12.31.2021	%
IPCA	4,280,955	100.0	4,135,360	100.0	6,516,771	96.1	6,279,764	96.1
CDI – with swap for IPCA	-	-	-	-	265,112	3.9	257,852	3.9
Debentures	**4,280,955**	**100.0**	**4,135,360**	**100.0**	**6,781,883**	**100.0**	**6,537,616**	**100.0**

d) Maturities of debentures recorded under non-current liabilities

	Parent Company	Consolidated
April to December 2023	194,368	469,289
2024	568,845	888,197
2025	1,050,064	1,351,809
2026	820,436	1,141,067
2027	385,164	573,895
2028 to 2032	618,061	1,024,525
2033 to 2037	54,666	441,913
2038 to 2042	81,838	81,838
2043 to 2046	184,187	184,187
Debentures	**3,957,629**	**6,156,720**

e) Contractual covenants

There was no change in the covenants compared to those presented in Note 19 – Debentures of the financial statements of 12.31.2021, except for the covenants in the main transactions conducted in 2022. The covenants are being fully met by the Company and its subsidiaries.

Notes to the Financial Statements

NOTE 16 - REDEEMABLE PREFERRED SHARES

a) Changes in redeemable preferred shares

	Consolidated
	Non-current
Balance at 12.31.2021	**510,160**
Interest	14,749
Balance at 3.31.2022	**524,909**

b) Maturities of redeemable preferred shares registered under non-current liabilities

	Consolidated
April to December 2023	49,295
2024	2,500
2025	2,500
2026	12,500
2027	12,500
2028 to 2032	283,804
2033 to 2034	161,810
Redeemable preferred shares	**524,909**

NOTE 17 – LEASE OPERATIONS

a) Right of use of leases

		Parent Company					
		3.31.2022			12.31.2021		
	Depreciation period	Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings							
Headquarters - ENGIE Brasil Energia	Until 2025	35,589	(16,191)	19,398	35,589	(14,819)	20,770
Other	-	60	(48)	12	60	(33)	27
		35,649	**(16,239)**	**19,410**	**35,649**	**(14,852)**	**20,797**

Notes to the Financial Statements

		Consolidated					
		3.31.2022			12.31.2021		
	Depreciation period	Cost	Accumulated depreciation	Net amount	Cost	Accumulated depreciation	Net amount
Buildings							
Headquarters - ENGIE Brasil Energia	Until 2025	35,589	(16,191)	19,398	35,589	(14,819)	20,770
Headquarters - EGSD	Until 2025	-	-	-	1,759	(1,759)	-
Land							
Campo Largo Wind Power Complexes	Until 2063	64,618	(3,695)	60,923	64,148	(3,389)	60,759
Umburanas Wind Power Complex	Until 2057	32,029	(2,268)	29,761	31,705	(2,104)	29,601
Trairí Wind Power Complex	Until 2047	27,148	(4,587)	22,561	27,147	(4,233)	22,914
Paracatu Photovoltaic Complex	Until 2054	20,472	(1,031)	19,441	-	-	-
Floresta Photovoltaic Complex	Until 2052	10,217	(588)	9,629	-	-	-
Santo Agostinho Wind Power Complex	Until 2040	6,669	(544)	6,125	6,669	(476)	6,193
Assú Photovoltaic Complex	Until 2043	5,191	(675)	4,516	5,191	(621)	4,570
Other	-	790	(491)	299	790	(439)	351
		202,723	**(30,070)**	**172,653**	**172,998**	**(27,840)**	**145,158**

The change in right of use is presented below:

	Parent Company	Consolidated
Balances at 12.31.2021	**20,797**	**145,158**
Acquisition of subsidiaries	-	29,112
Remeasurement	-	795
Depreciation[1]	(1,387)	(2,375)
Capitalized depreciation	-	(37)
Balances at 3.31.2022	**19,410**	**172,653**

(1) Amounts include PIS and Cofins

b) Leases payable

	Parent Company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balances at 12.31.2021	**6,669**	**5,732**	**12,401**	**19,568**	**106,816**	**126,384**
Remeasurement	-	-	-	795	-	795
Interest[1]	470	-	470	3,129	-	3,129
Capitalized interest	-	-	-	71	-	71
Transfers	1,385	(1,385)	-	2,931	(2,931)	-
Acquisition of subsidiaries	-	-	-	124	30,370	30,494
Amortizations	(1,054)	-	(1,054)	(3,780)	-	(3,780)
Balances at 3.31.2022	**7,470**	**4,347**	**11,817**	**22,838**	**134,255**	**157,093**

(1) Amounts include PIS and Cofins

Notes to the Financial Statements

c) Maturities of leases payable recorded under non-current liabilities

	Parent Company			Consolidated		
	Amounts not discounted	Embedded interest	Balance of lease liability	Amounts not discounted	Embedded interest	Balance of lease liability
April to December 2023	5,128	(781)	4,347	18,544	(2,467)	16,077
2024	-	-	-	24,683	(10,677)	14,006
2025	-	-	-	22,784	(12,040)	10,744
2026	-	-	-	17,099	(6,208)	10,891
2027	-	-	-	34,199	(15,477)	18,722
2028 to 2032	-	-	-	67,598	(40,248)	27,350
2033 to 2037	-	-	-	79,371	(59,507)	19,864
After 2038	-	-	-	300,796	(284,195)	16,601
Leases payable	**5,128**	**(781)**	**4,347**	**565,074**	**(430,819)**	**134,255**

NOTE 18 – CONCESSIONS PAYABLE

a) Breakdown

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Cana Brava Hydroelectric Power Plant	2,640,253	2,513,052	2,640,253	2,513,052
Ponte de Pedra Hydroelectric Power Plant	1,693,991	1,637,292	1,693,991	1,637,292
São Salvador Hydroelectric Power Plant	619,338	607,749	619,338	607,749
Estreito Hydroelectric Power Plant	-	-	61,950	60,698
	4,953,582	**4,758,093**	**5,015,532**	**4,818,791**
Classification in the balance sheet				
Current liabilities	272,999	267,117	280,196	274,071
Non-current liabilities	4,680,583	4,490,976	4,735,336	4,544,720
	4,953,582	**4,758,093**	**5,015,532**	**4,818,791**

b) Changes in concessions payable

	Parent Company			Consolidated		
	Current	Non-current	Total	Current	Non-current	Total
Balances at 12.31.2021	**267,117**	**4,490,976**	**4,758,093**	**274,071**	**4,544,720**	**4,818,791**
Interest	-	108,504	108,504	-	109,957	109,957
Inflation adjustments	-	156,477	156,477	-	158,057	158,057
Transfers	75,374	(75,374)	-	77,398	(77,398)	-
Amortizations	(69,492)	-	(69,492)	(71,273)	-	(71,273)
Balances at 3.31.2022	**272,999**	**4,680,583**	**4,953,582**	**280,196**	**4,735,336**	**5,015,532**

Notes to the Financial Statements

c) Maturities of concessions payable disclosed in non-current liabilities

	Parent Company	Consolidated
April to December 2023	297,748	302,741
2024	621,467	627,592
2025	567,533	573,101
2026	518,319	523,381
2027	473,397	477,998
2028 to 2032	1,818,300	1,835,737
2033 to 2037	383,819	394,645
2038	-	141
Concessions payable	**4,680,583**	**4,735,336**

NOTE 19 – PROVISIONS

Provisions are recognized by the Company in amounts considered sufficient to settle the respective liabilities, when according to the legal counsels and Management, they involve probable risk of future disbursement.

a) Breakdown

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Civil				
Expropriations and administrative easement	44,983	46,841	58,069	59,409
Environmental	15,384	14,894	15,384	14,894
Retirement benefits	3,024	2,928	3,024	2,928
Sundry lawsuits	10,948	11,105	32,488	31,645
	74,339	**75,768**	**108,965**	**108,876**
Tax	**4,444**	**4,379**	**4,544**	**4,478**
Labor	**20,267**	**20,748**	**21,277**	**21,744**
Divestment of generation assets	**-**	**-**	**263,964**	**257,729**
	99,050	**100,895**	**398,750**	**392,827**
Classification in the balance sheet				
Current liabilities	8,156	10,248	19,969	22,060
Non-current liabilities	90,894	90,647	378,781	370,767
	99,050	**100,895**	**398,750**	**392,827**

b) Possible and remote risks

The Company is also a party to lawsuits that, in the opinion of the legal counsels and its Management, do not represent a probable risk of future disbursement, for which reason the amounts related to those lawsuits are not provisioned for.

Notes to the Financial Statements

b.1) Possible risks

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Tax and social security	**689,506**	**674,819**	**691,063**	**675,423**
PIS/Cofins on fuel reimbursement	534,519	529,335	534,519	529,335
Voluntary confession	44,035	43,686	44,035	43,686
Recovery of PIS and Cofins taxes	32,940	32,673	32,940	32,673
Compensation of tax loss carryforwards in the succession	29,392	29,216	29,392	29,216
Use of the Income Tax Loss and the Negative Social Contribution Base	18,961	18,777	18,961	18,777
Other	29,659	21,132	31,216	21,736
Civil	**15,469**	**14,294**	**58,091**	**55,974**
Labor	**12,053**	**12,372**	**13,295**	**13,069**
	717,028	**701,485**	**762,449**	**744,466**

In the 1st quarter of 2022, there were no significant updates in the main lawsuits assessed as possible risk, which are presented in Note 26 – Provisions, of the financial statements of 12.31.2021.

b.2) Remote risks

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Tax and social security	336,234	330,964	339,207	384,051
Civil	138,853	134,515	139,139	134,913
Labor	66,439	65,797	74,146	90,271
	541,526	**531,276**	**552,492**	**609,235**

Notes to the Financial Statements

NOTE 20 – RETIREMENT BENEFITS OBLIGATIONS

a) Breakdown

	Consolidated					
	3.31.2022			12.31.2021		
	Current	Non-current	Total	Current	Non-current	Total
Contracted obligations	26,915	211,699	238,614	24,762	177,775	202,537
Current contributions and service costs	46	-	46	72	-	72
Uncontracted deficit	27,284	199,167	226,451	17,230	244,172	261,402
Recorded actuarial liability	**54,245**	**410,866**	**465,111**	**42,064**	**421,947**	**464,011**

Retirement benefits obligations recognized in the balance sheet are partially covered by contracted obligations and/or obligations acknowledged through an instrument for the acknowledgment of debt and agreement entered into by the Company with respective Foundations.

On 2.28.2022, the Company signed an agreement with ELOS Foundation to pay the portion of deficit under its responsibility for fiscal year 2020. The amount contracted was R$ 31,507, which will be paid in 156 monthly installments, adjusted by the National Consumer Price Index (INPC) and interest of 5.69% p.a.

Contracted amounts presented in non-current liabilities are expected to be settled as follows:

	Consolidated		
	ELOS	PREVIG	Total
April to December 2023	19,047	1,481	20,528
2024	22,015	292	22,307
2025	23,297	-	23,297
2026	24,655	-	24,655
2027	26,091	-	26,091
2028 to 2032	84,339	-	84,339
2033 to 2035	10,482	-	10,482
	209,926	**1,773**	**211,699**

b) Changes in retirement benefit obligations

	Plans				
	ELOS BD	PREVIG BD	PREVIG BSPS	GC	Total
Liabilities recorded at 12.31.2021	**434,359**	**26,586**	**130**	**2,936**	**464,011**
Current contribution and cost of service	-	-	-	(186)	(186)
Payment of contracted obligations	(9,008)	(1,039)	(101)	-	(10,148)
Interest on actuarial liabilities, net	10,738	628	-	68	11,434
Liabilities recorded at 3.31.2022	**436,089**	**26,175**	**29**	**2,818**	**465,111**

Notes to the Financial Statements

NOTE 21 – DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

Deferred income tax and social contribution assets and liabilities, are presented net, as follows:

a) Breakdown

	Parent Company				
	3.31.2022				12.31.2021
Description	Calculation basis	IR	CSLL	Total	Total
Liabilities:					
Hydrological risk renegotiation	2,266,665	566,666	204,000	770,666	781,403
Accelerated depreciation	934,562	233,641	84,111	317,752	316,084
Property, plant and equipment deemed cost (fair value)	507,491	126,873	45,674	172,547	178,114
Unrealized gains on hedge operations	370,479	92,620	33,343	125,963	58,745
Unrealized sale at MAE (currently CCEE)	100,308	25,077	9,028	34,105	34,105
Capitalized financial charges	56,603	14,151	5,094	19,245	19,443
Other	116,688	29,172	10,502	39,674	17,806
		1,088,200	**391,752**	**1,479,952**	**1,405,700**
Assets:					
Provision for asset impairment	1,128,868	282,217	101,598	383,815	424,057
Unrealized losses on hedge operations	632,597	158,149	56,934	215,083	31,627
Retirement benefits obligations	226,453	56,613	20,381	76,994	88,872
Fair value adjustment in business combinations	134,744	33,686	12,127	45,813	44,759
Estimated losses with doubtful accounts	122,018	30,505	10,982	41,487	41,486
Civil, tax and labor provisions	91,174	22,794	8,206	31,000	10,018
Other	118,676	29,669	8,274	37,943	36,798
		613,633	**218,502**	**832,135**	**677,617**
Net total		**474,567**	**173,250**	**647,817**	**728,083**

Notes to the Financial Statements

Description	Consolidated				
	3.31.2022				12.31.2021
	Calculation basis	IR	CSLL	Total	Total
Liabilities:					
Revenue from installation of transmission infrastructure	5,090,040	1,272,510	458,104	1,730,614	1,652,099
Interest on concession financial asset	3,010,811	752,703	270,973	1,023,676	886,728
Renegotiation of hydrological risk	2,420,518	605,130	217,847	822,977	833,766
Accelerated depreciation	1,663,262	415,816	149,694	565,510	548,412
Capitalized financial charges	748,415	187,104	67,357	254,461	252,295
Property, plant and equipment deemed cost (fair value)	507,491	126,873	45,674	172,547	178,114
Unrealized gains on hedge operations	403,104	100,776	36,279	137,055	71,125
Intangible asset on the bonus paid for grant	367,105	91,776	33,039	124,815	117,750
Fair value of rights of project acquired	236,021	59,005	21,242	80,247	80,247
Unrealized sale at MAE (currently CCEE)	100,308	25,077	9,028	34,105	34,105
Other	137,824	34,456	12,404	46,860	25,078
		3,671,226	**1,321,641**	**4,992,867**	**4,679,719**
Assets:					
Construction costs of transmission infrastructure	5,428,115	1,357,029	488,530	1,845,559	1,758,756
Revenue from Return of Grant Bonus (RBO)	1,252,907	313,227	112,762	425,989	327,447
Provision for asset impairment	1,128,868	282,217	101,598	383,815	399,398
Income tax and social contribution losses	1,116,787	279,197	100,511	379,708	424,057
Unrealized losses on hedge operations	692,181	173,045	62,296	235,341	38,929
Retirement benefits obligations	226,469	56,617	20,382	76,999	88,873
Fair value adjustment in business combinations	134,744	33,686	12,127	45,813	47,816
Estimated losses with doubtful accounts	125,297	31,324	11,277	42,601	28,774
Civil, tax and labor provisions	113,393	28,348	10,205	38,553	44,759
Other	240,912	60,228	19,371	79,599	77,220
		2,614,918	**939,059**	**3,553,977**	**3,236,029**
Net amount		**1,056,308**	**382,582**	**1,438,890**	**1,443,690**
Classification in the balance sheet					
Liabilities		1,087,055.00	393,741.00	1,480,796	1,504,825
Assets[1]		(30,747)	(11,159)	(41,906)	(61,135)
Total		**1,056,308**	**382,582**	**1,438,890**	**1,443,690**

(1) Amount presented under "Other non-current assets".

Notes to the Financial Statements

b) Change in deferred income tax and social contribution, net

	Parent Company	Consolidated
Balance at 12.31.2021	**728,083**	**1,443,690**
Taxes deferred in profit or loss	(198,396)	(122,930)
Taxes deferred in other comprehensive income	118,130	118,130
Balance at 3.31.2022	**647,817**	**1,438,890**

c) Expected realization and required payments

	Parent Company		Consolidated	
	Assets	Liabilities	Assets	Liabilities
April to December 2022	550,966	178,183	645,231	263,327
2023	34,997	84,355	191,916	231,355
2024	41,115	85,969	187,278	221,605
2025	75,222	129,942	216,523	263,455
2026	35,894	95,474	167,148	225,182
2027 to 2029	44,761	263,620	377,288	666,288
2030 to 2032	39,170	378,067	352,042	780,775
2033 to 2035	10,010	233,167	321,873	632,748
After 2036	-	31,175	1,094,678	1,708,132
	832,135	**1,479,952**	**3,553,977**	**4,992,867**

NOTE 22 – OTHER LIABILITIES

	Parent Company		Consolidated	
	3.31.2022	12.31.2021	3.31.2022	12.31.2021
Reimbursement to distributors	-	-	510,306	471,094
Unrealized losses in hedge operations[1]	326,855	56,632	443,369	110,010
Liabilities linked to acquisition of assets	-	-	122,868	84,403
Fuels –Aneel Resolution 801/2017	29,428	39,130	29,428	39,130
Advances from clients	-	462	27,935	18,999
Trade accounts payable[2]	7,471	7,471	21,189	20,893
Other accounts payable	54,311	61,760	132,313	149,372
	418,065	**165,455**	**1,287,408**	**893,901**
Classification in balance sheet				
Current liabilities	142,335	150,147	889,867	769,364
Non-current liabilities	275,730	15,308	397,541	124,537
	418,065	**165,455**	**1,287,408**	**893,901**

(1) Further information is available in Note 13 - Risk management and financial instruments.
(2) Further information is available in Note 12 - Suppliers.

Notes to the Financial Statements

a) Obligations linked to the acquisition of assets

In the 1st quarter of 2022, the Company, through its subsidiaries, recognized the conditional obligations for the acquisition of Solairedirect Holding Brasil S.A. ("Solairedirect") in the amount of R$ 35,948.

NOTE 23 – SHAREHOLDERS' EQUITY

a) Authorized capital stock

The Company is authorized to increase its capital stock up to the limit of R$ 7,000,000, by resolution of Board of Directors, regardless of any amendment to its bylaws. Under the B3's New Market listing regulations, the Company cannot issue preferred shares or founder shares.

The Company has no treasury shares and did not perform any purchase and sale transactions involving shares of its own issuance in the period ended 3.31.2022 and year ended 12.31.2021.

b) Subscribed and paid-in capital

At 3.31.2022 and 12.31.2021, the Company's fully subscribed and paid-in capital was R$ 4,902,648, represented by 815,927,740 registered common shares without par value.

The book value of the share in Reais, at 3.31.2022, is R$ 10.25 (R$ 9.72 for each share at 12.31.2021).

The Company's ownership structure at 3.31.2022 and 12.31.2021 was as follows:

Shareholders	Tranche of common shares	% of capital
ENGIE Brasil Participações Ltda.	560,640,791	68.71%
Banco Clássico S.A.	80,464,085	9.86%
Other shareholders	174,822,864	21.43%
	815,927,740	**100.00%**

As of 3.31.2022 and 12.31.2021, the Board of Directors, the Board of Executive Officers and the Audit Board held 78,488 shares issued by the Company.

c) Capital reserves

On 03.16.2022, after the conditions precedent established in the agreement were met, the acquisition of 100% of the shares of Solairedirect, the erstwhile owner of the Paracatu and Floresta Photovoltaic Complexes, and ENGIE Solar, was concluded. The transaction resulted in the booking of R$ 192,449 in capital reserves, corresponding to the difference between the consideration transferred and the book value of the assets and liabilities transferred. For more information see Note 9 – Investments.

Notes to the Financial Statements

d) Other comprehensive income

The account records variations of the fair value, net of deferred income tax and social contribution, of the following transactions: (i) obligations with the retirement benefits of defined benefit plans sponsored by the Company; and (ii) cash flow hedges of future commitments in foreign currency signed by the joint venture TAG and Santo Agostinho Wind Power Complex, indirect subsidiary; (iii) cash flow hedge on loans in foreign currency and combined exposure; and (iv) the effects from change in interest due to the merger of Aliança with the joint venture TAG.

NOTE 24 – RECONCILIATION OF NET OPERATING REVENUE

The following table presents the reconciliation between gross operating income and net operating revenue reported in the income statement.

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Gross operating income				
Electricity distributors	642,569	605,449	1,139,563	1,018,234
Free consumers	102,426	100,204	935,842	889,196
Electricity traders	385,688	405,185	202,595	157,770
Trading operations	-	-	179,731	274,904
Transactions in the short-term market	21,012	19,721	135,366	118,178
Other revenues	21,611	15,609	60,485	62,179
	1,173,306	**1,146,168**	**2,653,582**	**2,520,461**
Deductions from operating income				
PIS and Cofins	(103,533)	(102,021)	(233,339)	(222,287)
Research and development	(8,461)	(8,694)	(12,413)	(13,885)
ICMS	(1,026)	(3,926)	(1,198)	(9,208)
ISSQN	(909)	(824)	(934)	(826)
	(113,929)	**(115,465)**	**(247,884)**	**(246,206)**
Other				
Transmission infrastructure construction revenue	-	-	252,002	699,427
Remuneration from contract asset	-	-	248,573	137,766
Interest on concession financial asset	-	-	154,213	127,678
Unrealized gains on trading operations	-	-	1,815	10,814
	-	**-**	**656,603**	**975,685**
Net operating revenue	**1,059,377**	**1,030,703**	**3,062,301**	**3,249,940**

Notes to the Financial Statements

NOTE 25 – DETAIL OF OPERATING EXPENSES BY NATURE

a) Energy purchase

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Energy purchases				
Energy purchase for portfolio management	110,381	109,746	413,120	175,979
Trading operations	-	-	157,212	251,279
Unrealized losses on trading operations	-	-	5,599	5,194
	110,381	**109,746**	**575,931**	**432,452**
Transactions in the short-term energy market				
Purchases in the short-term market	8,902	9,970	79,222	70,597
Trading operations	-	-	-	673
	8,902	**9,970**	**79,222**	**71,270**

b) Charges for the use of and connection to the power grid

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Transmission system use charges (CUST)	93,978	83,555	140,782	135,104
Connection charges	2,584	(1,151)	4,043	3,805
Distribution system use charges (CUSD)	70	18	3,941	3,300
Other	-	-	93	-
	96,632	**82,422**	**148,859**	**142,209**

c) Other operating costs and costs of services rendered

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Transmission line construction cost	-	-	264,642	680,416
Depreciation and amortization	97,905	76,611	240,825	224,975
Third party materials and services	13,386	12,414	85,017	92,301
Personnel	34,731	31,104	49,172	68,176
Fuels	-	-	41,520	125,388
Royalties	13,663	20,748	20,389	25,774
Other	8,668	7,659	29,731	35,405
	168,353	**148,536**	**731,296**	**1,252,435**
Classification in profit or loss				
Operating costs	158,250	140,906	721,193	1,244,805
Costs of services	10,103	7,630	10,103	7,630
	168,353	**148,536**	**731,296**	**1,252,435**

Notes to the Financial Statements

d) Selling, general and administrative expenses

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Personnel and management	40,828	36,306	40,956	37,613
Third party materials and services	23,161	17,653	26,632	19,617
Depreciation and amortization	8,069	5,416	8,201	5,700
Contributions and donations	1,362	1,689	3,051	3,050
Pension funds	2,058	1,649	2,058	1,649
(Reversal) recording of operating provisions, net	(1,463)	63	(15,141)	-
Other	3,106	2,105	4,793	2,472
	77,121	**64,881**	**70,550**	**70,101**
Classification in profit or loss				
Selling expenses	5,122	4,271	(8,313)	6,211
General and administrative expenses	71,999	60,610	78,863	63,890
	77,121	**64,881**	**70,550**	**70,101**

NOTE 26 – FINANCIAL RESULT

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Financial expenses				
Interest and Inflation adjustment on:				
Loans and financing	38,420	49,944	292,674	201,164
Concessions payable	264,981	369,957	268,014	372,512
Debentures	155,944	135,275	255,094	209,052
Hedge on loans and debentures	100,871	18,318	105,250	32,794
Redeemable preferred shares	-	-	14,749	4,132
Retirement benefit obligations	11,434	7,240	11,434	7,256
Provisions	4,273	3,057	9,003	8,660
Leases	470	513	3,321	3,167
Other	17	4,619	180	12,744
Exchange variation on:				
Fair value hedge on loans	646,132	(439,394)	646,132	(439,394)
Loans	(646,132)	439,394	(646,132)	439,394
Fair value adjustment	2,099	(48)	2,141	(79)
Other financial expenses	1,516	1,454	12,341	5,807
	580,025	**590,329**	**974,201**	**857,209**
Financial income				
Income from marketable securities	69,087	8,656	129,390	17,757
Income from restricted deposits	852	742	7,696	1,845
Interest and inflation adjustment on:				
Accounts receivable	1,095	1,090	6,240	3,383
Court deposits	1,409	1,007	1,433	1,071
Marketable securities	-	14,523	-	-
Fuels	-	-	-	2,148
Market value adjustment and marketable securities	-	59,934	-	-
Other financial income	4,242	(1,136)	5,155	(1,301)
	76,685	**84,816**	**149,914**	**24,903**
Financial expenses, net	**503,340**	**505,513**	**824,287**	**832,306**

Notes to the Financial Statements

NOTE 27 – INCOME TAXES RECONCILIATION, IN THE INCOME STATEMENT

	Parent Company					
	3.31.2022			3.31.2021		
	IR	CS	Total	IR	CS	Total
Income before taxes	**679,134**	**679,134**	**679,134**	**574,903**	**574,903**	**574,903**
Standard rates	25%	9%	34%	25%	9%	34%
Tax expense at standard rates	**(169,784)**	**(61,122)**	**(230,906)**	**(143,726)**	**(51,741)**	**(195,467)**
Permanent differences						
Equity income	140,586	50,611	191,197	107,876	38,835	146,711
Tax incentives	5,554	-	5,554	-	-	-
Other	(9)	(250)	(259)	2,871	(217)	2,654
	(23,653)	**(10,761)**	**(34,414)**	**(32,979)**	**(13,123)**	**(46,102)**
Breakdown of taxes in the income statement						
Current	(169,484)	(63,326)	(232,810)	-	-	-
Deferred	145,831	52,565	198,396	(32,979)	(13,123)	(46,102)
	(23,653)	**(10,761)**	**(34,414)**	**(32,979)**	**(13,123)**	**(46,102)**
Effective rate	**3.5%**	**1.6%**	**5.1%**	**5.7%**	**2.3%**	**8.0%**

	Consolidated					
	3.31.2022			3.31.2021		
	IR	CS	Total	IR	CS	Total
Income before taxes	**817,204**	**817,204**	**817,204**	**675,082**	**675,082**	**675,082**
Standard rates	25%	9%	34%	25%	9%	34%
Tax expense at standard rates	**(204,301)**	**(73,548)**	**(277,849)**	**(168,771)**	**(60,757)**	**(229,528)**
Permanent differences						
Equity income	43,142	15,531	58,673	43,632	15,708	59,340
Tax incentives	22,904	-	22,904	11,161	-	11,161
Variation between the calculation base of taxable and presumptive profit tax regimes	15,917	5,040	20,957	10,355	2,708	13,063
Other	2,399	764	3,163	911	(919)	(8)
	(119,939)	**(52,213)**	**(172,152)**	**(102,712)**	**(43,260)**	**(145,972)**
Breakdown of taxes in the income statement						
Current	(210,282)	(84,800)	(295,082)	(54,050)	(24,521)	(78,571)
Deferred	90,343	32,587	122,930	(48,662)	(18,739)	(67,401)
	(119,939)	**(52,213)**	**(172,152)**	**(102,712)**	**(43,260)**	**(145,972)**
Effective rate	**14.7%**	**6.4%**	**21.1%**	**15.2%**	**6.4%**	**21.6%**

Notes to the Financial Statements

NOTE 28 – TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with related parties, which are detailed in Note 36 – Transactions with related parties, of the financial statements of 12.31.2021. The main transactions are:

- Purchase and sale of energy;

- Operation and maintenance;

- Administrative and financial services;

- Guarantees; and

- Sureties.

There was no significant change in the transactions with related parties in the nine-month period ended 3.31.2022.

a) Amounts recognized in balance sheet accounts – Parent Company

	ASSETS			LIABILITIES		
	Accounts receivable		Dividends	Supplier		IOE[1] / dividends
	Energy	Services and other		Energy	Other	
3.31.2022						
EBC	179,481	41	-	3,532	-	-
Lages	15,000	10	8,611	-	-	-
Jaguara	700	-	80,856	12,536	-	-
Miranda	400	-	12,801	6,925	-	-
ENGIE Participações	-	2,440	-	-	100	-
Itasa	-	2,184	5,065	21,060	-	-
Pampa Sul	-	41	-	-	12	-
ECP and subsidiaries	-	-	16,401	-	-	-
Other	1,658	6,686	688	2,915	306	-
Total	**197,239**	**11,402**	**124,422**	**46,968**	**418**	**-**
12.31.2021	**181,270**	**20,862**	**405,621**	**37,348**	**727**	**35,043**

(1) Interest on equity.

Apart from the information presented, ECP has to pay Solairedirect Investment Management S.A. R$ 35,948 for the acquisition of Solairedirect and ENGIE Solar.

Notes to the Financial Statements

b) Amounts recognized in the income statement – Parent Company

	Revenue			Financial income	Cost	Cost and Expense
	Sale of energy	O&M Services	Administrative services		Energy purchase	Third-party services
1st quarter of 2022						
EBC	324,348	-	124	-	5,714	-
ECV	19,912	-	41	-	2,216	-
ENGIE Trading	5,752	-	124	-	18,858	-
Jaguara	2,995	-	113	-	33,370	-
Miranda	1,134	-	113	-	18,445	-
Itasa	-	6,682	-	-	44,594	-
Pampa Sul	-	-	124	-	-	-
Other	4,408	5,911	2,023	-	3,629	1,355
Total	**358,549**	**12,593**	**2,662**	**-**	**126,826**	**1,355**
1st quarter of 2021	**399,409**	**10,600**	**4,817**	**15,231**	**106,012**	**1,307**

c) Remuneration of key management personnel

Annual remunerations of 2022 and 2021 of key Management personnel, composed of the Board of Executive Officers established by the Bylaws, Board of Directors, Audit Committee established by the Bylaws and Audit Board, were approved at the ASM held on 4.28.2022 and 4.28.2021. The amounts recognized in the quarters were:

	3.31.2022	3.31.2021
Fixed compensation	3,171	3,691
Variable compensation	2,711	2,057
Payroll charges	879	942
Other	362	354
	7,123	**7,044**

The Management does not receive share-based compensation from ENGIE Brasil Energia.

Notes to the Financial Statements

NOTE 29 – INFORMATION BY SEGMENT

The information by segment refers to the quarters ended March 31, 2022and 2021 and is presented in a consolidated manner in the tables below:

	1st quarter of 2022					
	Electric energy					
	Generation	Transmission	Trading	Solar panels	Gas transportation	Consolidated
NET OPERATING INCOME	**2,387,942**	**502,484**	**164,921**	**6,954**	**-**	**3,062,301**
Operating costs	(1,102,088)	(267,378)	(162,812)	(3,030)	-	(1,535,308)
GROSS PROFIT	**1,285,854**	**235,106**	**2,109**	**3,924**	**-**	**1,526,993**
Operating income (expenses)						
Selling, general and administrative expenses	(65,517)	(1,579)	(1,093)	(2,361)	-	(70,550)
Impairment, net	(11,097)	-	-	118,361	-	107,264
Sale of subsidiary	-	-	-	(94,430)	-	(94,430)
Other operating income (expenses), net	(731)	379	-	-	-	(352)
	(77,345)	**(1,200)**	**(1,093)**	**21,570**	**-**	**(58,068)**
Equity income	**-**	**-**	**-**	**-**	**172,566**	**172,566**
PROFIT BEFORE FINANCIAL AND TAX RESULTS	**1,208,509**	**233,906**	**1,016**	**25,494**	**172,566**	**1,641,491**

(1) On 2.21.2022, the shares held by the Company in the subsidiary ENGIE Geração Solar Distribuída ("EGSD") were sold. On that date, the company ceased to be a subsidiary of the Company and is also not consolidated in the books.

	1st quarter of 2021					
	Electric energy					
	Generation	Transmission	Trading	Solar panels	Gas transportation	Consolidated
NET OPERATING INCOME	**2,144,798**	**837,193**	**260,290**	**7,659**	**-**	**3,249,940**
Operating costs	(900,113)	(680,449)	(257,145)	(8,698)	-	(1,846,405)
GROSS PROFIT (LOSS)	**1,244,685**	**156,744**	**3,145**	**(1,039)**	**-**	**1,403,535**
Operating expenses						
Selling, general and administrative expenses	(67,284)	(817)	(986)	(1,014)	-	(70,101)
Other operating income, net	(575)	-	-	-	-	(575)
	(67,859)	**(817)**	**(986)**	**(1,014)**	**-**	**(70,676)**
Equity income	**-**	**-**	**-**	**-**	**174,529**	**174,529**
PROFIT (LOSS) BEFORE FINANCIAL AND TAX RESULTS	**1,176,826**	**155,927**	**2,159**	**(2,053)**	**174,529**	**1,507,388**

Notes to the Financial Statements

NOTE 30 – INSURANCE

a) Operating and lost profit risks

The Company is covered by the international insurance policy for Property Damage and Business Interruption (PDBI) of the corporate insurance program of its parent company ENGIE. The PDBI policy is valid until 5.31.2022 and the risk coverage amount is R$ 13,567,654 in the parent company and R$ 31,109,365 in the consolidated statements, namely:

	Parent Company		Consolidated	
Type of plant	Material damages	Loss of profit	Material damages	Loss of profit
Hydroelectric power plants	10,196,817	3,320,815	14,773,163	3,848,438
Thermal power plants	-	-	1,843,036	1,106,828
Complementary plants (wind, solar, biomass and SHPP)	49,291	731	7,579,233	1,958,667
	10,246,108	**3,321,546**	**24,195,432**	**6,913,933**

The maximum combined limit of indemnification for pecuniary damages and loss of profits is R$ 3,747,120 per event.

On 03.10.2022, the Floresta and Paracatu Photovoltaic Complexes were included in ENGIE's corporate insurance program policy, which covers material damages in the amounts of R$ 327,668 and R$ 500,084, respectively, as well as loss of profits, in the amounts of R$ 78,395 and R$ 107,448, respectively. The policy is in effect until 05.31.2022.

With the expiry of the policy on 03.19.2022, the Campo Largo II Wind Complex too was included in ENGIE's corporate insurance program, with coverage for material damages and loss of profits in the amounts of R$ 1,393,282 and R$ 722,158, respectively. The policy is in effect from 03.18.2022 to 05.31.2022.

In addition, in 2021, due to the request for approval from Aneel for the operational startup of operations of Gralha Azul and Novo Estado Transmission Systems, exclusive operating risk insurance policies were contracted for their substations, covering pecuniary damages and loss of profits, in the total amounts of R$ 341,053 and R$ 169,763, respectively. The policies expire on 8.21.2022 and 12.19.2022, respectively.

b) Engineering risks

The Company has insurance policies for Santo Agostinho II Wind Power Complex and Gralha Azul and Novo Estado Transmission Systems, whose caps for pecuniary damages are R$ 350,000, R$ 1,000,000 and R$ 500,000, respectively.

c) Other coverages

The Company has insurance to cover national and international transportation risks, civil liability of the directors, officers and management, political violence, terrorism and cyberattacks extended to its subsidiaries, as well as group life insurance for its employees and officers.

Notes to the Financial Statements

d) Insurance indemnifications

In July 2020, an accident occurred at the Lages Bioenergética Plant, generating exposure to long-term loss of profits. With the resumption of operations in August 2021, it was possible to measure the financial impact, which totaled R$ 39,646, net of deductible. Of the total measured, R$ 6,000 was advanced in June 2021 and the balance of R$ 33,646 was settled in February 2022, ending the negotiations related to the claim.

NOTE 31 – LONG-TERM COMMITMENTS

The Company has long-term agreements, which are detailed in Note 39 – Long-term commitments, of the financial statements of 12.31.2021.

The main long-term commitments of the Company are:

- Contracts for the Use of the Transmission and Distribution System (CUST and CUSD);
- Contracts for purchase of coal at Pampa Sul;
- Contracts for connection to the power grid;
- Operation and maintenance contracts;
- Renegotiation of hydrological risk;
- Contracts for modernization of plants;
- Bilateral contracts for purchase and sale of electricity; and
- Contracts for construction of Plants and Transmission Systems in progress.

There was no significant change in the long-term commitments in the three-month period ended 3.31.2022.

NOTE 32 – ADDITIONAL CASH FLOW INFORMATION

The following complementary cash flow transactions were as follows:

	Parent Company		Consolidated	
	3.31.2022	3.31.2021	3.31.2022	3.31.2021
Interim dividends	638,669	-	638,669	-
Dividends and interest on equity not claimed	7,817	6,829	7,817	6,829
Dividends from subsidiaries	-	95,550	-	-
Write-off of investment due to sale of subsidiary[1]	(67,805)	-	-	-
Net assets of subsidiaries acquired[1]	-	-	499,414	-
Recording of capital reserve[1]	-	-	192,449	-
Transfer of interest due to corporate restructuring	-	598,442	-	-
Income tax and social contribution credit	(8,212)	-	(10,961)	328
Suppliers of property, plant and equipment and intangible assets	(826)	(303)	37,026	(34,179)
Capitalized interest, inflation adjustment and depreciation	-	-	14,002	37,934
Provisions for expropriations in transmission construction	-	-	-	1,997

(1) Further information is available in Note 9 – Investments.

Notes to the Financial Statements

NOTE 33 – SUBSEQUENT EVENTS

a) Proposed additional dividends

On 04.28.2022, the Annual Shareholders Meeting approved the allocation of net income and the proposal for the distribution of additional dividends on net income from the year 2021, in the amount of R$ 550 million (R$ 0.6738313480 per share). On that date, the Company recognized the payment obligation in its balance sheet. The shares of the Company will be traded ex-dividends starting from 05.12.2022 and the payment date will be defined by the Board of Executive Officers in the future.

b) Monitoring the Gralha Azul and Novo Estado projects

After 03.31.2022, the Gralha Azul and Novo Estado Transmission Systems obtained fresh authorizations from the National System Operator (ONS) for partial commercial operation of their transmission lines. Gralha Azul and Novo Estado had 87% and 49%, respectively, of the assets in commercial operation until the date of publication of this quarterly information.

c) Withdrawal of BNDES loan for the Santo Agostinho Wind Complex – Phase I

On 04.28.2022, the 1st withdrawal of the loan from BNDES for the Santo Agostinho Wind Complex – Phase I was made, totaling R$ 607 million (R$ 588 million, net of funding costs). The balance should be withdrawn between the 2nd half of 2022 and the 1st quarter of 2023.

d) Acquisition of the Serra do Assuruá wind power project

The Board of Directors Meeting held on 5.05.2022 approved the acquisition of the Serra do Assuruá wind power project, which has installed capacity of approximately 880 MW, is located in Gentio do Ouro in the northwestern region of the state of Bahia and 160 km from the Campo Largo and Umburanas wind power complexes for a maximum sum of approximately R$ 265 million.

ACCOUNTING DEPARTMENT

Paulo Roberto Keller de Negreiros
Accounting Department Manager
Accountant - CRC RS-068193/O-2 T-SC

Comments on Business Projections

Identification of projections

a. Purpose of projection

Investments in equity interest, maintenance, revitalization and expansion of the generation facilities.

The Company's investment statements segregate values in two groups:

• Investments financed with own capital, including acquisitions, and

• Investments financed with debts, including debts assumed in the acquisitions.

Both projection models are included in item "d" below.

The projections made are estimates deemed reasonable by the Company, which usually depend on future events, thus cannot be regarded as a promise to perform by the Company and its managers.

b. Period projected and projection term

ENGIE Brasil Energia quarterly discloses to the market its investment projections for the current year and the two subsequent years, valid until its realization or replacement by another projection.

c. Prospect assumptions, indicating which ones can be influenced by the Company's management

The Company's projections for investment are mainly based on the following assumptions:

• Schedule for maintenance of the generating units;

• Diagnosis of equipment;

• Regulatory obligations; and

• Strategic initiatives.

The amounts informed, projected and actual, do not consider interest on construction (interest on loan capital).

The Management can influence all assumptions, except for the regulatory obligations that are beyond its control.

In case of a significant change in the foregoing assumptions, the projections can be reviewed.

d. Value of the indicators that are the subject matter of the projection

The estimated and actual amounts for the quarter ended 3.31.2022 are presented below. These amounts are expressed in millions of Brazilian real and do not include interest on financing that were capitalized during the construction of the plants.

Comments on Business Projections

d.1 First quarter of 2022

Estimate for the years 2022, 2023 and 2024, announced in the 4th quarter of 2021:

Description \ Projection period	2022	2023	2024
Financed with debt	1,671	-	-
Financed with own capital	812	843	148
Total	**2,483**	**843**	**148**

Estimate for the years 2022, 2023 and 2024, announced in the 1st quarter of 2022:

Description \ Projection period	2022	2023	2024
Financed with debt	1,166	513	-
Financed with own capital	2,279	420	168
Total	**3,430**	**933**	**168**

Changes in the estimates informed for the years 2022, 2023 and 2024 and between the 4th quarter of 2021 and 1st quarter of 2022:

Description \ Projection period	2022	2023	2024
Financed with debt	(504)	513	-
Financed with own capital	1,467	(423)	20
Total	**963**	**90**	**20**

Analysis of material changes:

Changes in relation to the last reporting period were largely due to the change in the financial and physical calendar of the Novo Estado and Gralha Azul Transmission Systems, the modernization project of Salto Osório, the Santo Agostinho Wind Power Complex project, the acquisitions of the Assú Sol Photovoltaic Complex project and the Floresta and Paracatu Photovoltaic Complexes, as well as the maintenance of the Company's generation complex.

The updated forecasts mainly refer to:

- 2022: the changes in the financial and physical calendar of Novo Estado and Gralha Azul Transmission Systems, the development of Santo Agostinho Wind Power Complex project, the modernization of Salto Osório Hydroelectric Power Plant, the acquisition of Floresta and Paracatu Photovoltaic Complexes and the maintenance of the Company's generation facilities;
- 2023: the changes in the financial and physical calendar of Novo Estado Transmission System, the development of Santo Agostinho Wind Power Complex project, the modernization of Salto Osório Hydroelectric Power Plant and the maintenance of the Company's generation facilities.
- 2024: the modernization of Salto Osório Hydroelectric Power Plant and the maintenance of the Company's generation facilities.

Comments on Business Projections

Investments made until the 1st quarter of 2022:

The investments of ENGIE Brasil Energia in 1Q22 amounted to R$ 1,003 million, of which (i) R$ 963 million was invested in the construction of new projects: R$ 148 million in Novo Estado Energy Transmission Line and R$ 64 million in Gralha Azul Energy Transmission Line, R$ 95 million in the Santo Agostinho Wind Power Plant and R$ 656 million in the acquisition of Floresta and Paracatu Photovoltaic Complexes; (ii) R$ 39 million was allocated to maintenance and renovation projects of the generation park; and (iii) R$ 1 million was allocated for modernization of Salto Osório Hydroelectric Power Plant.

Other Relevant Information

There is no other information considered relevant by the Company.

Opinions and Statements / Special Review Report - Unqualified

A free translation from Portuguese into English of Independent auditor's review report on quarterly information prepared in Brazilian currency in accordance with NBC TG 21 and IAS 34 applicable to the preparation of Quarterly Information (ITR)
Report on review of quarterly information

Independent auditor's review report on quarterly information

The Shareholders, Board of Directors and Officers
ENGIE Brasil Energia S.A.
Florianópolis – SC

Introduction

We have reviewed the accompanying individual and consolidated interim financial information, contained in the Quarterly Information Form (ITR) of ENGIE Brasil Energia S.A. ("Company") for the quarter ended March 31, 2022, comprising the statement of financial position as at March 31, 2022, and the related statements of profit or loss, of comprehensive income, of changes in equity and of cash flows for quarter then ended, including the explanatory notes.

The executive board is responsible for the preparation of the individual interim financial information in accordance with Brazilian accounting standard NBC TG 21 (34) – Interim Financial Reporting, and of the consolidated interim financial information in accordance with NBC TG 21 and IAS – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with specific rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of quarterly financial information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and international standards on review engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual interim financial information included in the quarterly financial information referred to above was not prepared fairly, in all material respects, in accordance with NBC TG 21, applicable to the preparation of quarterly financial information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the quarterly financial information referred to above was not prepared fairly, in all material respects, in accordance with NBC TG 21 and IAS 34, applicable to the preparation of quarterly financial information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

The quarterly information referred to above includes the individual and consolidated statements of added value (SVA) for the three-month period ended March 31, 2022, prepared under the responsibility of the Company's executive board and presented as supplementary information for purposes of IAS 34. These statements have been subject to the same review procedures performed together with quarterly information review, in order to conclude whether they have been reconciled to the interim accounting information and accounting records, as applicable, and whether their form and content are in accordance with NBC TG 09 - Statement of Value Added. Based on our review, nothing has come to our attention that causes us to believe that these statements of value added were not prepared, in all material respects, in accordance with the criteria defined in the referred to Standard, and consistently with the overall individual and consolidated interim financial information.

Opinions and Statements / Special Review Report - Unqualified

Audit and review of corresponding figures

The figures corresponding to the statement of financial position at December 31, 2021, and the statements of profit or loss, of comprehensive income, of changes in equity, of cash flows and of value added for the three-month period ended March 31, 2021, presented for comparison purposes, were previously audited and reviewed, respectively, by another independent auditor, who issued an unmodified report on the financial statements dated February 14, 2022, and an unmodified review report on the interim financial information dated May 5, 2021.

Blumenau, May 5, 2022.

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP034519/O-6

Adilvo França Junior
Accountant CRC- 1BA021419/O-4-T-SP

Opinions and Statements / Opinion or Summarized Statement, if any, of the Audit Committee (statutory or not)

The members of the Audit Committee recommend the approval of the Quarterly Information of the Company and agree with the opinion of the independent auditors of the Company, ERNST & YOUNG Auditores Independentes, as presented in the Special Review Report of the Independent Auditors.

Paulo de Resende Salgado
Coordinator of the Audit Committee

Carla Carvalho de Carvalho
Member of the Audit Committee

Manoel Eduardo Lima Lopes
Member of the Audit Committee

Florianópolis, May 5, 2022.

Opinions and Statements / Statement of the Executive Officers on the Financial Statements

The Company's management declares that it has examined, discussed and reviewed all information contained in the Company's Quarterly Information (parent company and consolidated) and also agrees with the opinion of the independent auditors of the Company, ERNST & YOUNG Auditores Independentes as presented in the Special Review Report of the Independent Auditors.

Eduardo Antonio Gori Sattamini
Chief Executive and Investor Relations Officer

Marcelo Cardoso Malta
Chief Financial Officer

Gabriel Mann dos Santos
Chief Energy Commercialization Officer

Guilherme Slovinski Ferrari
Chief Business Development, Strategy and Innovation Officer

José Luiz Jansson Laydner
Chief Operation Officer

Marcos Keller Amboni
Chief Regulation and Market Officer

Luciana Moura Nabarrete
Chief Administrative Officer

Márcio Daian Neves
Chief Implementation Officer

Florianópolis, May 5, 2022.

Opinions and Statements / Statement of the Executive Officers on the Independent Auditors' Report

The Company's management declares that it has examined, discussed and reviewed all information contained in the Company's Quarterly Information (parent company and consolidated) and, also agrees with the opinion of the independent auditors of the Company, ERNST & YOUNG Auditores Independentes as presented in the Special Review Report of the Independent Auditors.

Eduardo Antonio Gori Sattamini
Chief Executive and Investor Relations Officer

Marcelo Cardoso Malta
Chief Financial Officer

Gabriel Mann dos Santos
Chief Energy Commercialization Officer

Guilherme Slovinski Ferrari
Chief Business Development, Strategy and Innovation Officer

José Luiz Jansson Laydner
Chief Operation Officer

Marcos Keller Amboni
Chief Regulation and Market Officer

Luciana Moura Nabarrete
Chief Administrative Officer

Márcio Daian Neves
Chief Implementation Officer

Florianópolis, May 5, 2022.