

EGIE
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EARNINGS RELEASE 1Q23

For Immediate Release

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Video conference

On May 5, 2023 at 11:00 a.m. (BRT), 10:00 a.m. (EDT) in Portuguese with simultaneous translation into English)

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Florianópolis, Brazil, May 4, 2023. ENGIE Brasil Energia S.A. ("ENGIE" or "Company") – B3: EGIE3, ADR: EGIEY - announces earnings for the First Quarter ending on March 31, 2023 (1Q23, 3M23). The information in this release is shown on a consolidated basis and in accordance with Brazilian accounting principles and practices. The values are expressed in Brazilian Reais (R$), except where otherwise indicated. Rounding effects may cause differences in percentage changes, when comparing the comments on Economic-Financial Performance, presented in R$ million, with the Income Statement (Appendix III), presented in R$ thousand.



Gralha Azul Transmission System

ENGIE Brasil Energia **consolidated its capacity to execute** projects with the conclusion of the **Gralha Azul and Novo Estado** transmission systems, in addition to the **start** of commercial operations of the **Santo Agostinho Wind Complex (RN)**.

Ebitda and net income grow 9.1% and 36,7% in 1Q23, respectively, compared with 1Q22.

Highlights

Net income was **R$ 882 million** in the 1Q23, 36.7% (R$ 237 million) higher than posted in the 1Q22.

The Company posted **Ebitda**[1] of **R$ 2,064 million** in the 1Q23, an increase of 9.1% (R$ 173 million) compared to the 1Q22. The **Ebitda margin** was **70.9%** in the 1Q23, a growth of 9.1 p.p. compared with the 1Q22.

Net operating revenue reached **R$ 2,913 million** in the 1Q23, 4.9% (R$ 149 million) lower than recorded in the 1Q22.

The **average price** of the energy sales agreements, net of taxes on revenues and trading operations, was **R$ 229.4/MWh** in the 1Q23, 3.1% higher than registered in the 1Q22.

Excluding trading operations, the **energy sales volume** in the 1Q23 was 9,380 GWh (**4,343 average MW**), 1.0% higher than sold in the 1Q22.

In February, the Company **energized the final section of the Gralha Azul Transmission System and concluded the implementation and energization of the Novo Estado Transmission System**, both now fully operational.

Fitch Ratings reaffirmed the Company's Long-Term National Scale Rating and that assigned to the sixth, seventh, nineth and tenth debenture issues at **"AAA (bra)"** and on a global scale the **Long-Term** Issuer Default Ratings-IDRs in foreign currency **at 'BB"** and local currency **at 'BBB'**. All ratings were reaffirmed with a stable outlook.

On March 23, the first generator unit of the Santo Agostinho Wind Complex in the state of Rio Grande do Norte **began commercial operations**.

Summary of Financial and Operational Indicators

Consolidated (In millions of R$)	1Q23	1Q22	Chg.
Net Operating Revenue (NOR)	2,913	3,062	-4.9%
Results from Operations (EBIT)	1,837	1,641	11.9%
Ebitda [1]	2,064	1,891	9.1%
Non-recurrent effects adjusted Ebitda [2]	1,894	1,674	13.1%
Ebitda / NOR - (%) [1]	70.9	61.8	9.1 p.p.
Net Income	882	645	36.7%
Adjusted Return on Equity (ROE) [3]	32.5	29.6	2.9 p.p.
Adjusted Return on Invested Capital (ROIC) [4]	20.7	21.2	-0.5 p.p.
Net Debt [5]	15,216	16,045	-5.2%
Gross Power Production (avg MW) [6]	4,312	3,293	31.0%
Energy Sold (avg MW) [7]	4,343	4,300	1.0%
Average Net Sales Price (R$/MWh) [8]	229.42	222.43	3.1%
Number of Employees - Total	1,261	1,216	3.7%
EBE Employees	1,221	1,129	8.1%
Employees on Under Construction Plants	40	87	-54.0%

1 Ebitda: net income + income tax and social contribution + financial result + depreciation and amortization.

2 Adjusted EBITDA, less the effects of IFRS in the transmission segment.

3 ROE: adjusted net equity for the past 4 quarters /shareholders' equity.

4 ROIC: effective tax rate x adjusted EBIT / invested capital (invested capital: debt - cash and cash equivalents - deposits earmarked for debt servicing + SE).

5 Adjusted amount, net of gains from hedge operations.

6 Total gross electricity output from the plants operated by ENGIE Brasil Energia.

7 Disregarding sales for quota regime (Jaguara and Miranda HPPs).

8 Net of taxes and trading operations.

Subsequent Events

The Company signed a **Memorandum of Understanding** with Invest Paraná for developing **large scale green hydrogen projects.**

On April 17, the Portuguese version of the **2022 edition of ENGIE Brasil Energia's Sustainability Report was released.** To access the content **click here.** The English version will be available soon.

On April 19 and 21, the second and third wind turbines at the Santo Agostinho Wind Complex went into **commercial operations**, respectively.

The General Shareholders' Meeting of April 26 approved the distribution of complementary dividends for the fiscal year ending December 31, 2022 in the amount of **R$ 1,455.2 million (R$ 1.7834/share)**, equivalent to 100% of the adjusted net income of 2022. The shares are to be traded ex-dividend as from May 9, 2023 with date of payout to be established in due course by the Executive Board.



Trairi Wind Complex

Important

This release contains information and opinions on future events subject to risks and uncertainties, which are based on current forecasts, projections and tendencies in relation to the Company´s businesses. Innumerous factors can affect the estimates and assumptions on which these opinions are based. For this reason, the estimates and forward looking statements in this release may not become a reality. In the light of these restrictions, shareholders and investors should not adopt any decisions based on estimates, projections and forward looking statements contained in this release.

Message from the Management

The country's reservoirs remained at high levels thanks to continuing favorable hydrology in 2023, consequently enhancing the combination of hydropower generation - which acts as a battery for the National Integrated System (SIN) - with the intermittence of wind and solar sources in which the Company has invested to expand capacity of recent. While positive hydrology has driven energy settlement prices lower in the short-term, we maintained the stability and predictability of results due to good portfolio management, which guarantees a high level contracting; business diversification, which brough greater exposure to regulated businesses - such as transmission and gas transportation; and energy contracts signed in the Regulated Contracting Environment (ACR).

The Company reported total net operating revenue of R$ 2.9 billion in the first quarter 2023, (-4.9% vs 1Q22), mainly a reflection of a R$ 128 million reduction in transmission line construction revenue and the decline of R$ 29 million in transaction business in the short-term market. This result was attenuated by higher energy volumes and net average selling prices, both contributing an additional R$ 86 million between compared periods.

Ebitda saw growth of 9.1% in relation to 1Q22 to reach R$ 2.1 billion in 1Q23, a consequence of the effects mentioned previously in addition to the greater contribution from the corporate stake in Transportadora Associada de Gás S.A. (TAG) (+ R$ 75 million) and the energy transmission segment (+ R$ 53 million). ENGIE Brasil Energia's net income presented, in addition to the factors previously listed, a positive effect of R$ 104 million on the net financial result, in order to register a growth of 36.7% compared to the same period last year, totaling R$ 882 million in 1Q23.

Our financial solidity based on a conservative and disciplined profile, had kept us in a "AAA" position since 2012 in the National Long-Term Rating. In 2022, we had another reaffirmation, by the risk rating agency Fitch Ratings of ENGIE Brasil Energia's foreign currency Long-Term IDRs (Issuer Default Ratings) at 'BB' (one notch above sovereign rating) and the Long-Term National Rating at 'AAA (bra)' for the Company's senior unsecured debenture issues. The outlook for corporate ratings is stable. This solid credit quality bodes well for the current growth scenario we are experiencing.

ENGIE Brasil Energia's activity is a strategic one in the drive to meet global targets and the ENGIE Group's commitments for reducing emissions. Between 2016 and 2022, more than R$ 20 billion were invested in the expansion of installed renewable energy capacity, gas transportation and transmission infrastructure, consequently representing a focus on assets promoting the energy transition with investments increasing by a factor of four when compared to the preceding years.

In the energy transmission segment, we concluded the implementation in February of the Novo Estado Transmissora de Energia, a project with 3,634 towers installed over a distance of 1,800 kilometers between the states of Tocantins and Pará. Similarly, work was completed on the Gralha Azul Transmission System, this with 900 kilometers of transmission lines in the state of Paraná. Both projects were finalized before the deadline established by the National Electric Energy Agency (Aneel) and are already recording high levels of uptime (99.99% in 1Q23).

The conclusion and entry into operation of these transmission systems consolidate ENGIE Brasil Energia's position in asset diversification, reaffirming its position as a platform for investments in infrastructure and energy in Brazil. And furthermore, indicative of the commitment to our purpose of acting to accelerate the energy transition in a fair and accessible way, allowing the offtake of clean energy to be carried in safety and efficiently to the country's leading consumer hubs. Not only are we now operating lines which transmit energy but also those that bring an additional stimulus for the development of important regions in Brazil.



Assú V Photovoltaic Complex

The three projects currently under construction represent more than **2 GW of installed capacity** in the next few years, surpassing 10 GW of **clean energy** in our generator park in operation in Brazil.

In addition to these projects, the Gavião Real Transmissora de Energia is an additional project under construction. Fruit of a successful bid by the Company at Aneel Transmission Auction 01/2022, the project involves the expansion of the Itacaiúnas Substation for supplying the energy distribution network in the state of Pará. The project is to be integrated into Novo Estado Transmissora de Energia.

Having an energy generation park with 95.9% of its installed capacity from renewable sources, the Company continues moving towards the finalization of the sale of the Pampa Sul Thermoelectric Plant, expected to take place over the next few months. With this, ENGIE Brasil Energia will become the country's largest energy generator solely from renewable sources.

And that is not all: we continue focused on expanding the availability of clean energy to the Brazilian electric energy matrix as a whole. Therefore, on March 23, we were able to celebrate the start in commercial operations of the first generator unit of the Santo Agostinho Wind Complex, under construction in the municipalities of Lajes and Pedro Avelino in the state of Rio Grande do Norte. Energy generated is being delivered to the Santo Agostinho substation and carried by transmission line to the Monte Verde Substation, where it is injected into the grid and transmitted nationwide. Synchronization with the electric energy system, authorized by Aneel, is an important development of the project.

In the case of the Serra do Assuruá Wind Complex, consisting of 24 wind farms to be installed in a single phase in the municipality of Gentio do Ouro, state of Bahia, other relevant advances representative of the start of implementation activities were recorded in the quarter. With the issue in March of the environmental license permitting the installation of the first half of the project, we began earthmoving at the substation and main construction work sites together with brush clearance, and earthmoving in preparation for the installation of access roads.

The Company recently received licenses for the installation of the Assú Sol Photovoltaic Complex, collector substation and connection bay, permitting a start to be made on activities in the field. Located in the municipality of Assú (RN), the project will have an installed capacity of approximately 752 MW and commercial capacity estimated at 234 average MW with energy being delivered to the Free Contracting Environment.

The three projects currently under construction represent more than 2 GW of installed capacity to the next few years in Brazil, total output of our energy generation park then to exceed 10 GW of clean energy when the new plants come on stream.

In addition to energy generation and transmission, the Company participates in the gas transportation segment through its stake in TAG. More recently, it has also been prospecting investments in green hydrogen which has been seen as a promising alternative to the energy transition, notwithstanding the accompanying technological and economic challenges involved. With our aim to be protagonists in solutions for the decarbonization of different industries and their supply chains, on April 6, we signed a Memorandum of Understanding with Invest Paraná for developing large scale projects for production of green hydrogen in the state of Paraná.

Confident in the country's growth capacity, the Company remains alert to changes in the regulatory scenario. For example, we are seeing a fresh possibility for exporting electric energy from hydropower plants to neighboring countries, opening relevant opportunities to the sector, and strengthening the region's energy integration in South America. Again, with respect to the expansion of the Free Contracting Environment (ACL), ENGIE Brasil Energia has intensified its strategy for digitalizing customer service and energy contracts management, such as the Energy Place and in addition to products formatted to offer a series of solutions enabling us to respond with agility and reliability to different customer profiles classifying to join the Free Energy Market.

As part of our commitment to transparency, in April we published our Sustainability Report 2022, wherein we report economic, operational, and socio-environmental indicators reflecting the Company's evolution in aspects which are significant to the businesses and to ESG guidelines, encompassing care for the planet, people and governance. We invite everyone to read this important document, now available in **our website in Portuguese** - soon in English as well.

Reconciling economic performance with a positive impact on people and planet, we continue to base our activities in alignment to the 2030 Sustainable Development Agenda, with corporate guidelines endorsing the transversal nature of sustainability. We preserve the relationship and engagement that we have with stakeholders as fundamental axes of our social license to operate. We go beyond simply complying with the legislation, maintaining commitments publicly assumed and enshrined in our Non-Financial Objectives which include aspects linked particularly to the generation of renewable energy, promotion of gender equity and combatting climate change.

Together we act to prosper without leaving anyone behind!

Good reading!



Eduardo Antonio Gori Sattamini
Chief Executive and Investor Relations Officer

Marcelo Cardoso Malta
Chief Financial Officer

Breakdown of Assets

Energy Generation Assets

At the end of the 1Q23, ENGIE Brasil Energia had **8,459.5 MW of installed capacity** and operates a generating complex with 10,180.2 MW, comprised of 77 plants (11 hydro, one thermal and 65 complementary energy source plants — biomass, SHP, wind powered and solar), 73 of which are wholly-owned by the Company and four (the Itá, Machadinho and Estreito Hydro Power Plants and the biomass-fired Ibitiúva Bioenergética co-generation plant) jointly-owned through consortia with other companies.

On September 15, 2022, the Company signed a Share Purchase and Sale Agreement for the Pampa Sul Thermal Power Plant, in line with the ENGIE Group's decarbonization process, but the asset will remain part of the Company's generation plant until the closing of the operation and Aneel authorizes the transfer.

Generating Complex as of March 31, 2023

Power Plants	Source	Location	Installed Capacity (MW)		Concession/ Authorization expiration date *	Assured energy (aMW) Company's Share
			Total	Company's Share		
Itá	Hydro	Uruguai River (SC and RS)	1,450.0	1,126.9	Dec/32	528.7
Salto Santiago	Hydro	Iguaçu River (PR)	1,420.0	1,420.0	Nov/30	702.2
Machadinho	Hydro	Uruguai River (SC and RS)	1,140.0	403.9	Oct/35	138.0
Estreito	Hydro	Tocantins River (TO/MA)	1,087.0	435.6	Jan/43	244.1
Salto Osório	Hydro	Iguaçu River (PR)	1,090.4	1,090.4	Apr/31	477.5
Cana Brava	Hydro	Tocantins River (GO)	450.0	450.0	Jan/36	247.8
Jaguara	Hydro	Grande River (MG)	424.0	424.0	Jun/48	324.0
Miranda	Hydro	Araguari River (MG)	408.0	408.0	Jun/48	188.3
São Salvador	Hydro	Tocantins River (TO)	243.2	243.2	Jun/40	140.8
Passo Fundo	Hydro	Passo Fundo River (RS)	226.0	226.0	Apr/31	107.5
Ponte de Pedra	Hydro	Correntes River (MT)	176.1	176.1	Mar/37	127.6
Total - Hydro			**8,114.7**	**6,404.1**		**3,226.5**
Pampa Sul	Thermal	Candiota (RS)	345.0	345.0	Mar/50	323.5
Total - Thermal			**345.0**	**345.0**		**323.5**
Santo Agostinho Complex - Phase I[7]	Wind Farm	Lages and Pedro Avelino (RN)	6.2	6.2	May/56	3.1
Campo Largo II Complex[3]	Wind Farm	Umburanas (BA)	361.2	361.2	Dec/54	192.5
Umburanas Complex - Phase I[1]	Wind Farm	Umburanas (BA)	360.0	360.0	Aug/49	213.3
Campo Largo I Complex[2]	Wind Farm	Umburanas (BA)	326.7	326.7	Jul/50	159.6
Trairi Complex[4]	Wind Farm	Trairi (CE)	212.6	212.6	Sep/41	88.3
Paracatu[5]	Solar	Paracatu (MG)	132.0	132.0	Jun/51	34.0
Floresta[6]	Solar	Areia Branca (RN)	86.0	86.0	Jun/51	25.1
Ferrari	Biomass	Pirassununga (SP)	80.5	80.5	Jun/42	25.6
Ibitiúva Bioenergética	Biomass	Pitangueiras (SP)	33.0	22.9	Apr/30	7.1
Assú V	Solar	Assú (RN)	34.0	34.0	Jun/51	9.2
Lages	Biomass	Lages (SC)	28.0	28.0	Oct/32	12.7
Rondonópolis	SHP	Ribeirão Ponte de Pedra (MT)	26.6	26.6	Dec/32	14.0
José Gelazio da Rocha	SHP	Ribeirão Ponte de Pedra (MT)	24.4	24.4	Dec/32	11.9
Nova Aurora	Solar	Tubarão (SC)	3.0	3.0	not applicable[8]	0.3
Tubarão	Wind Farm	Tubarão (SC)	2.1	2.1	not applicable[8]	0.3
Tubarão 2	Wind Farm	Tubarão (SC)	4.2	4.2	not applicable[8]	0.0
Total - Complementary			**1,720.5**	**1,710.4**		**797.0**
Total			**10,180.2**	**8,459.5**		**4,347.0**

** It does consider the extension of certain power plants concessions, resulting from adherence to the renegotiation of the hydrological risk referred to in Laws 14.052/2020 and 14.182/2021.*

1 Complex comprised of 18 power plants.
2 Complex comprised of 11 power plants.
3 Complex comprised of 11 power plants.
4 Complex comprised of 8 power plants.
5 Complex composed of 4 power plants.
6 Complex composed of 3 power plants.
7 Complex composed of 14 power plants, 1 of which in commercial operation.
8 For generating plants with installed capacity lower than or equal to 5 MW the legal instrument applicable is the record.

Energy Transmission Assets

Transmission assets under operation as of March 31, 2023

Transmission line	Location	Size	Own Substations	Property	Concession expiration
Gralha Azul	State of Paraná	909 km	5	100%	Mar/48
Novo Estado	States of Pará and Tocantins	1,800 km	1	100%	Mar/48
Total		**2,709 km**			

Gas Transportation Asset

Transportadora Associada de Gás S.A. – TAG.

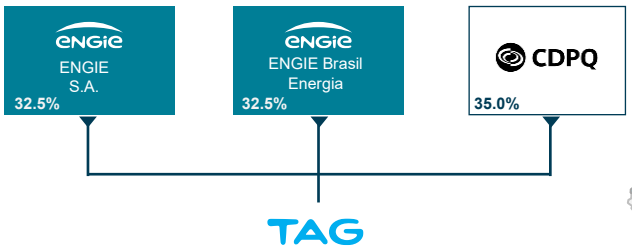
The largest natural gas transportation operation in Brazil, TAG has an infrastructure of 4,500 km of high-pressure gas pipelines extending along the country's southeastern and northeastern seaboards as well as a further section of line between Urucu and Manaus, in the state of Amazonas, crossing 10 Brazilian states and around 200 municipalities.

The gas pipeline network has several interconnection points, among them, 14 active gas entry points (including three Liquified Natural Gas (LNG) terminals) and a further 90 gas exit points as well as 11 compressor stations for supplying 10 gas distributors, three refineries, eight thermoelectric power plants and two fertilizer plants. The operation of the assets is executed from the Control and Supervision Center (CSC) in the company's offices in the city of Rio de Janeiro.

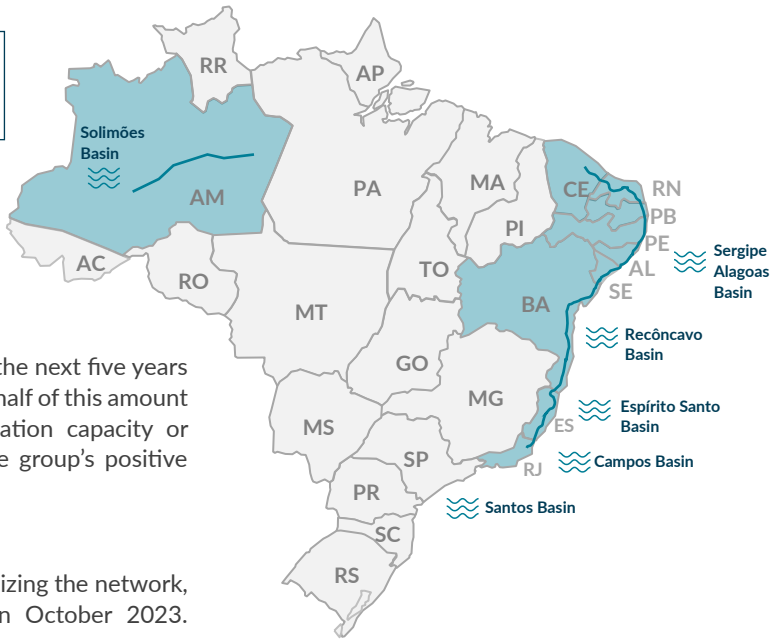
The company is fully contracted with Petróleo Brasileiro S.A. (Petrobras), the weighted average term of current agreements is approximately eight years, regulated by the National Petroleum Agency (ANP).

In addition, the company has been working on developing solutions for expanding access for new agents to the natural gas transportation system in the context of sector de-verticalization and the liberalization of the Brazilian gas market. With the signature of the Flexibility Reduction Agreement of the use of TAG's pipeline network by Petrobras, the company start to allow new agents to access TAG's transportation system since December 2021. **TAG has signed 41 extraordinary agreements** in the 1Q23 with 16 carriers (components of 11 distinct economic groups), representing a total volume of 13,4 million m^3 of transportation capacity in entry and exit agreements maturing December 31, 2023. Furthermore, the company continues to launch new offers of capacity for contracts with maturities of between one month and a year and during the course of 2023, should offer long-term contracts.

Corporate Structure



TAG Gas Pipelines Location



TAG has a series of projects in hand to be executed over the next five years and surpassing R$ 3 billion in investments. Approximately half of this amount is in projects related to expansion of TAG's transportation capacity or extension to the transportation network in line with the group's positive outlook for the natural gas industry in Brazil.

Projects under construction:

- **Gasfor II**, in the state of Ceará, a gas pipeline for optimizing the network, 84 km long and forecasted to begin operations in October 2023. Estimated investment is R$ 300 million.
- **Interconnection between the Catu-Pilar Gas Pipeline and the Sergipe Terminal**, connecting the LNG storage and regasification terminal to the TAG transportation network, 25 km long, is under construction with operations expected to start in April 2024. The access connection agreement with Centrais Elétricas de Sergipe S.A. (Celse), currently a member of the Eneva group, was signed on June 13, 2022, worth an estimated investment of R$ 340 million.
- **Itagibá delivery point**, in the state of Bahia, a new delivery point to attend the local distribution company, situated along the northern leg of Gasene, is under construction and with startup in operations expected for July 2023. The estimated investment in this project is R$ 23 million.

Projects in development:

- **Itajuípe compressor station**, located on the northern leg of the Gasene pipeline, with an installed capacity of 20 million m^3/day, an incremental volume of 3 million m^3/day, with an investment of approximately R$ 680 million scheduled to begin operations in June 2026.
- **Connection of the Porto do Açu Regasification Terminal to the Cabiúnas-Vitória Gas Pipeline**, 45 km long and 18 million m^3/day of transportation capacity. The preliminary agreement for the design was approved at the end of 2022.

In addition, other projects at different phases of study could require about R$ 20 billion in investment, representing potential significant growth.

Contracts with Petrobras breakdown

Contrac/Section	Extension (km)	Contract Maturity[1]	Volumes Contracted (MM m³/day)	% Projected of Net Operating Revenue[2]	Readjustment index
Gasene	1,400	Nov/33	30.3	40.0%	46% basket IGP*; 54% US PPI
Malha Nordeste	2,000	Dec/25	21.6	23.8%	IGP-M
Pilar-Ipojuca	200	Nov/31	15.0	6.5%	IGP-M
Urucu-Manaus	800	Nov/30	6.7	29.4%	50% IGP-M; 50% IPCA
Lagoa Parda-Vitória [3]	100	Dec/23	0.7	0.3%	IGP-M
Total	**4,500.0**		**74.3**	**100.0%**	

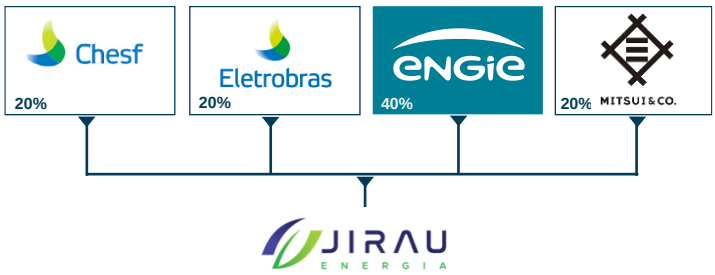
1 Following the expiry of the agreements, a five-year tariff revision cycle will be triggered, which will decide the revised maximum permitted revenue flow (RAP).
2 Variations in revenue representativeness between GTAs may occur.
3 Start of billing on 01/01/2022.
** 1/3 IGP-M, 1/3 IPA-DI; 1/3 IGP-DI.*

Expansion

Jirau Energia.

Energia Sustentável do Brasil S.A. ("ESBR" or "Jirau Energia") is responsible for the maintenance, operation and sale of energy generated by the Jirau Hydroelectric Power Plant, located in the Madeira River, in the city of Porto Velho, state of Rondônia. Since November 2016, Jirau HPP has 50 generating units in operation, representing a total **installed capacity of 3,750 MW**.

ENGIE Brasil Participações Ltda. (ENGIE Brasil Energia's parent company) is awaiting more favorable conditions for resume the economic-financial study for the preparation of a proposal for the transfer to ENGIE Brasil Energia of ENGIE Brasil Participações' stakes of 40% in Energia Sustentável do Brasil S.A. – and the 100% participation in Geramamoré Participações e Comercializadora de Energia Ltda.

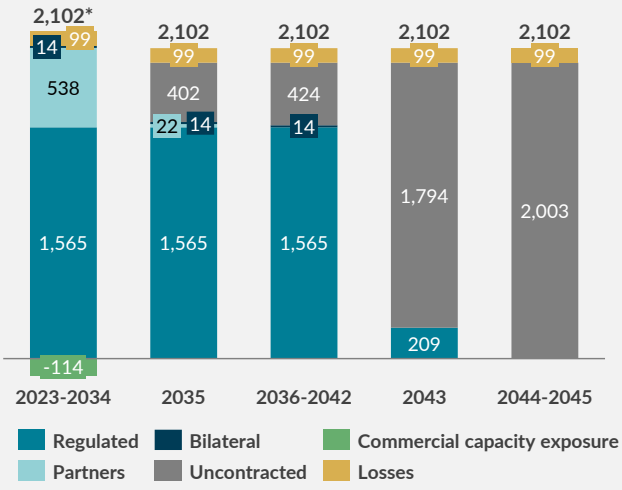


In 1Q23, the Jirau Energia generated 2,018.8 average MW, 34.6% lower than the 3,088.6 average MW for 1Q22, while the National Electrical System Operator Uptime Ratio (FID) was 100% (data subject to final Electric Energy Trade Board (CCEE) booking).

The reduction in generation in early 2023 reflects restrictions on transmission imposed on the Madeira River Complex plants, impeding operations to run at full capacity, as well as the favorable operational conditions for hydropower in Brazil, whereby the National Grid Operator (ONS) was obliged to operate at reduced levels of dispatch to the National Interconnected System (SIN), the supply of generation during the entire quarter being greater than consumer demand.

Jirau Energia PPA's Portfolio

Average MW



* Includes the revision of the Physical Guarantee, according to the Ordinance 709 of the Ministry of Mines and Energy, of 11/30/2022.

Transmission Projects under Implementation

Gavião Real Transmission System - Pará.

On June 30, 2022 the Company placed the winning bid for Block 7, later named as Gavião Real Transmission System, of the Aneel Transmission Auction 01/2022. This involves the expansion of the Itacaiúnas Substation with the implementation of two 230/138kV transformers and a new 138kV switchyard for supplying the energy distribution network in the state of Pará. Located in the state of Pará, the operation **is to be integrated into the Novo Estado Transmission System, capturing synergies between projects**. The agreement for the transmission public service concession including licensing, construction and operation and maintenance of the installations is for a period of 30 years as from the signature date of the concession agreement, occurred on September 30, 2022.

The cutoff date by which time the transmission line must be in operation, is March 30, 2026, although ENGIE visualizes anticipating this term by at least 24 months. The Company also estimates an approximate 30% reduction in capex in Aneel's estimated investment required for the project.



Sectioning and substation location

In 1Q23, there was an advance in Executive Projects, issuance of the installation license, authorization of brush clearance and mobilization of the construction team.

In the first quarter 2023, the Company reported progress in Executive Projects with the signing of Transmission Installations Sharing (CCI) and Transmission Installation Connection (CCT) agreements. Additionally, in February 2023, the installation license was issued together with authorization for brush clearance and the initial Abengoa mobilization process. Topographic and drilling activities were begun in March 2023.

Block	Location	Contracted RAP (R$ million)[1]	Estimated Aneel Capex (R$ million)[1]
7	Pará (PA)	6.5	110.0
Total		**6.5**	**110.0**

1 Value as of June 2022.

Wind Projects under Implementation

Power plants	Source	Location	Installed Capacity (MW)		Assured energy (aMW)
			Total	Company's Share	Company's Share
Santo Agostinho Complex - Phase I	Wind Farm	Lajes and Pedro Avelino (RN)	434.0	434.0	224.2
Serra do Assuruá Complex	Wind Farm	Gentio do Ouro (BA)	846.0	846.0	406.0
Total			**1,280.0**	**1,280.0**	**630.2**

Santo Agostinho Wind Complex – Phase I – Rio Grande do Norte.

With a **total installed capacity of 434 MW**, which will be reached with the implementation of 70 Siemens Gamesa wind turbines at 6.2 MW, the first phase of the complex will be located in the municipalities of Lajes and Pedro Avelino, about 120 km from the city of Natal, the capital of the state of Rio Grande do Norte. This phase will require approximately **R$ 2.3 billion in investment** (as of Dec/2020) and generate more than one thousand direct jobs in the region. It was enabled by energy sales to free-market customers.

At the end of 1Q23, **the overall progress on the work had reached 52.1% and BoP (Balance of Plant, that is, the entire scope of the project excluding the wind turbines) work had reached 100.0%.** Supplied by Siemens Gamesa, the wind turbines continue to be manufactured and transported to the construction site, 47.0% of the principal



Wind turbines assembly

In 1Q23, general progress of work reached 52.1% while BoP work already stood at 100%. The first generator unit went into commercial operations in March 2023.

equipment components having been received on site. With the issue of the first environmental licenses and compliance with regulatory procedures, **gradual startup in commercial operations at the generator units began on March 23, 2023, with the wind farm number 14, expected to be completed by the fourth quarter of 2023**. Until May 4th, eight wind turbines were authorized for test operations and three for commercial operation.

Serra do Assuruá Wind Complex – Bahia.

Comprising 24 wind farms, to be installed in a single phase in the municipality of Gentio do Ouro, state of Bahia, the project's authorization grant has been issued by Aneel, the complex to have an **estimated installed capacity of 846 MW**. Energy generated will be entirely directed to the Free Contracting Environment, the wind complex also being able to meet demand from clients in the energy self-production market. The **estimated investment is approximately R$ 6 billion** (as of Mai/2022) with the creation of around 3,000 direct and indirect jobs in the region.

The project already has an issued access opinion and the agreement for hookup to the grid signed, regulatory authorization issued by Aneel, surface usage rights agreements signed, and wind data raised. The installation environmental license for the first half of the project was issued in March 2023, allowing work on earth moving in the vicinity of the substation to begin as well as at the main works site in addition to brush clearance and initial earthmoving for the access roads.

All the required project installation agreements have been signed, including those for the supply and assembly of the wind turbines, civil engineering, substation, and internal networks together with the transmission line. In December 2022, a financing agreement was signed with the Brazilian Development Bank (BNDES) totaling R$ 1.5 billion.



Substation earthmoving

Environmental license for the installation of the first half of the project was issued in March 2023, which allowed the start of work.

The **forecast for gradual entry into commercial operations is set for the second half of 2024** with conclusion of implementation in the second half of 2025.

Photovoltaic Project under Implementation

Power plants	Source	Location	Installed Capacity (MW)		Assured energy (aMW) Company's Share
			Total	Company's Share	
Conjunto Fotovoltaico Assú	Solar	Assú (RN)	752.0	752.0	234.0
Total			**752.0**	**752.0**	**234.0**

Assú Sol Photovoltaic Complex – Rio Grande do Norte.

The project is located in the municipality of Assú (RN) and is to have an **installed capacity of approximately 752 MW** and an estimated commercial capacity of 234 average MW. Its energy entirely fed into the Free Contracting Environment, the project was acquired in December 2021 at an advanced stage of development, with Preliminary License and land use agreements already signed. **At an investment worth approximately R$ 3.3 billion**, full operations are expected to start by the second half of 2025. The contract for Use of the Transmission System (CUST) was signed in November 2022.

The Company has signed the main supply agreements for solar panels, inverters, and connection construction work. Remaining contracts are at the final stages of negotiation. Start on implementation is forecast for the third quarter of 2023.

After the close of the quarter, on April 19, 2023, the Company received installation licenses for the photovoltaic array, collector substation and connection bay, thus permitting work to begin on site.

Projects under Development

Power plants	Source	Location	Installed Capacity (MW)	
			Total	Company's Share
Santo Agostinho Solar Complex	Solar	Lajes and Pedro Avelino (RN)	509.0	509.0
Campo Largo Solar Complex	Solar	Umburanas e Sento Sé (BA)	400.0	400.0
Santo Agostinho Wind Complex - Phase II	Wind Farm	Lajes and Pedro Avelino (RN)	279.0	279.0
Umburanas Wind Complex - Phase II	Wind Farm	Umburanas (BA)	250.0	250.0
Campo Largo III Wind Complex	Wind Farm	Umburanas e Sento Sé (BA)	250.0	250.0
Alvorada Solar Complex	Solar	Bom Jesus da Lapa (BA)	90.0	90.0
Total			**1,778.0**	**1,778.0**

Santo Agostinho Wind Complex – Phase II – Rio Grande do Norte.

Located next to the first phase, will capture synergies that will assist in the development and viability, such as: accommodation, external access, substation, transmission line and others. In December 2021, the Instituto de Desenvolvimento Sustentável e Meio Ambiente, the environmental protection agency for the state of Rio Grande do Norte, granted an environmental installation license for the project – its **total installed capacity being 279 MW** – optimizing the wind resources and new technologies available in the market.

Umburanas Wind Complex – Phase II – Bahia.

The environmental licensing for the Second Phase is already regularized although this is to be updated during advanced development (pre-build) to reflect the new technologies available in the market and to ensure optimum use of the region's wind resources. In due course, the project is to be developed by the Company adjacent to the Campo Largo and Umburanas – Phase I Wind Complex, in this way capturing synergies during the installation and operational stages such as the substation, site accommodation, accesses, teams and others. The project has all the necessary documentation for participation in energy auctions, although this not obviating the potential viability of the project for the sale of energy to corporate clients in the free market. The currently **installed capacity planned for the project is approximately 250 MW**, taking advantage of the best wind resources in the region.

Campo Largo Wind Complex – Phase III – Bahia.

The Company intends to add about **250 MW of installed capacity** to the Campo Largo Wind Complex with the development of its third phase. This project already has all the necessary documentation for participating in energy auctions, although this not obviating the potential viability of the project for the sale of energy to corporate clients in the free market. In March 2021, the Institute for the Environment and Water Resources (Inema), the environmental protection agency for the state of Bahia, issued a Preliminary Environmental license for the project which is located adjacent to Phases I and II of the Campo Largo Wind Complex, the relative synergies being important for ensuring the viability of Phase III.

Santo Agostinho Photovoltaic Complex – Rio Grande do Norte.

Located in the vicinity of the Santo Agostinho Wind Complex (RN), this solar energy complex has 12 photovoltaic farms, totaling a **potential installed capacity of up to 509 MW**. The project is at the development phase, qualifying it for participation in both free and regulated markets.

Campo Largo Photovoltaic Complex – Bahia.

Situated in the same area as the Campo Largo Wind Complex (Bahia State), the photovoltaic project is to have 12 photovoltaic solar energy plants, these totaling a **potential installation capacity of up to 400 MW**. The projects are at a development phase and are qualified to participate in opportunities in both free and regulated markets.

Alvorada Photovoltaic Complex – Bahia.

ENGIE Brasil Energia has acquired a site in the state of Bahia, – a region with potential for generating solar energy – for the development of three projects comprising the Alvorada Photovoltaic Complex. The projects, which will have a **total installed capacity of up to 90 MW**. The projects are at the development phase and qualify to participate in opportunities in both the free and regulated markets.

Besides the abovementioned projects, the Company is also examining opportunities in areas with high photovoltaic potential, as well as partnerships which could accelerate the development of this energy source in line with the process of energy transition which is taking place at world level.

Operating Development

Energy Generating Park Uptime

The plants operated by ENGIE Brasil Energia reported uptime working of **94.4% in 1Q23, if all scheduled and forced shutdowns are taken into account**: 96.0% for the hydroelectric plants, 95.6% for the Pampa Sul Thermoelectric Power Plant and 86.4% with respect to the plants fired from complementary energy sources, namely SHPs, biomass, wind and photovoltaics.

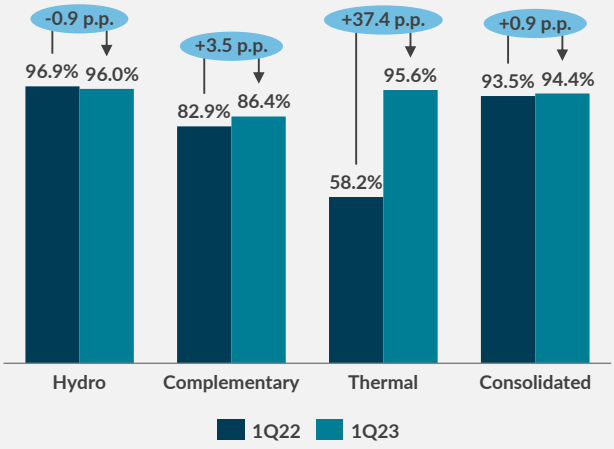
Uptime at the **hydroelectric plants** reported a reduction of 0.9 p.p. in 1Q23, compared with 1Q22, influenced largely by the modernization of the Generating Unit 1 of the Miranda Hydroelectric Power Plant.

In relation to the **Pampa Sul Thermoelectric Plant**, currently the only thermoelectric plant in the Company's portfolio, there was an increase of 37.4 p.p. in its uptime, since in March 2022, the plant stopped operation to carry out corrective maintenance on the boiler.

In relation to the **complementary plants**, there was an increase of 3.5 p.p. in uptime working in 1Q23 compared with the same quarter in 2022.

Uptime Operating

Considering scheduled shutdowns



Energy Transmission Lines Uptime

Engie Brasil Energia reported a high degree of operational performance for its Gralha Azul and Novo Estado transmission line in the first quarter of 2023, with a **total uptime index of 99.99%.** Transmission assets went into commercial operations gradually during the course of 2021 and 2022 with implementation concluded in February 2023, when all remaining transmission lines and substations entered service.



Ferrari Thermoelectric Plant (biomass)

Energy Production

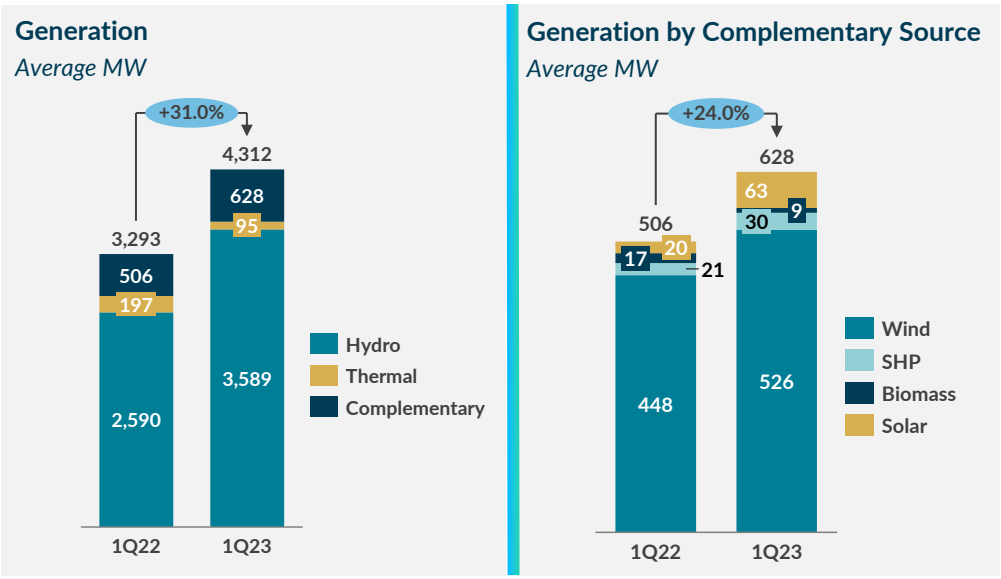
Electricity output from plants operated by ENGIE Brasil Energia was 9,315 GWh (4,312 average MW) in 1Q23, result **31.0% higher** than production for the 1Q22.

Total output breaks down as follows: hydroelectric plants 7,752 GWh (3,589 average MW), the complementary sourced units 1,356 GWh (628 average MW) and the Pampa Sul TPP 206 MWh (96 average MW). Results point increases of 38.6% and 24.0% in the hydroelectric and complementary energy sources, respectively, and decrease of 51.5% in Pampa Sul TPP, in relation to the 1Q22.

The increase in total generation **from the hydropower plants** in 1Q23 compared with 1Q22 is due to the more favorable hydrological conditions throughout the National Integrated System (SIN), principally those in the hydrographic basins of the Iguaçu River – where the Salto Santiago and Salto Osório hydropower plants are located - and the Grande River where the Jaguara Hydropower Plant is sited.

Hydrological conditions prevailing in the quarter also explain reduced generation from the **Pampa Sul Thermoelectric Power Plant** compared to the first quarter 2022. Due to the favorable conditions in the SIN in 1Q23, the Marginal Cost of the Operations (CMO) remained at their minimum value and there was no systemic requirement to dispatch the plant by cost order of merit.

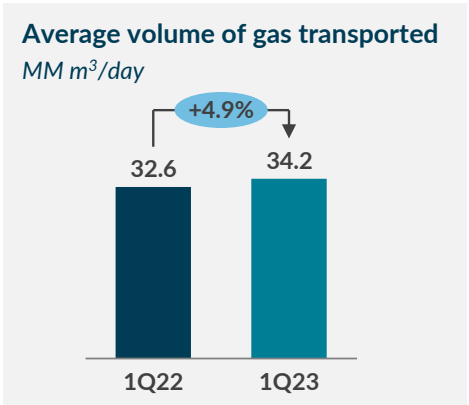
Increased generation from **complementary plants** in 1Q23 occurred due to the increase in wind generation, a reflection of greater wind incidence when compared with the first quarter 2022, principally in the case of the wind plants in the state of Bahia, which together produced 17% more than the same period in 2022. A second factor driving this result was the increase in generation from the Paracatu and Floresta photovoltaic complexes throughout 1Q23, these same plants having been acquired on March 15, 2022. In addition, the first wind turbine in the Santo Agostinho Wind Complex began commercial operations on March 23, 2022.



Also worth recalling is that the increase in the Company's hydropower generation does not necessarily improve economic-financial performance. Similarly, a reduction in this type of generation does not necessarily imply a deterioration in economic-financial performance. This is due to the application of the Energy Reallocation Mechanism (MRE), where the inherent hydrological risks of hydropower generation are shared proportionally among MRE participants.

Gas Transportation

In 1Q23, TAG transported an average volume of gas of 34.2 million m³/day (32.6 million m³/day in the 1Q22). Extraordinary agreement volume was 13,4 million m³/day, representing approximately 16% of TAG's total contracted volume, and 23% if only the integrated network (excluding GTA Urucu-Manaus, where Petrobras remains sole carrier) is considered. In the 1Q23, 41 transportation agreements were signed with 16 carriers (comprising 11 distinct economic groups).



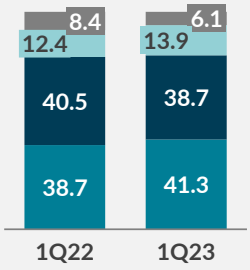


Transportadora Associada de Gás - TAG

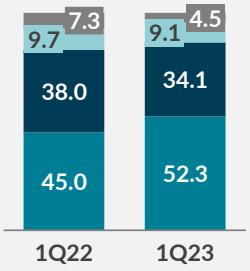
Electric Energy Sales Portfolio

In 1Q23, the participation of free consumers in the Company's portfolio (excluding the CCEE and other revenues) reached 38.7% of total physical sales and 34.1% of Net Operating Revenue (NOR), of the generation segment, decreases of 1.8 p.p. and 3.9 p.p., respectively, in relation to the same period in 2022. The reduced share of total revenue is due mainly to lower average prices of agreements, influenced by a decline in PLD since November 2021.

Breakdown of customers by physical sales (%)



Breakdown of customers in contracted sales comprising NOR of the generation segment (%)



Trading Operations | Trading Companies | Free Customers | Distribution Companies

Comercialization Strategy of Electric Energy

The Company pursues a commercial strategy of gradual sales of future energy availability for any given year as a means of mitigating the risk of exposure to spot prices (Price for Settlement of Differences — PLD) for that particular year. Electric energy sales are made during windows of opportunity that open when the market shows a greater buying propensity. ENGIE Brasil Energia's energy balance based on proprietary commercial capacity and power purchasing agreements outstanding as of **March 31, 2023** is as follows:

Energy Balance

(in average MW)	2023	2024	2025	2026	2027	2028	Auction Gross Price (R$/MWh)	Reference Date	Gross Price Adjusted (R$/MWh)	Net Price of PIS/COFINS/P&D (R$/MWh)
Own Resources	4,087	4,195	4,676	4,718	4,718	4,718				
+ Purchases for Resale	1,239	847	355	350	334	329				
= Total Resources (A)	5,326	5,042	5,031	5,068	5,052	5,047				
Government Auction Sales[1]	1,902	1,751	1,738	1,728	1,719	1,650				
2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	290.2	260.7
2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	318.0	285.7
2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	332.6	298.8
2007-NE-2012-30	256	256	256	256	256	256	126.6	Oct-07	299.3	268.9
Proinfa	19	19	19	19	10	-	147.8	Jun-04	463.2	446.3
1st Reserve Energy Auction	14	14	2	-	-	-	158.1	Aug-08	363.6	350.3
Auction Mix (New Energy / Reserve)	14	9	8	-	-	-	-	-	337.5	325.2
2014-NE-2019-25 [5]	146	-	-	-	-	-	183.5	Mar-14	294.9	264.9
2014-NE-2019-25	10	10	10	10	10	10	206.2	Nov-14	331.3	319.2
2014-NE-2019-20	82	82	82	82	82	82	139.3	Nov-14	223.9	203.2
2015-NE-2018-20	46	46	46	46	46	46	188.5	Aug-15	280.7	254.7
8th Reserve Energy Auction (Assú V/Floresta/Paracatu)	68	68	68	68	68	9	296.7	Nov-15	427.3	387.7
2017-EN-2019-20	48	48	48	48	48	48	136.4	Nov-14	224.3	203.6
Government Auction - Quotas regime										
2018 - Quotas (UHJA) - 2018-30	226	226	226	226	226	226	-	Jul-17	181.7	173.3
2018 - Quotas (UHMI) - 2018-30	132	132	132	132	132	132	-	Jul-17	209.5	199.8
+ Bilateral Sales	3,018	2,584	2,231	1,950	1,217	714				
= Total Sales (B)	4,920	4,335	3,969	3,678	2,936	2,364				
- Structural GSF Hedge (0.80)	406	521	521	521	521	521				
Balance (A - B)	-	186	541	869	1,595	2,162				
Sales average **net** price (R$/MWh) [2, 3]:	220.4	222.5	215.8							
Purchases average **net** price (R$/MWh) [4]:	176.3	163.6	153.4							

1 XXXX-YY-WWW-ZZ, where:
XXXX ➔ year of auction
YY ➔ EE = existing energy or NE = new energy
WWWW ➔ year of delivery start
ZZ ➔ supply contract duration (in years)
2 Sales price, including trading operations, is net of ICMS and taxes over revenue (PIS/Cofins, R&D), i.e. future inflation is not considered.
3 Disconsidering sales for quota regime (Jaguara and Miranda HPPs).
4 Purchase net prices, considering trading operations and benefits from PIS/Cofins credits, i.e. future inflation is not considered.
5 Considers the closing of the sale of the Pampa Sul Thermoelectric Power Plant in July 2023.

Notes:
- The balance refers to the settlement point (net of losses of internal consumption of the plant).
- The average prices are considered simply estimates and are based on financial planning revisions, not capturing volume changes, which are updated quarterly.
- Includes the revision of the Physical Guarantees, according to the Ordinance 709 of the Ministry of Mines and Energy, of 11/30/2022.

Economic-Financial Performance

Results by segment – 1Q23 X 1Q23 (in R$ million)

	Electric Energy					
	Generation[1]	Transmission	Trading	Solar panels[2]	Gas transportation	Consolidated
1Q23						
Net operating revenue	2,438	374	101	-	-	2,913
Operational costs	(1,050)	(85)	(97)	-	-	(1,232)
Gross income	**1,388**	**289**	**4**	**-**	**-**	**1,681**
Selling, general and administrative expenses	(89)	(3)	(1)	-	-	(93)
Other operating revenues, net	-	1	-	-	-	1
Equity income	-	-	-	-	248	248
Income before financial results and taxes	**1,299**	**287**	**3**	**-**	**248**	**1,837**
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**
Change						
Net operating revenue	50	(128)	(64)	(7)	-	(149)
Operational costs	52	182	66	3	-	303
Gross income (loss)	**102**	**54**	**2**	**(4)**	**-**	**154**
Selling, general and administrative expenses	(23)	(2)	-	3	-	(22)
Other operating revenues, net	-	1	-	-	-	1
Impairment, net	11	-	-	(118)	-	(107)
Disposal of subsidiary	-	-	-	94	-	94
Equity income	-	-	-	-	75	75
Income (loss) before financial results and taxes	**90**	**53**	**2**	**(25)**	**75**	**195**

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

[2] *On February 21, 2022, the sale of the equity interest held by the Company in the subsidiary ENGIE Geração Solar Distribuída (EGSD) was concluded. On this date, the EGSD is no longer controlled by the Company, and is also not consolidated.*

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

Net Operating Revenue

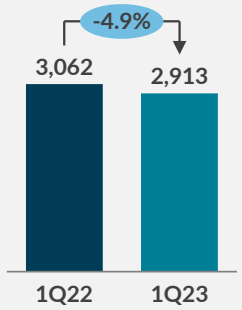
Operating revenue by segment – 1Q23 X 1Q22 (in R$ million)

	Electric Energy				
	Generation	Transmission	Trading	Solar panels	Consolidated
1Q23					
Distribution companies	1,178	-	-	-	1,178
Free consumers	769	-	-	-	769
Remuneration of concession assets	150	282	-	-	432
Trading companies	205	-	-	-	205
Energy trading operations	-	-	101	-	101
Transactions in the short-term market	94	-	-	-	94
Construction revenue	-	82	-	-	82
Services rendered revenue	35	10	-	-	45
Other revenues	7	-	-	-	7
Net operating revenue	**2,438**	**374**	**101**	**-**	**2,913**
1Q22					
Distribution companies	1,001	-	-	-	1,001
Free consumers	848	-	-	-	848
Remuneration of concession assets	154	249	-	-	403
Trading companies	217	-	-	-	217
Energy trading operations	-	-	163	-	163
Transactions in the short-term market	123	-	-	-	123
Construction revenue	-	252	-	-	252
Services rendered revenue	34	1	-	-	35
Unrealized gains on trading operations	-	-	2	-	2
Other revenues	11	-	-	7	18
Net operating revenue	**2,388**	**502**	**165**	**7**	**3,062**
Change					
Distribution companies	177	-	-	-	177
Free consumers	(79)	-	-	-	(79)
Remuneration of concession assets	(4)	33	-	-	29
Trading companies	(12)	-	-	-	(12)
Energy trading operations	-	-	(62)	-	(62)
Transactions in the short-term market	(29)	-	-	-	(29)
Construction revenue	-	(170)	-	-	(170)
Services rendered revenue	1	9	-	-	10
Unrealized gains on trading operations	-	-	(2)	-	(2)
Other revenues	(4)	-	-	(7)	(11)
Net operating revenue	**50**	**(128)**	**(64)**	**(7)**	**(149)**

In 1Q23, net operating revenue fell 4.9% (R$ 149 million) compared with 1Q22, from R$ 3,062 million to **R$ 2,913 million**. This variation reflected largely the following factors:

Generation and sale of energy from portfolio: growth of R$ 50 million (2.1%), driven mainly by a combination of the following factors: (i) an R$ 86 million increase in revenue from energy sales agreements in the regulated and free environments, resulting from increases in the amount of energy sold and net average selling prices; (ii) decrease of R$ 29 million in executed transactions in the short-term market principally those transacted across the Electric Energy Trade Board (CCEE), more details being described under "Details of Short-Term Operations"; and (iii) a decrease of R$ 4 million in the remuneration of concession financial assets corresponding to the payment of an installment for the grant of the Jaguara and Miranda hydropower plants concessions with respect to energy earmarked to the Regulated Contracting Environment, due to lower inflation rates between the periods analyzed.

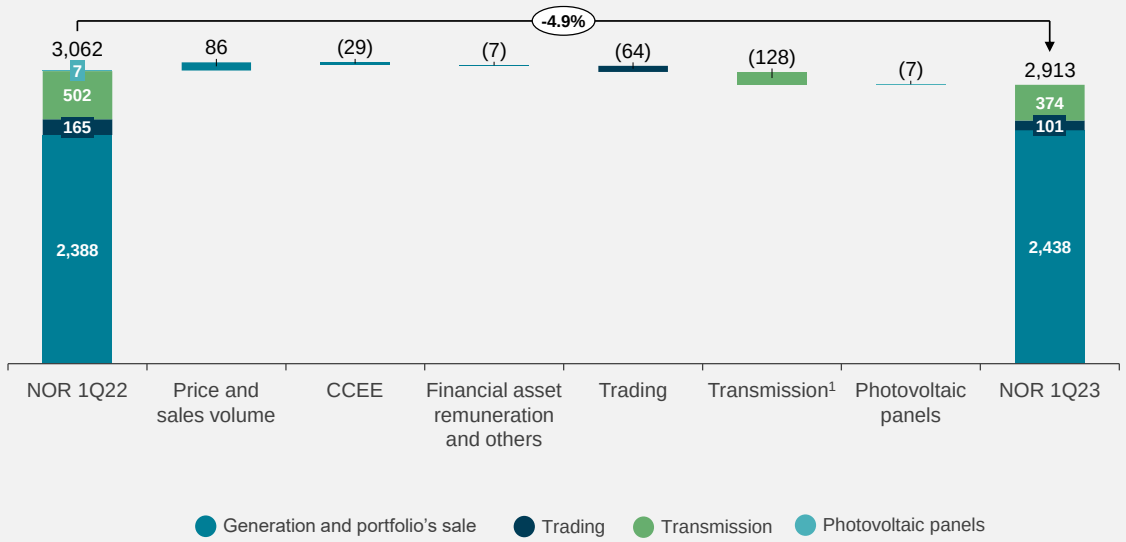
Net Operating Revenue
R$ million



Transmission: reduction of R$ 128 million (25.5%) in the transmission segment. More details to be found in the specific item.

Trading: reduction of R$ 64 million (38.8%) largely reflecting lower revenue from operations. More details to be found below in the specific item.

Net Operating Revenue Change by Segment
R$ million



[1] Capex reduction between quarters comparison.

Comments on Variation in Net Operating Revenue

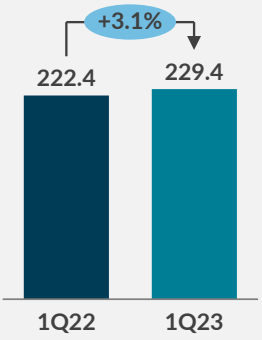
Generation and Sales of Energy from the Portfolio

- Net Average Selling Price

The average energy selling price, net of charges on revenue and trading operations reached **R$ 229.42/MWh in 1Q23, 3.1% higher** than 1Q22, prices then standing at R$ 222.43/MWh.

Price increases were largely driven by monetary restatement of prevailing agreements and the acquisition of the Floresta and Paracatu photovoltaic plants, assets which have contracted energy at prices higher than the average for the rest of the Company's portfolio. These effects were largely offset by lower prices prevailing in the short-term market for operations transacted, more notably with trading companies and free consumers given the expressive decrease in Differences Settlement Prices (PLD) and the increase in sales volume priced at PLD.

Net Average Selling Price*
R$/MWh

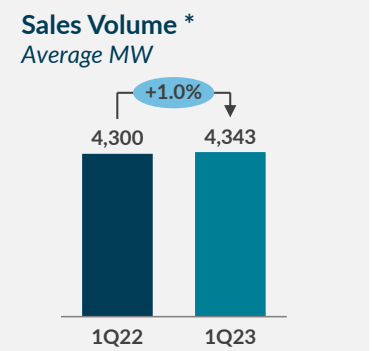


* Net of sale taxes and trading operations.

- **Sales Volume**

Energy volume sold in agreements, net of trading operations, increased from 9,289 GWh (4,300 average MW) in 1Q22 to **9,380 GWh (4,343 average MW) in 1Q23**, a growth of 91 GWh (43 average MW), or 1.0%, between the compared quarters.

The increase in the amount of energy sold was substantially driven by the acquisition of the Floresta and Paracatu photovoltaic plants.



- **Revenue from Sale of Electric Energy**
  - Distribution Companies:

Revenue from sales to distributors were R$ 1,178 million in 1Q23, R$ 177 million (17.7%) greater than R$ 1,001 million reported in 1Q22. The variation was due to the following effects: (i) R$ 121 million — growth of 12.0% in net average selling price; and (ii) R$ 56 million — an increase of 196 GWh (91 average MW) in sales volume.

The increase in net average selling price between the quarters under analysis was a reflection largely of the following factors: (i) the reduction in reimbursements provided in agreements in the regulated environment; (ii) monetary restatement of selling prices in the periods under analysis; and (iii) the acquisition of the Floresta and Paracatu photovoltaic complexes which carry average sales prices above those for the remainder of the Company's portfolio.

Growth in sales volume between the two periods is mainly due to the acquisition of the Floresta and Paracatu photovoltaic complexes and an increase in the seasonalizing of contracts with distributors in 1Q23.

  - Free Consumers:

Revenue from sales to free consumers fell R$ 79 million (9.3%) between the quarters from R$ 848 million in 1Q22 to **R$ 769 million in 1Q23**. The variation is a result of the reduction of 235 GWh (109 average MW) in energy sales volume (R$ 49 million), plus a 3.6% decrease in net average selling price (R$ 30 million).

The variation in energy sales volume is due mainly to the maturing of supply contracts and the reduction in availability of electric energy for sale to these same consumers. Again, the reduction in net average selling prices was largely due to a combination of lower prices on new agreements, impacted by falling PLDs since November 2021, and prevailing long-term agreements at lower prices in 2023, albeit partially attenuated by monetary restatement on agreements still to mature.

  - Trading Companies:

In 1Q23, revenue from sales to trading companies was R$ 205 million, R$ 12 million (5.5%) lower than reported for 1Q22, at R$ 217 million. The explanation for the variation is a combination of a decrease of 14.3% in the net average selling price (R$ 31 million) and by an increase of 130 GWh (61 average MW) in energy sales volume (R$ 19 million).

Price reduction occurred basically due to a fall in short-term market prices linked to the PLD following a similar period of lower prices throughout 2022, thus impacting prices for 1Q23 as well. By contrast, the prices for 1Q22 reflected the results stemming from high PLDs during 2021. Reductions in 1Q23 were slightly offset by monetary restatement of prevailing agreements. The increase in volumes between the periods under analysis arises principally from new contracts signed as part of the Company's portfolio management.

- **Transactions in the Short-term Energy Market**

In 1Q23, revenues from operations in the short-term market were **R$ 94 million**, while in 1Q22 they were R$ 123 million, and thus representing a **decrease of R$ 29 million (23.6%)** between compared quarters. More explanations on these operations and variations can be found under "Details of short-term operations".

- **Remuneration of Concession Financial Assets**

Financial assets pertaining to concessions represent present value of future cash flows of the percentage of energy destined for the Regulated Contracting Environment (ACR) generated from the Jaguara and Miranda hydropower plants, equivalent to 70% of the plants' physical guarantee. These assets are remunerated at the internal rate of return and variation of the Extended Consumer Price Index (IPCA).

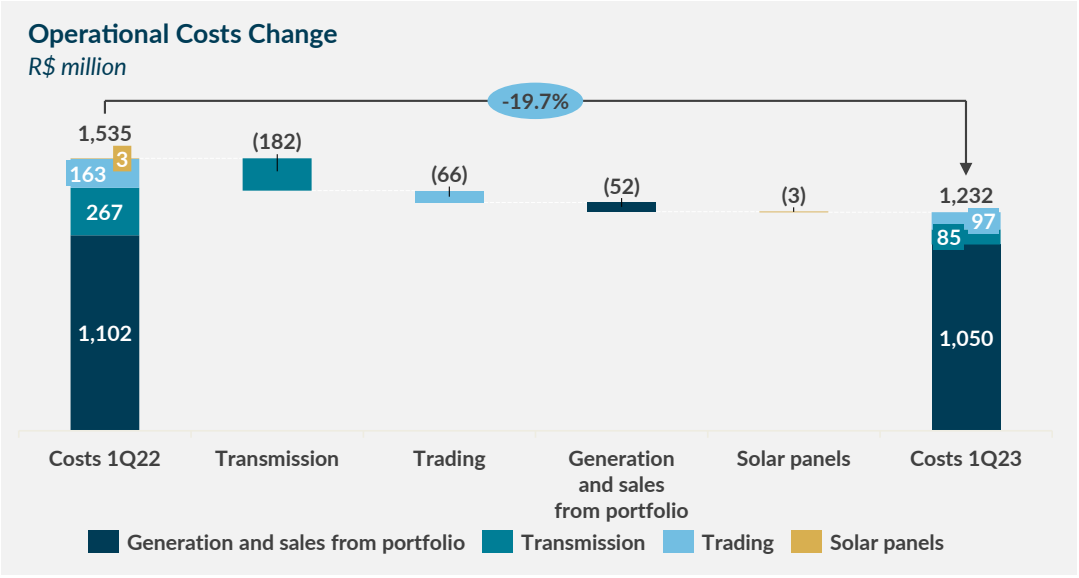
The remuneration of the concessions financial assets was R$ 154 million in 1Q22 compared with **R$ 150 million in 1Q23, a decrease of R$ 4 million (2.6%)**. This variation largely reflects the reduction in the IPCA between the periods.

Operational Costs

Costs by segment – 1Q23 x 1Q22 (in R$ million)

	Electric Energy				
	Generation	Transmission	Trading	Solar Panels	Consolidated
1Q23					
Electric power purchases	434	-	96	-	530
Depreciation and amortization	217	-	-	-	217
Charges for the use of power grid and connection	164	-	-	-	164
Materials and third-party services	84	5	-	-	89
Construction costs	-	77	-	-	77
Personnel	59	3	-	-	62
Royalties	33	-	-	-	33
Fuel for generation	22	-	-	-	22
Insurance	19	-	-	-	19
Transactions in the short-term market	13	-	-	-	13
Unrealized losses on trading operations	-	-	1	-	1
Other operational costs, net	5	-	-	-	5
Operational costs	**1,050**	**85**	**97**	**-**	**1,232**
1Q22					
Electric power purchases	413	-	157	-	570
Depreciation and amortization	241	-	-	-	241
Charges for the use of power grid and connection	149	-	-	-	149
Materials and third-party services	84	-	-	1	85
Construction costs	-	265	-	-	265
Personnel	49	-	-	-	49
Royalties	20	-	-	-	20
Fuel for generation	42	-	-	-	42
Insurance	19	-	-	-	19
Transactions in the short-term market	79	-	-	-	79
Unrealized losses on trading operations	-	-	6	-	6
Other operational costs, net	6	2	-	2	10
Operational costs	**1,102**	**267**	**163**	**3**	**1,535**
Change					
Electric power purchases	21	-	(61)	-	(40)
Depreciation and amortization	(24)	-	-	-	(24)
Charges for the use of power grid and connection	15	-	-	-	15
Materials and third-party services	-	5	-	(1)	4
Construction costs	-	(188)	-	-	(188)
Personnel	10	3	-	-	13
Royalties	13	-	-	-	13
Fuel for generation	(20)	-	-	-	(20)
Insurance	-	-	-	-	-
Transactions in the short-term market	(66)	-	-	-	(66)
Unrealized losses on trading operations	-	-	(5)	-	(5)
Other operational costs, net	(1)	(2)	-	(1)	(5)
Operational costs	**(52)**	**(182)**	**(66)**	**(3)**	**(303)**

Operational costs were down R$ 303 million (19.7%) year-on-year from R$ 1,535 million in 1Q22 to **R$ 1,232 million in 1Q23**. This variation was largely a reflection of a combination of the following factors: (i) decrease of R$ 182 million (68.2%) in the transmission costs segment, principally due to the reduction in construction costs; (ii) a decrease of R$ 66 million (40.5%) in costs of energy trading operations; (iii) reduction of R$ 52 million (4.7%) in the costs of the Company's energy generation and sales from portfolio segment; and (iv) a reduction of R$ 3 million (100.0%) in solar panel and installation costs.



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 1Q22 and 1Q23 there was an increase of R$ 21 million (5.1%) in energy purchases, substantially driven by the combination of the increase of 222 GWh (103 average MW) in energy purchase volume (+ R$ 40 million), and a reduction of 4.6% in net average energy purchase prices (– R$ 19 million). The growth in purchase volume is due to the increase in purchases for the Company's portfolio management.

- **Depreciation and amortization:** reduction of R$ 24 million (10.0%) between quarters. The reduction stems mainly from the cessation of depreciation of the Pampa Sul TPP following its classification to a Long-Term Asset Held for Sale albeit inversely impacted by the acquisition of the Floresta and Paracatu photovoltaic plants.

- **Charges for the use of the electric network and connection:** growth of R$ 15 million (10.1%) between quarters, largely the result of the increase of 31.0% in energy production from plants operated by the Company.

- **Personnel:** increase of R$ 10 million (20.4%) between quarters analyzed, resulting substantially from the annual readjustment in employee compensation and benefits, the increase in provision for bonus and participation in results and the increase in headcount between quarters.

- **Financial compensation for the use of water resources (royalties):** rise of R$ 13 million (65.0%) between quarters in large part because of greater generation from the hydropower plants during 1Q23, an increase of 38.6% if compared to 1Q22, in addition to the annual readjustment in royalties.

- **Fuels for generation:** decrease of R$ 20 million (47.6%) on a quarterly comparative basis. The variation was impacted by reductions of R$ 18 million and R$ 2 million at Pampa Sul TPP and at the Lages Cogeneration Plant (UCLA), respectively, due to lower generation at both plants.

- **Transactions in the short-term energy market:** costs with these transactions were down by R$ 66 million (83.5%) between the quarters. More explanations on such operations and variation are to be found in “Details of the short-term operations”.

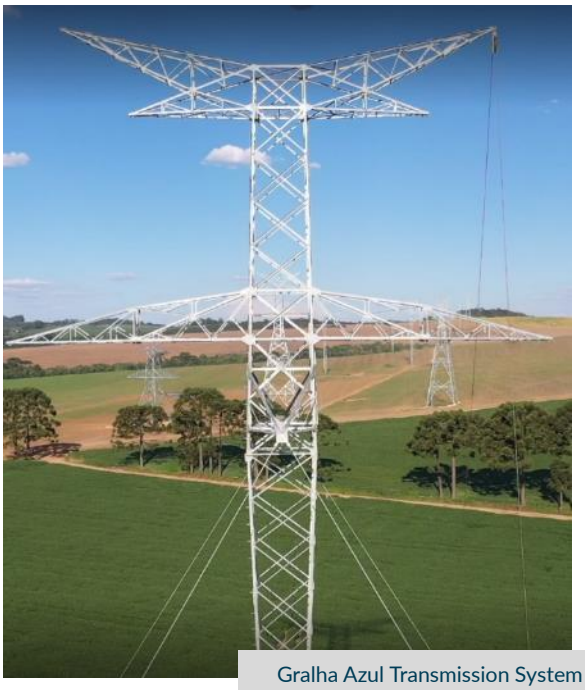
The remaining costs of this segment showed no significant variations between the quarters and years analyzed.



Jaguara Hydroelectric Power Plant

Operational Result from the Energy Transmission Segment

The Company has primary responsibility for the construction and installation of infrastructure pertaining to the Gralha Azul, Novo Estado and Gavião Real 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 operational activities are received from then onwards. The Gralha Azul and Novo Estado transmission systems went into full commercial operations on February 19 and 27, 2023, respectively.



Gralha Azul Transmission System

The gross result of the energy transmission segment was a positive R$ 289 million in 1Q23, an increase of R$ 54 million (23.0%) in relation to the same quarter 2022, when the result was a positive R$ 235 million.

The variation is largely a reflection of, (i) growth of R$ 33 million (13.3%) in the remuneration of concession assets; and (ii) the positive effect of R$ 18 million (138.5%) in the change of the net result from construction revenue and costs, arising principally from the conclusion of work on the Gralha Azul and Novo Estado transmission systems.

The value of RAP, net of PIS and Cofins, received in 1Q23 was R$ 127 million, (R$ 20 million in 1Q22), of which R$ 10 million (R$ 1 million in 1Q22) relative to revenues from services rendered and R$ 117 million (R$ 19 million in 1Q22) corresponding to the amortization of the contractual asset and offset against the contractual asset account.

Additionally, in 1Q23, other operating costs, selling, general and administrative expenses and other net operating revenues were respectively, R$ 8 million, R$ 3 million and R$ 1 million.

(In millions of R$)	1Q23	1Q22	Change
RAP, net of PIS and Cofins	127	20	107
Operational costs	(8)	(2)	(6)
Selling, general and administrative expenses	(3)	(1)	(2)
Operational revenues, net	1	-	1
Regulatory transmission Ebitda	**117**	**17**	**100**

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.

Quarter-on-quarter gross profit rose by R$ 2 million (100.0%) from R$ 2 million in 1Q22 to R$ 4 million in 1Q23 due to the following factors: (i) growth of R$ 3 million from mark-to-market of future supply transactions when comparing quarters — the difference between the contracted and market prices but attenuated by the (ii) reduction of R$ 1 million in the result of energy purchase and sale transactions.

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 1Q23 and 1Q22, **net results** (difference between revenues and costs — net of taxes) from short-term operations — especially those realized within the scope of the CCEE — **were positive at R$ 81 million** and R$ 44 million, respectively. The amount represents an **increase of R$ 37 million 1Q23 x 1Q22**, reflecting higher results in the energy generation and sale from the portfolio segment, given that in the result for the energy trading segment, no transactions were conducted across the CCEE during the quarters in question.

These changes were largely the result of the following factors: (i) reduction in free market energy due to the strategy adopted for allocation of seasonalized energy during the periods, but offset by the positive variation in PLD; (ii) positive impact of the MRE Adjustment Factor (GSF) in the light of greater volume of energy produced in the MRE, resulting in a positive variation between the periods under analysis; (iii) positive impact from the export of excess hydro capacity - energy not used to supply the national grid and which would be wasted by the hydro plants which are participants in the MRE – in the shape of a new commercial transaction involving negotiations with neighboring countries; (iv) positive effect in the MRE stemming from the reduction in the value for reimbursement to other MRE agents; and (v) reduction of the negative impacts of modulation between the quarters analyzed.

In December 2022, Aneel established maximum and minimum limits of PLD for the year 2023 at R$ 678.29/MWh and R$ 69.04 /MWh, respectively. The following table shows average PLD values for the submarkets in which the Company operates, in MWh.

Average PLD in R$/MWh	1Q23	1Q22	Chg. 1Q (%)
South	69.04	58.11	18.8%
Southeast/Center-West	69.04	58.11	18.8%
Northeast	69.04	58.11	18.8%

Sales, general and administrative expenses

The change of sales, general and administrative expenses largely reflect the reversal of a provision booked in 1Q22 for R$ 15 million.

Disposal of a Subsidiary

On February 21, 2022, the Company concluded the sale of the corporate stake it held in the ENGIE Geração Solar Distribuída (EGSD) subsidiary after which the latter ceased to be a subsidiary of ENGIE Brasil Energia, and therefore no longer consolidated. The result of the asset's disposal, net of selling costs (R$ 94 million), and the reversal of the impairment (R$ 118 million), was a positive R$ 24 million in 1Q22.

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:

	1Q23		1Q22	
Income statement – in R$ million	100%	Company's share	100%	Company's share
Net operational revenue	2,354	765	2,051	667
Costs of services provided	(637)	(207)	(703)	(229)
Gross income	**1,717**	**558**	**1,348**	**438**
General and administrative expenses	(26)	(8)	(47)	(15)
Income before financial result and taxes	**1,691**	**550**	**1,301**	**423**
Financial result	(528)	(172)	(490)	(159)
Income before taxes	**1,163**	**378**	**811**	**264**
Income tax and social contribution	(400)	(130)	(280)	(91)
TAG's net income	**763**	**248**	**531**	**173**

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

	1Q23		1Q22	
Ebitda – in R$ million	**100%**	**Company's share**	**100%**	**Company's share**
Income before financial result and taxes	**1,691**	**550**	**1,301**	**423**
Depreciation and amortization	166	54	162	53
Amortization of *mais valia*	148	48	228	74
Ebitda	**2,005**	**652**	**1,691**	**550**
Ebitda Margin	**85.2%**		**82.4%**	

Between 1Q22 and 1Q23, the result of equity income increased by R$ 75 million (43.4%) from R$ 173 million to R$ 248 million, respectively.

The increase was mainly driven by the combination of the following effects: (i) R$ 102 million growth in Ebitda primarily due to the readjustment in transportation tariffs and the termination of the O&M agreement with Petrobras Transporte S.A. (Transpetro) in June 2022, ENGIE Soluções em Manutenção (Esom), an ENGIE Group company in Brazil, taking over the O&M role; (ii) a reduction of R$ 26 million of amortization in added value (mais valia), due to the revised useful life. These increases were partially attenuated by (iii) an increase in net financial expenses of R$ 13 million, mainly due to the higher CDI rates between the quarters under analysis; and (iv) an increase of R$ 39 million, in Income Tax (IT) and Social Contribution (CSLL), in turn due to higher pre-tax profits.

Balance Sheet

TAG's principal asset and liability groups as of March 31, 2023 and December 31, 2022 were as follows:

Balance Sheet	03/31/2023	12/31/2022
ASSETS		
Current assets	**3,202**	**2,828**
Cash and cash equivalents	1,089	688
Accounts receivables from clients	1,532	1,513
Derivative financial instruments - hedge	279	284
Other current assets	302	343
Non-current assets	**31,722**	**30,585**
Restricted deposits	1494	217
Derivative financial instruments - hedge	228	284
Other non-current assets	666	624
Property, plant and equipment	26,582	26,706
Intangible	2,752	2,754
Total	**34,924**	**33,413**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	**4,953**	**4,341**
Debt instruments	4,576	3,974
Other current liabilities	377	367
Non-current liabilities	**20,554**	**20,356**
Debt instruments	15,282	15,584
Deferred income taxes and social contribution	4,353	3,908
Other non-current liabilities	919	864
Shareholders' equity	**9,417**	**8,716**
Total	**34,924**	**33,413**

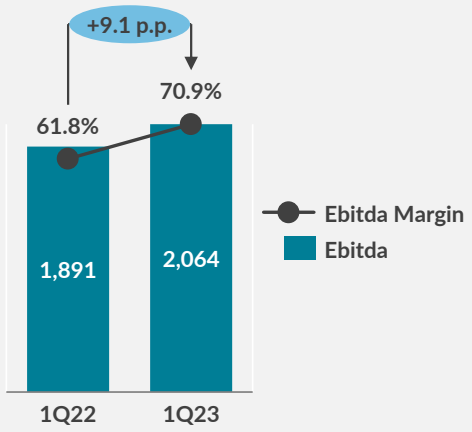
Ebitda and Ebitda Margin

Ebitda by segment – 1Q23 x 1Q22 (in R$ million)

	Electric Energy					
	Generation	Transmission	Trading	Solar panels	Gas transportation	Consolidated
1Q23						
Income before financial results and taxes	1,299	287	3	-	248	1,837
Depreciation and amortization	227	-	-	-	-	227
Ebitda	**1,526**	**287**	**3**	**-**	**248**	**2,064**
Ebitda margin	**62.6%**	**76.7%**	**3.0%**	**-**	**-**	**70.9%**
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**
Ebitda margin	**61.1%**	**46.6%**	**0.6%**	**357.1%**	**-**	**61.8%**
Change						
Income (loss) before financial results and taxes	90	53	2	(25)	75	195
Depreciation and amortization	(22)	-	-	-	-	(22)
Ebitda	**68**	**53**	**2**	**(25)**	**75**	**173**
Ebitda margin	**1.5 p.p.**	**30.1 p.p.**	**2.4 p.p.**	**(357.1 p.p.)**	**-**	**9.1 p.p.**

Between 1Q23 and 1Q22, Ebitda rose R$ 173 million (9.1%) from R$ 1,891 million in 1Q22 to **R$ 2,064 million in 1Q23**. The variation represents a combination of the following **positive effects**: (i) R$ 75 million (43.4%) due to an improved result from the corporate stake in the jointly held subsidiary – TAG; (ii) R$ 68 million (4.7%) in the Company's electric energy generation and sale from the portfolio segment; (iii) R$ 53 million (22.6%) from the energy transmission segment; and (iv) R$ 2 million (200.0%) from the electric energy trading segment. These positive outcomes were partially atenuated by the following **negative effect**: (v) R$ 25 million (100.0%) in the solar panel segment, the stake in the respective subsidiary being sold in the first quarter of 2022.

Ebitda[1] and Ebitda Margin



[1] Ebitda ajustado: lucro líquido + imposto de renda e contribuição social + resultado financeiro + depreciação e amortização.

The key variations in Ebitda are in the **electric energy generation and sale segment**, indicated in item (ii) above, the positive effects of which were: (i) R$ 86 million from a combination of variation in the amount of energy sold and the net average selling price; (ii) R$ 37 million in transactions executed in the short term market; and (iii) R$ 20 million with the consumption of proprietary fuels. These effects were offset by the following variations with a negative impact: (iv) R$ 21 million in energy purchases; (v) R$ 15 million relative to charges for the use of the electric energy network and connection; (vi) R$ 13 million in royalties; (vii) R$ 10 million relative to personnel costs; (viii) R$ 4 million of remuneration revenue and monetary restatement on the Jaguara and Miranda hydropower concession assets; and (ix) R$ 12 million relative to other revenues, costs and operating and administrative expenses.

In addition, Ebitda was effected postively by the transmission segment, the effects of which were largely as follows: (i) R$ 18 million growth in the construction result given the stage construction work had reached in 1Q23; (ii) R$ 33 million increase in remuneration revenue of the assets; and (iii) booking of R$ 3 million of annual allowed revenue (RAP) of O&M, net of costs.

Consolidated Ebitda Margin

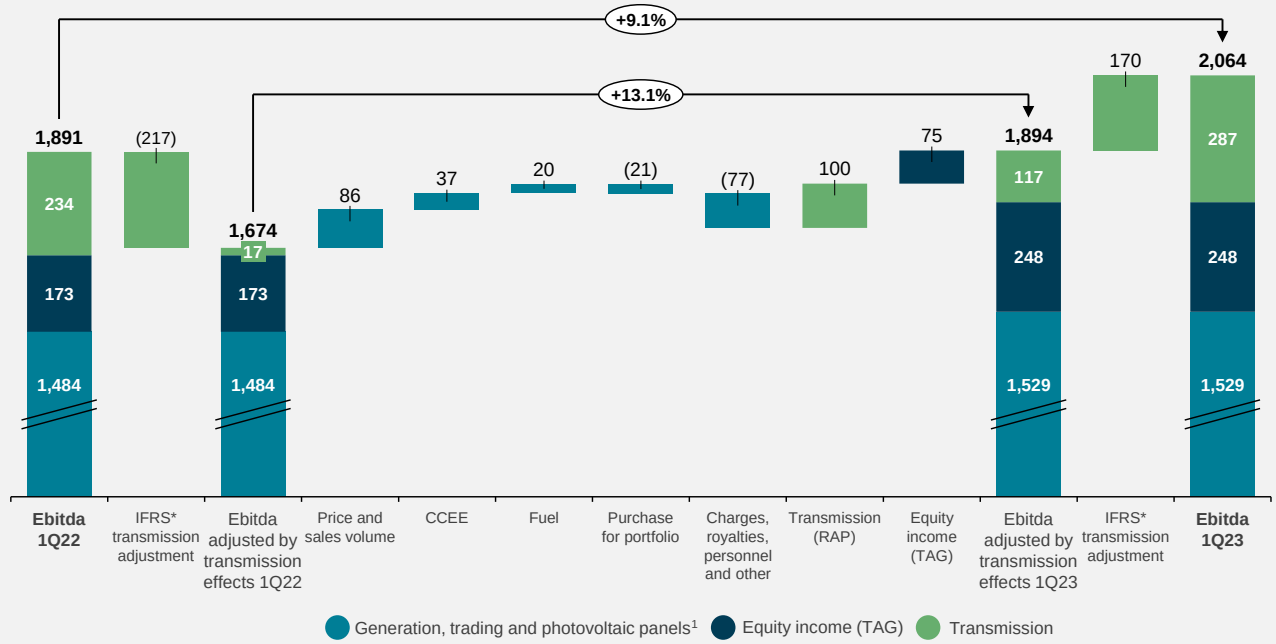
Consolidated Ebitda margin reported an increase of 9.1 p.p., from 61.8% in 1Q22 to 70.9% in 1Q23.

For the purposes of reconciliation of net income with Ebitda, as well as the impacts of regulatory adjustments of transmission segment, we show the following table:

(In millions of R$)	1Q23	1Q22	Chg. %
Recurrent net income	882	645	36.7
(+) Income tax and social contribution	235	173	35.8
(+) Net financial result	720	824	(12.6)
(+) Depreciation and amortization	227	249	(8.8)
Ebitda	**2,064**	**1,891**	**9.1**
Statutory transmission Ebitda (IFRS)	(287)	(234)	22.6
Regulatory transmission Ebitda (RAP)	117	17	588.2
Ebitda adjusted by transmission effects	**1,894**	**1,674**	**13.1**

Ebitda Change

R$ million



* IFRS: International Financial Reporting Standards.
[1] Considering the result from generation, trading, and photovoltaic panels segments.

Financial Result

(In R$ million)	1Q23	1Q22	Chg.
Income from financial investments	90	137	(47)
Other financial income	25	13	12
Total financial income	**115**	**150**	**(35)**
Debt:			
Interest	(321)	(298)	(23)
Monetary restatement	(258)	(372)	114
Other financial expenses, net	(51)	(36)	(15)
Total financial expenses	**(630)**	**(706)**	**76**
Concessions payable (Use of Public Asset):			
Monetary restatement	(86)	(158)	72
Present value restatement	(119)	(110)	(9)
Total concession payable expenses (Use of Public Asset)	**(205)**	**(268)**	**63**
Financial result	**(720)**	**(824)**	**104**

Financial income: in 1Q23, financial revenue reached R$ 115 million, R$ 35 million or 23.3% down on the R$ 150 million registered in 1Q22, mainly due to the reduction of R$ 47 million in revenue from financial investments. Reductions were substantially due to lower balances of financial investments in the two quarters under review.

Financial expenses: financial expenses in 1Q23 were R$ 630 million, that is R$ 76 million or 10.8% lower than the R$ 706 million in 1Q22. The main variations observed were due to the decrease of R$ 91 million in debt between the quarters in consequence from lower R$ 114 million monetary restatement, a reduction in inflation rates and an increase of R$ 23 million in debt servicing.

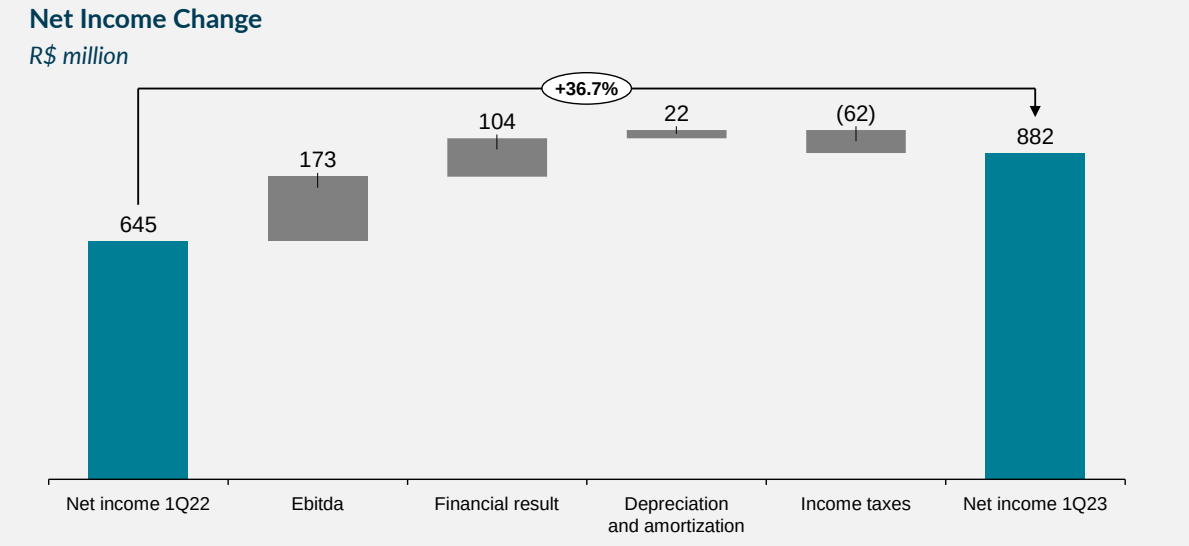
Concession expenses payable (Use of Public Asset): concession expenses payable were down R$ 63 million (23.5%), reaching R$ 205 million in 1Q23 against a total of R$ 268 million in 1Q22, due to the following factors: (i) a decrease of R$ 72 million in monetary restatement due in large part to the deceleration of the IPCA; and (ii) R$ 9 million increase due to the restatement of the present value of concessions payable.

Income Tax and Social Contribution

The amount payable of **Income Tax and Social Contribution in 1Q23 was R$ 235 million**, a difference of R$ 62 million (35.8%) when compared to the R$ 173 million for the same quarter 2022. The variation was largely driven by an increase in pre-tax profit relative to the same quarter in 2022.

Net Income

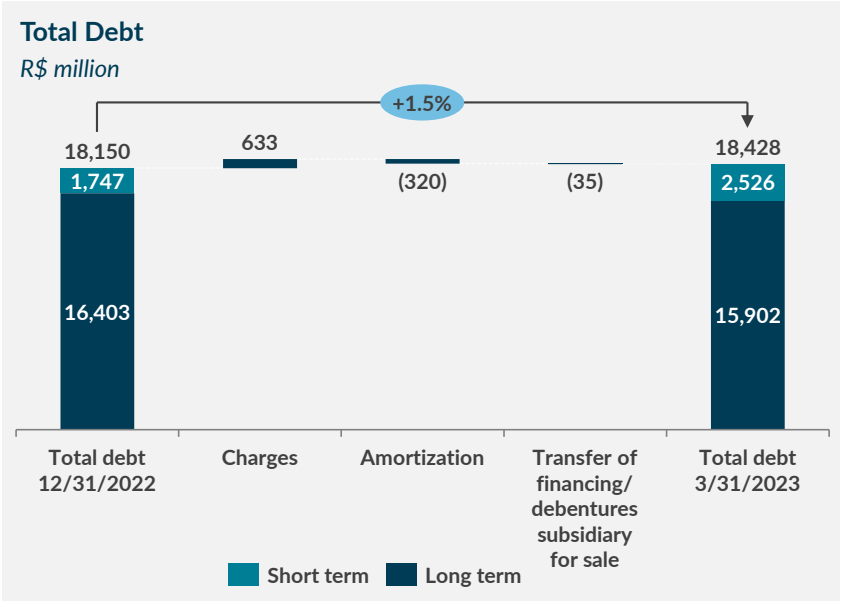
Net income in 1Q23 was R$ 882 million, R$ 237 million or 36.7% greater than the R$ 645 million posted in the same quarter 2022. This increase is a combination of the following: (i) an increase of R$ 173 million in Ebitda; (ii) positive effect of R$ 104 million of net financial result; (iii) an increase of R$ 62 million of income tax and social contribution; and (iv) a reduction of R$ 22 million in depreciation and amortization.



Debt

As of March 31, 2023, **total consolidated gross debt**, representing principally loans, financing, debentures and preferred shares redeemable, net of hedging operations, **totaled R$ 18,428 million — a increase of 1.5%** (R$ 278 million) compared to the position as of December 31, 2022. The **average debt maturity** at the end of 1Q23 was **7.2 years.**

The variation in company debt is related principally to a combination of the following factors in 1Q23: (i) generation of R$ 633 million in charges incurred and to be paid and monetary restatement; (ii) R$ 320 million in amortization of loans, financing and debentures; (iii) R$ 35 million transfer of financing and debentures of subsidiaries reclassified to Asset Held for Sale.



The average weighted nominal cost of debt at the end of the 1Q23 **was 10.5%** — equivalent to IPCA + 5.6% — (14.5% — equivalent to IPCA + 2.9% — at the end of the 1Q22). The decrease in relation to the same quarter in the previous year is mainly due to the deceleration of the IPCA index in the period.

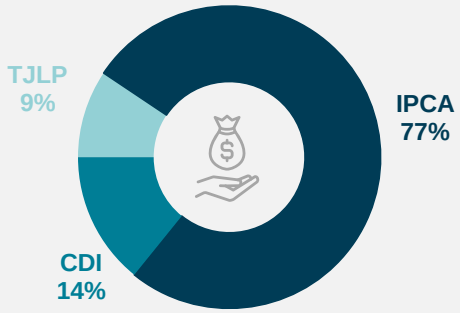
On March 31, 2023, the Company's **net debt** (total debt less result of derivatives operations, deposits earmarked to the guarantee of debt servicing and cash and cash equivalents) was R**$ 15,216 million, a decrease of 3.0%** compared with the end of 2022.

Net Debt

R$ million

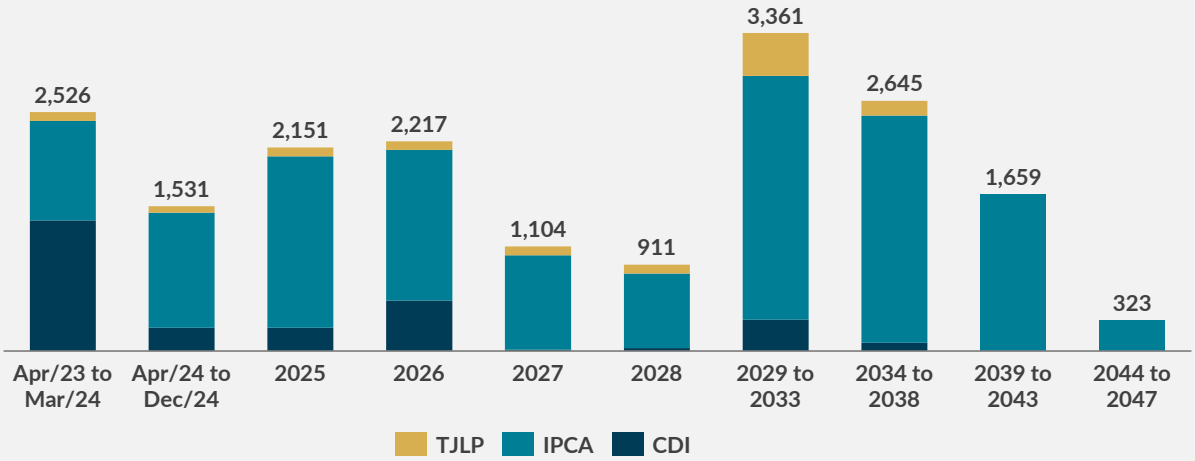
	3/31/2023	12/31/2022	Chg. %
Gross debt	18,175	17,941	1.3
Result of hedge operations	253	209	21.1
Deposits earmarked for the payment of debt	(271)	(229)	18.3
Cash and cash equivalents	(2,942)	(2,236)	31.6
Total net debt	**15,216**	**15,685**	**(3.0)**
Net debt/Ebitda last 12 months	**2.1X**	**2.3X**	

Debt Breakdown



Maturity Term Loans

R$ million

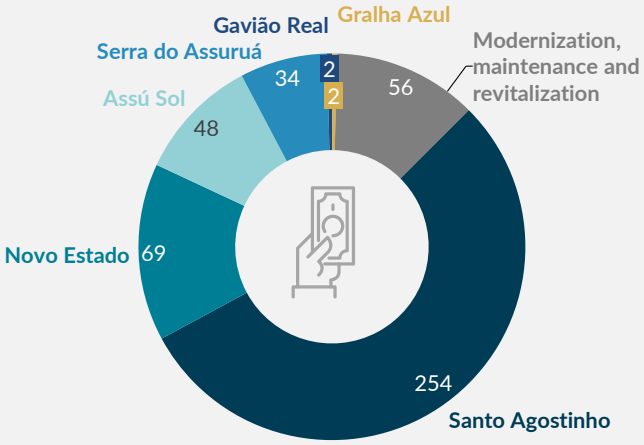


Capital Expenditures

Total investments at ENGIE Brasil Energia in 1Q23 reached R$ 465 million, of which: (i) R$ 409 million in the construction of the new projects, being: (i.i) R$ 254 million in the Santo Agostinho Wind Complex – Phase I; (i.ii) R$ 69 million concentrated in the Novo Estado Transmission System; (i.iii) R$ 48 million to the Assú Sol Photovoltaic Plant; (i.iv) R$ 34 million in the Serra do Assuruá Wind Complex; (i.v) R$ 2 million in the Gralha Azul Transmission System; and (i.vi) R$ 2 million in the Gavião Real Transmission System; (ii) R$ 45 million dedicated to maintenance and revitalization projects in the generator complex; and (iii) R$ 11 million destinated for the modernization of Salto Osório Hydroelectric Power Plant.

Investimentos

R$ milhões





Salto Osório Hydroelectric Power Plant

Commitment to Sustainable Development

Sustainable Management

ENGIE's ambition is to spearhead the carbon-neutral transition process worldwide, supporting our clients in their journey of reducing emissions and associated to differentiated socio-environmental offers, thereby encouraging sustainable development with positive impacts both locally and globally. Through our medium term Strategic ESG Goals, we endeavor to address the trinomial of "People, Planet and Performance", with a focus on the commitment for reducing CO_2 emissions by 59% between 2017 and 2030 which is a Science Based Target and achieving neutrality of emissions by 2045.

All plants under the Company's responsibility adhere to ENGIE Brasil Energia Sustainable Management Policy, which covers the areas of Governance, Quality, Environment, Climate Change, Occupational Health and Safety, Social Responsibility and Engagement of Related Parties. On March 31, 2023, out of the 77 plants installed in 12 states of Brazil's five regions, 11 are certified in accordance with NBR ISO 9001 (for Quality), NBR ISO 14001 (for the Environment) and NBR ISO 45001 (for Occupational Health and Safety) standards, with an aggregate capacity of 79.7% of the total operated by the Company.

In addition to the Sustainable Management Policy mentioned above, other commitments to sustainable development can be accessed from Company's website, covering such themes as Human Rights and Ethics. The Sustainability Reports are published annually according to the recommendations of the Global Reporting Initiative (GRI), Sustainability Accounting Standard Board (SASB) and the framework of International Integrated Reporting Council (IIRC).

Sustainability Forum

ENGIE Brasil Energia Sustainability Forum was set up in 2007 and is currently made up of 12 members drawn from different areas, more especially those related most closely to stakeholders, such as shareholders, clients, suppliers, employees, the media and communities. Coordination is the responsibility of the Administrative Director's Office while one of the Committee members is the Board employees' representative. Among others, the Forum has as its objectives to:

- Contribute towards maintaining the balance of interests of the different stakeholders in relation to the Company;
- Develop awareness programs to propagate concepts and practices of sustainability among both internal and external audiences;
- Contribute to the use of best corporate governance practices; and
- Propose, obtain approval from the Management Board and work on a coordinated basis with the organizational units to achieve the goals of the Sustainability Forum.

Highlights of the Quarter

- ENGIE Brasil Energia was recognized as one of the most reputable companies in the country by the **MERCO** (Corporate Reputation and Business Monitor) **Ranking of Corporate Reputation and Leaders 2022**, which conducts recognition business monitoring of corporate reputation surveys in 16 countries of Latin America and Europe. Making its debut in the current survey, the Company is a highlight in the energy sector, occupying the vice leadership and features in 90th position in the overall ranking.
- Based on the "White January" movement, the Company ran the **"White Summer"** campaign, focus of which is to give increased visibility to the **needs related to mental health**. Discussion groups (onsite and online) were held together with awareness campaigns in addition to the general dissemination of existing programs providing support for employee mental and emotional health and available by the Company.
- ENGIE Brasil Energia was the **winner of the Expression Ecology Award** in the Technology category with the Research and Development project for the Protection of Ichthyofauna at the Machadinho Hydropower Plant (SC). The Expression Ecology Award was created in 1993 with a focus on sustainability initiatives in the southern region of the country.

- The Cana Brava Hydropower Plant (GO) in partnership with the National Rural Learning Service (SENAR-GO), promoted **training course in sustainability for developing professional and social skills in rural communities as well as in socially vulnerable communities of the region**. Among the courses are restoration of riparian forest, bio-gestor construction for gas production, preparation of smoked products and production of hygiene products from cooking oil.
- The municipality of Umburanas (BA), surrounding the Campo Largo and Umburanas wind complexes is to enjoy the benefits of a further action for **qualifying local labor** and run by ENGIE Brasil Energia and Vestas Brasil. In partnership with Senai, the companies are to provide 25 places on the Electro-technical course. The initiative is designed to develop and train professionals to operate in wind farm operations and maintenance. At least 50% of the places on the course will be reserved for women.
- ENGIE Brasil Energia was rated an **"A-" in the Carbon Disclosure Project (CDP) in the report on supplier engagement in 2022**. Supplier Engagement Rating (SER) ranks companies according to their performance in governance, targets, Scope 3 emissions and engagement of the value chain in the Climate Change questionnaire.



UHE Estreito – Gotas de Esperança Project

Sustainability Indices

Since 2012, it has been a practice of the Company to publish the principal sustainability indicators for each period in its quarterly and annually results presentations. The following table shows the indicators for 1Q23 x 1Q22, associating each indicator with GRI Standards.

Sustainability Indices[1]

Sustainability Indices [1]							
Item	Dimension[2]	Index	Material themes	GRI disclosure[3]	1Q23	1Q22	Change
1	Quality	Operating plants	- Economic and operational performance - Energy and Greenhouse Gas Emissions	EU1	77	76	1
2		Installed operated capacity		EU1	10,181	10,174	0.1%
3		Installed proprietary capacity		EU1	8,460	8,453	0.1%
4		Number of certified plants		EU6	11	11	0
5		Certified operated capacity (MW)		EU6	8,115	8,115	0.0%
6		Certified operated capacity in relation to the total		EU6	79.7%	79.8%	-0.1 p.p.
7		Operated capacity from renewable sources		EU1	9,836	9,829	0.1%
8		Operated capacity from renewable sources in relation to the total		EU1	96.6%	96.6%	0.0 p.p.
9		Energy generation (GWh)		EU2	9,315	7,113	31.0%
10		Certified energy generation		EU6	7,752	5,593	38.6%
11		Certified energy generation in relation to the total		EU6	83.2%	78.6%	4.6 p.p.
12		Energy generation from renewable sources (GWh)		EU2	9,108	6,687	36.2%
13		Energy generation from renewable sources in relation to the total		EU2	97.8%	94.0%	3.8 p.p.
14		Global uptime ratio of generating park		EU30	94.4%	93.5%	0.9 p.p.
15		Uptime - transmission lines		EU30	100.0%	-	-
16	Environment and climate change	Saplings donated and planted (sum-total of planted and donated saplings)	- Energy and Greenhouse Gas Emissions - Support to sustainable community developments - Water and effluents - Biodiversity	304-1, 413-1	45,241	60,186	-24.8%
17		Number of visitors at the plants and environmental education		413-1	14,011	19,966	-29.8%
18		Water imput (megaliters)		303-3	499	1,038	-51.9%
19		Water consumption (megaliters)		303-5	461	992	-53.5%
20		Total emissions tCO_2e		D305-1, D305-2, D305-3	10,284	398,197	-97.4%
21		CO_2 emissions intensity (fossil fuel plants) (kg/MWh)		D305-1, D305-2, D305-3	6.00	1087.00	-99.4%
22		CO_2 emissions intensity (Generation complex) (kg/MWh)		D305-1, D305-2, D305-3	0.57	75.00	-99.2%
23	People	Total employees	- Employee health, safety and development - Fostering value-chain sustainability	2-7	1,217	1,171	3.9%
24		Women in the workforce		2-7	26.9%	24.3%	2.6 p.p.
25		Frequency Rate (FR) operation and maintenance[4]		403-2	1.499	2.461	↓
26		Severity Rate (SR) own employees[5]		403-2	0.006	N.A.	N.A.
27		Frequency Rate (FR) construction		403-2	1.278	0.330	↑
28		Managerial Safety Visits - VGS		403-2	224	113	98.2%
29		Registry of Risky and Near Accident Situation		403-2	376	663	-43.3%
30	Social Responsibility[6]	Non-incentivized investments	- Support to sustainable community development	201-1, 413-1	948.5	823.7	15.2%
31		Investments through the Infancy and Adolescence Fund (FIA)		201-1, 413-1	210.6	136.0	54.9%
32		Investments through the Culture Incentive Law (Rouanet)		201-1, 413-1	489.0	1,423.8	-65.7%
33		Investments through the Sport Incentive Law		201-1, 413-1	150.0	94.0	59.6%
34		Investments through the Municipal Fund for the Elderly		201-1, 413-1	226.9	38.5	489.4%

Notes:

1 Additional information regarding the sustainability at the Company are available at Sustainability Report (https://www.engie.com.br/en/investors/sustainability-reports/).
2 Reference: ENGIE Sustainable Management Policy.
3 GRI: Global Reporting Initiative, Standards version and sector supplement version G4.
4 FR = number of occupational accidents for every million hours of exposure to hazards.
5 SR = number of days lost due to occupational accidents for every one thousand hours of exposure to hazards. SR started to consider service providers from 2023, which is why there is no comparative data for 2022.
6 Amounts in thousands of reais.

Corporate Governance

The Company regularly seeks to improve its management mechanisms with the optimization of control procedures, compliance and transparency, with defined roles and responsibilities and processes evaluated and audited annually through the intermediary of both internal and independent structures. It is a component of the Novo Mercado, the listing segment for companies with the highest level of corporate governance trading their shares on the Stock Exchange. The Company has an Audit Committee composed of three members, two of whom are independent members of the Board of Directors. The aim of the Committee is to advise the Board of Directors on the financial statement's evaluation, ethical matters, internal controls, the internal and external audit and risk management. On another related front, the management of corporate compliance procedures was improved, implementing three policies to give greater transparency to the activities and procedures of senior management: Nomination, Remuneration and Evaluation.

The system of internal controls uses best market practices and is based on the self-assessment technique in which all areas of the Company have professionals trained to evaluate annually key processes and controls in their own areas of activity. Currently, **the Internal Controls Program consists of 12 processes and 41 subprocesses with its efficiency regularly tested by an independent audit and certified by the Management**. Deviations detected in any of the established controls immediately triggers action plans, managed by the areas of the organization involved and by the internal controls team. In place in the Company since 2006, the Program was certified in 2022 for the 17th consecutive time without recording controls with any major fault resulting in significant losses to the Company.



Florianópolis Administrative Headquarters

Additionally, the Company is a component of the Stock Exchange Sustainability Index (ISE). ENGIE Brasil Energia's Board of Directors comprises nine effective members, one representing the employees while four are independent directors. None of the Board members hold executive positions in the Company and consequently the Chairman of the Board does not occupy the position of Chief Executive Officer. With the exception of the member chosen by the employees, all are elected by the shareholders at the Annual General Meeting.

A Code of Ethics provides the basis of conduct at the Company: a public document available from its website. The Company also has an Ethics Committee responsible for constantly updating the Code and for evaluating ethical issues. **In 2021, ENGIE Brasil Energia signed up to the Brazilian Business Pact for Integrity and against Corruption**: an initiative of the Ethos Institute, in association with the United Nations Global Compact, of which ENGIE Brasil Energia has been a signatory since launch. The Company is also certified by ISO 37001, which evaluates the requirements and provide guidance in order to establish, implement, maintain, revise and improve the corporate antibribery management system.

ENGIE Brasil Energia's dividend policy establishes a minimum mandatory dividend of 30% of net income for the fiscal year, adjusted pursuant to Law 6,404/76. In addition, the Company policy determines the intention of paying in each calendar year dividends and/or interest on shareholders' equity for a value of not less than 55% of adjusted net income in the form of semi-annual payouts.

With respect to the asset transfer model and other transactions with related parties, ENGIE Brasil Energia and its controlling shareholder understand that its existing corporate governance standards should be raised even further. Among the initiatives implemented stands out the creation, by means of adaptation to the Company's Bylaw, of the **Special Independent Committee for Valuation of Transactions with Related Parties**, a non-permanent body, which, when called, will be composed in its majority by independent directors of the ENGIE Brasil Energia's Board.

Capital Markets

ENGIE Brasil Energia is part of more than ten indexes in the Brazilian market. Since its listing on B3's Novo Mercado has become a component of the Special Corporate Governance Stock Index (IGC) and the Special Tag Along Stock Index (ITAG), incorporating those companies offering greater protection to minority shareholders in the event of the sale of a controlling stake. The Company's shares are also included in the Corporate Sustainability Stock Index (ISE), comprising companies with a recognized commitment to social and corporate responsibility, as well as the Electric Energy Stock Index (IEE), which is a sector index made up of the more significant listed companies in the industry. The Company' shares are also traded on B3's leading stock index – the Ibovespa – and are traded under the **EGIE3 ticker**. On the United States Over-The-Counter (OTC) market, the Company's Level 1 American Depositary Receipts (ADR) are traded under the **EGIEY Code**, one ADR being equivalent to one common share.

Share Performance – EGIE3

The year 2023 began with a degree of optimism with the reopening of the Chinese economy and the deceleration of inflation in the United States. However, the uncertainties surrounding the new government, the rules for the new fiscal framework, combined with high interest rates, the chapter 11 filed by the Brazilian retailer Americanas and the overseas banking crisis, all contributed to a decline of 7.2% in the Ibovespa (the benchmark index of the Brazilian stock exchange), closing off the first quarter at 101 thousand points.

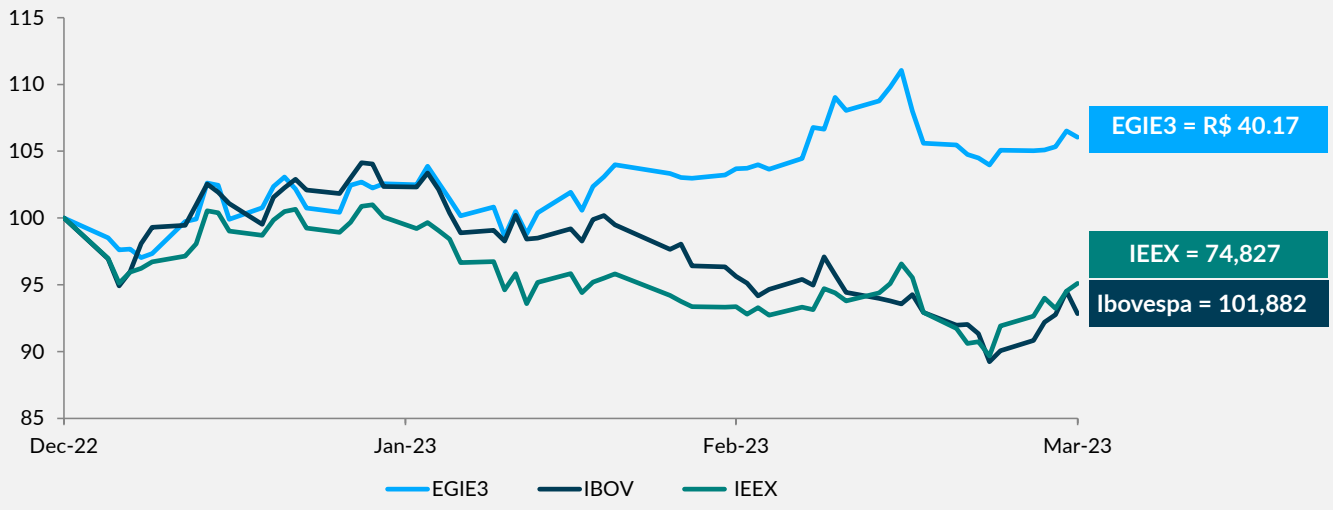
ENGIE Brasil Energia securities appreciated 6.1%, in 1Q23, against a depreciation of 4.9% and 7.2% for the Electric Energy Stock Index (IEEX) and the Ibovespa, respectively.

EGIE3 recorded an average daily trading volume of R$ 73.1 million in the 1Q23, 38.3% higher than in 1Q22 when the volume was R$ 55.0 million.

On the last trading day in March 2023, the closing price of the Company's shares was R$ 40.17/share, translating into **a market capitalization of R$ 32.7 billion.**

EGIE3 vs. Ibovespa vs. IEEX

(Base 100 – 31/12/2022)





Passo Fundo Hydroelectric Plant

EGIE3 recorded an average daily trading volume of R$ 73.1 million in the 1Q23, 38.3% higher than in 1Q22, prices closing the quarter at R$ 40.17/share.

ATTACHMENT 1

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – ASSETS

(In thousands of R$)	03/31/2023	12/31/2022
Current Assets	**8,041,228**	**7,378,528**
Cash and cash equivalents	2,941,750	2,235,887
Accounts receivables from clients	1,089,944	1,143,117
Credit of income tax and social contribution	116,290	181,438
Inventory	60,366	59,313
Derivative financial instruments - hedge	18,053	-
Derivative financial instruments - trading	195,475	209,928
Restricted deposits	37,991	34,527
Risk premium to appropriate - Hydrological risk renegotiation	15,089	15,089
Concession financial assets	369,277	363,802
Contractual assets	599,757	558,179
Other current assets	155,715	244,470
Non current asset held for sale	2,441,521	2,332,778
Non Current Assets	**31,563,231**	**30,808,224**
Long Term Assets	**9,787,291**	**9,469,898**
Derivative financial instruments - hedge	6,751	31,981
Derivative financial instruments - trading	90,723	45,638
Restricted deposits	277,969	235,970
Deposits in court	59,339	71,435
Risk premium to appropriate - Hydrological risk renegotiation	66,645	70,418
Concession financial assets	2,913,296	2,856,475
Contractual assets	6,103,570	5,895,776
Other non current assets	268,998	262,205
Investments	**3,234,122**	**3,006,423**
Property, Plant and Equipment	**14,284,692**	**14,025,476**
Intangible	**4,088,496**	**4,134,944**
Right of use of leases	**168,630**	**171,483**
Total	**39,604,459**	**38,186,752**

ATTACHMENT 2

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – LIABILITIES

(In thousands of R$)	03/31/2023	12/31/2022
Current Liabilities	**6,735,339**	**5,890,219**
Suppliers	499,066	511,408
Dividends and interest on shareholder´s equity	181,106	181,104
Loans and financing	1,632,789	979,862
Debentures	635,417	565,958
Redeemable preferred shares	128,409	107,148
Lease liabilities	23,293	23,990
Concessions payable (Use of Public Asset)	491,347	406,871
Tax and social contribution obligations payable	87,225	143,288
Other fiscal and regulatory obligations	111,529	120,970
Labor obligations	170,535	153,809
Derivative financial instruments - trading	176,899	189,932
Provision	2,668	4,144
Obligations related to retirement benefits	32,857	54,015
Liabilities related to non-current assets held for sale	2,056,715	2,005,671
Other current liabilities	505,484	442,049
Non Current Liabilities	**23,620,914**	**23,856,361**
Loans and financing	10,308,071	10,930,652
Debentures	4,992,725	4,880,587
Redeemable preferred shares	477,353	476,918
Lease liabilities	130,598	131,708
Concessions payable (Use of Public Asset)	4,891,810	4,849,081
Derivative financial instruments - trading	76,575	31,527
Provision	557,092	425,659
Obligations related to retirement benefits	266,824	218,959
Deferred income taxes and social contribution	1,561,780	1,505,352
Other non current liabilities	358,086	405,918
Shareholders' Equity	**9,248,206**	**8,440,172**
Share capital	4,902,648	4,902,648
Capital reserve	(156,743)	(156,743)
Net income reserves	2,390,349	2,381,683
Additional dividends	1,455,160	1,455,160
Adjustment on fixed asset	(234,990)	(146,226)
Retained earnings	887,719	-
Non controlling interests	4,063	3,650
Total	**39,604,459**	**38,186,752**

ATTACHMENT 3

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED INCOME STATEMENT

(In thousands of R$)	1Q23	1Q22	Chg. %
Net Operational Revenue	**2,913,748**	**3,062,301**	**-4.9**
Operational Costs	**(1,232,907)**	**(1,535,308)**	**-19.7**
Electric power purchases	(531,242)	(575,931)	-7.8
Transactions in the short term energy market	(13,019)	(79,222)	-83.6
Charges for the use of and connection to the electricity grid	(163,760)	(148,859)	10.0
Fuel expenses	(22,311)	(41,520)	-46.3
Financial compensation for use of hydro resources (royalties)	(32,587)	(20,389)	59.8
Personnel	(62,123)	(49,172)	26.3
Materials and third-party services	(88,827)	(85,017)	4.5
Depreciation and amortization	(216,779)	(240,825)	-10.0
Insurance	(18,860)	(18,903)	-0.2
Reversals of operating provisions, net	(10,655)	5,057	-310.7
Cost of implementing transmission infrastructure	(77,061)	(264,642)	-70.9
Others	4,317	(15,885)	-127.2
Gross Income	**1,680,841**	**1,526,993**	**10.1**
Operating Income (Expenses)	**(91,796)**	**(58,068)**	**58.1**
Selling, general and administrative expenses	(92,004)	(70,550)	30.4
Impairment, net	-	107,264	-100.0
Disposal of subsidiary	-	(94,430)	-100.0
Other operating revenues (expenses), net	208	(352)	-159.1
Result of corporate participations	**247,715**	**172,566**	**43.5**
Equity income	247,715	172,566	43.5
Income Before Financial Result and Taxes	**1,836,760**	**1,641,491**	**11.9**
Net Financial Result	**(720,264)**	**(824,287)**	**-12.6**
Financial income	115,449	149,914	-23.0
Financial expenses	(630,947)	(706,187)	-10.7
Concession payable expenses (Use of Public Asset)	(204,766)	(268,014)	-23.6
Income Before Taxes	**1,116,496**	**817,204**	**36.6**
Income tax	(163,252)	(119,939)	36.1
Social contribution	(71,022)	(52,213)	36.0
Net Income for the Period	**882,222**	**645,052**	**36.8**
Income allocated to:			
ENGIE Brasil Energia's shareholders	881,809	644,720	36.8
Non-controlling shareholder of Ibitiúva Bioenergética S.A.	413	332	24.4
Number of Ordinary Shares	**815,927,740**	**815,927,740**	
Net Income per Share	**1.0807**	**0.7902**	**36.8**

ATTACHMENT 4

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED STATEMENT OF CASH FLOW

(In thousands of R$)	3M23	3M22
Cash Flow from Operating Activities		
Income before taxes on income	1,116,496	817,204
Reconciliation of net income with operating cash flow:		
Equity loss	(247,715)	(172,566)
Depreciation and amortization	226,562	249,026
Impairment	-	(107,264)
Interests and monetary variation	574,360	672,101
Concessions payable expenses	204,766	268,014
Subsidiary sale	-	94,430
Remuneration of financial concession asset	(149,788)	(154,213)
Contract asset remuneration	(282,368)	(248,573)
Unrealized losses (gains) on trading operations, net	1,383	3,784
Transmission infrastructure construction revenue	(81,680)	(252,002)
Gains (Losses) due to construction inefficiency	(2,702)	18,483
Others	17,306	(17,110)
Adjusted Net Income	**1,376,620**	**1,171,314**
(Increase) reduction in assets		
Accounts receivables from clients	56,204	(72,810)
Tax credits recoverable	65,148	5,564
Deposits in court and restricted deposits	10,577	(4,052)
Financial concession asset	87,492	78,197
Contract assets	117,591	18,979
Other assets	(16,367)	93,375
(Reduction) increase in liabilities		
Suppliers	(34,680)	(111,664)
Other fiscal and regulatory obligations	(8,555)	(3,847)
Labor obligations	17,587	15,475
Obligations related to retirement benefits	(11,779)	(10,387)
Other liabilities	126	8,859
Cash Generated from Operating Activities	**1,659,964**	**1,189,003**
Payment of interests on debt, net of hedge	(209,462)	(153,123)
Payment of income tax and social contribution	(169,540)	(192,144)
Cash from Operating Activities	**1,280,962**	**843,736**
Investments Activities	**(406,338)**	**(612,028)**
Dividends received from joint ventures	48,750	-
Acquisitions of subsidiaries	-	(656,157)
Used in fixed assets and intangibles	(371,301)	(86,610)
Receipt for sale of subsidiary, net of selling costs	50,934	-
Variation in cash and equivalents of a subsidiary in the process of disposal	(56,810)	-
Cash and cash equivalents from acquired subsidiaries	-	199,870
Payments of concessions payable	(77,561)	(71,273)
Others	(350)	2,142
Financing Activities	**(168,761)**	**(800,460)**
Payment of debt instruments, net of hedge	(110,129)	(73,264)
Payments of dividends and interest on shareholders' equity	-	(694,473)
Debt servicing deposits	(58,632)	(32,723)
Increase in Cash and Cash Equivalents	**705,863**	**(568,752)**
Reconciliation of Cash and Cash Equivalents		
Opening balance	2,235,887	5,156,406
Closing balance	2,941,750	4,587,654
Increase in Cash and Cash Equivalents	**705,863**	**(568,752)**
Transactions that do Not Affect Cash and Cash Equivalents		
Interin dividends, interest on equity and additional dividends credited	48,750	638,669
Unclaimed dividends and interest on equity	4,696	7,817
Measurement of obligations with retirement benefits	31,397	-
Credit of income tax and social contribution	(3,843)	(10,961)
Supplier's of fixed assets and intangibles	28,312	37,026
Net assets of subsidiaries acquired	-	499,414
Constitution of capital reserve	-	192,449
Provisions for expropriations without cash effect in construction of transmission	213	-

ATTACHMENT 5

ENGIE BRASIL ENERGIA S.A.

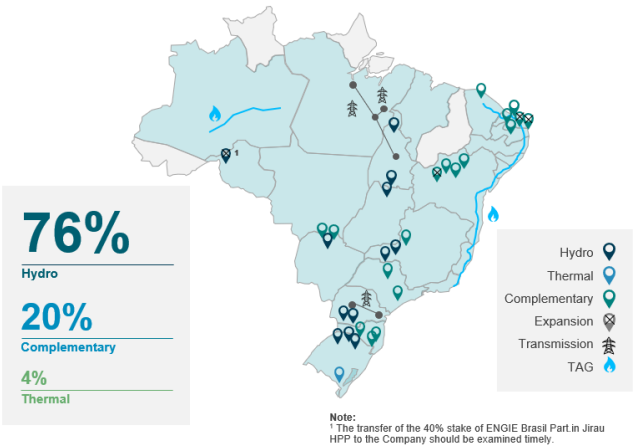
FACT SHEET 1Q23

Corporate Overview

ENGIE Brasil Energia is an investment platform in energy infrastructure, active in the areas of generation, commercialization, trading and transmission as well as natural gas transportation, through the intermediary of Transportadora Associada de Gás – TAG, jointly with other partners. As one of the largest energy generators in the Brazilian private sector, implements and operates projects from renewable sources such as hydroelectric, wind farms, photovoltaic and biomass plants together with small hydroelectric plants. The Company operates with transparency, financial discipline, respect for the environment, support for communities and focus on operational efficiency as drivers of long-term growth.

The market cap, as of March 31, 2023, was R$ 32.7 billion, and the own installed capacity totaled **8,459.5 MW**, which comprises a generating complex of **77 plants**, of which 11 are hydroelectric power plants, one thermoelectric and 65 fired from complementary sources: three biomass-fired plants, 51 wind power plants, two small hydroelectric plants and nine solar plants. In the transmission segment, the Gralha Azul and Novo Estado Transmission Systems reached full operation during the first quarter of 2023.

Balanced portfolio of business in energy infrastructure

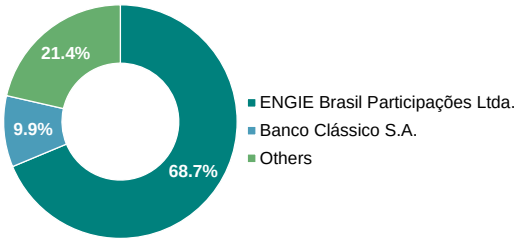


Note:
[1] The transfer of the 40% stake of ENGIE Brasil Part.in Jirau HPP to the Company should be examined timely.

Own installed capacity of 8,459.5 MW (4,347 aMW), 4,500 Km of operating gas pipelines and 2,709 Km of transmission lines under operation.

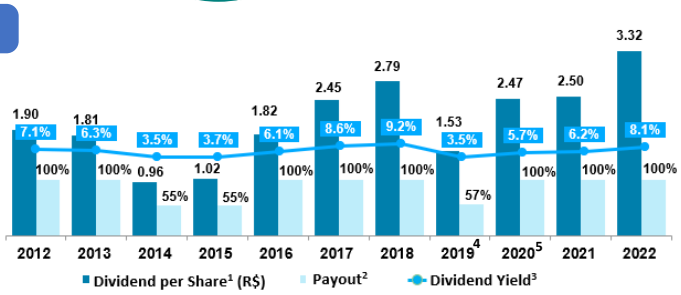
Ownership Structure

ENGIE Brasil Energia is controlled by French-Belgian group ENGIE, a global leader in the independent production of energy with its activities in approximately 70 countries. ENGIE is a major operator in the electricity, natural gas and energy services businesses with a worldwide electric energy capacity of about **100 GW** holding **68.7%** of the Brazilian company through ENGIE Brasil Participações Ltda.



Dividend Policy

- By-law minimum payout: **30%** of payable net income.
- Management commitment: minimum payout of **55%** of payable net income.
- At least 2 dividends per year.



Notes:
[1] For the purposes of comparability between fiscal years, an adjustment in dividend per share was made in the light of the share bonus approved on December 07, 2018.
[2] Considers the annual payable net income.
[3] Based on volume-weighted closing price of ON shares in the period.
[4] Figures for 2019 were resubmitted in the light of the AGM's decision on the retention of interim dividends for fiscal year 2019.
[5] Payout equivalent to 100% of the distributable adjusted net income (ex-hydrological risk negotiation).

ATTACHMENT 5

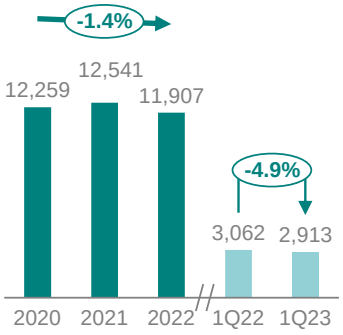
ENGIE BRASIL ENERGIA S.A.

FACT SHEET 1Q23

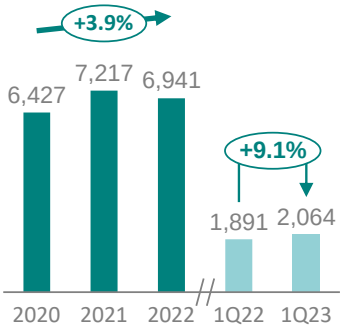
Consolidated (In millions of R$)	1Q23	1Q22	Chg.
Net Operating Revenue (NOR)	2,913	3,062	-4.9%
Results from Operations (EBIT)	1,837	1,641	11.9%
Ebitda [1]	2,064	1,891	9.1%
Non-recurrent effects adjusted Ebitda [2]	1,894	1,674	13.1%
Ebitda / NOR - (%) [1]	70.9	61.8	9.1 p.p.
Net Income	882	645	36.7%
Adjusted Return on Equity (ROE) [3]	32.5	29.6	2.9 p.p.
Adjusted Return on Invested Capital (ROIC) [4]	20.7	21.2	-0.5 p.p.
Net Debt [5]	15,216	16,045	-5.2%
Gross Power Production (avg MW) [6]	4,312	3,293	31.0%
Energy Sold (avg MW) [7]	4,343	4,300	1.0%
Average Net Sales Price (R$/MWh) [8]	229.42	222.43	3.1%
Number of Employees - Total	1,261	1,216	3.7%
EBE Employees	1,221	1,129	8.1%
Employees on Under Construction Plants	40	87	-54.0%

[1] Ebitda: net income + income tax and social contribution + financial results + depreciation and amortization.
[2] Adjusted EBITDA, net of IFRS effects from the transmission segment.
[3] ROE: adjusted net income of the past 4 quarters / shareholders' equity.
[4] ROIC: effective rate x adjusted EBIT / invested capital (invested capital: debt – cash and cash equivalents – deposits earmarked for debt servicing + SE).
[5] Adjusted amount, net of gains from hedge operations.
[6] Total gross electricity output from the plants operated by ENGIE Brasil Energia.
[7] Disregarding sales for quotas regime (Jaguara and Miranda HPPs).
[8] Net of taxes and trading operations.

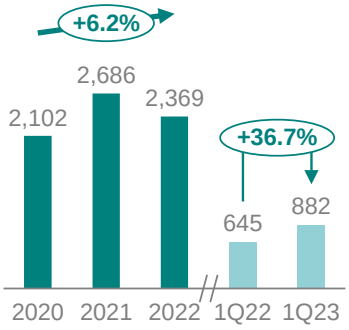
Net revenue (R$ million)



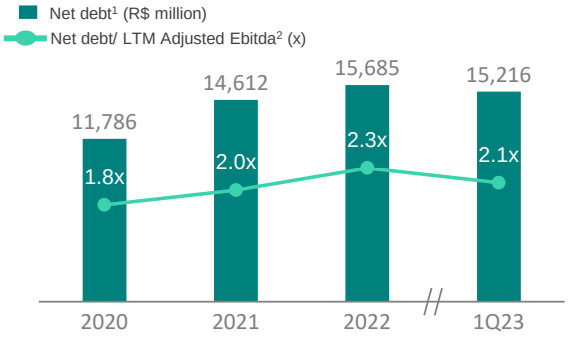
Adjusted Ebitda (R$ million)



Adjusted net income (R$ million)



Indebtedness (R$ million)



Notes:
[1] Debt net of hedge operations.
[2] Adjusted Ebitda in the past 12 months.

Ratings

ENGIE Brasil Energia's credit rating is evaluated periodically by Fitch Ratings. In 2023, the agency reaffirmed the Company's **Long Term National Rating at 'AAA(bra)'** with a stable outlook **and Long Term International Rating at 'BB' on the global scale** also with stable outlook.