EGIE
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EARNINGS RELEASE 2Q23



For Immediate Release

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Video conference

On Aug 9, 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, August 8, 2023. ENGIE Brasil Energia S.A. ("ENGIE" or "Company") – B3: EGIE3, ADR: EGIEY - announces earnings for the Second Quarter and six months period ending on June 30, 2023 (2Q23, 6M23/1H23). 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 celebrates a quarter of historic milestones: it becomes the largest 100% renewable energy company in the country and wins an important transmission project.

Improvement in the net financial result contributed to a 56.8% increase in adjusted net income in 2Q23, compared to 2Q22.

Highlights

Recognition of amounts associated with the **right to extend the Estreito HPP concession** related to liability waiver, at R$ 243 million.

Adjusted net income was **R$ 806 million** in the 2Q23, 56.8% (R$ 292 million) higher than posted in the 2Q22.

The Company posted **adjusted Ebitda**[2] of **R$ 1,798 million** in the 2Q23, a decrease of 5.2% (R$ 99 million) compared to the 2Q22. The **adjusted Ebitda margin** was **68.9%** in the 2Q23, a growth of 5.6 p.p. compared with the 2Q22.

Net operating revenue reached **R$ 2,610 million** in the 2Q23, 12.9% (R$ 386 million) lower than recorded in the 2Q22.

The **average price of the energy sales agreements**, net of taxes on revenues and trading operations, was **R$ 219.80/MWh** in the 2Q23, 1.5% higher than registered in the 2Q22.

Excluding trading operations, the **energy sales volume** in the 2Q23 was 9,289 GWh (**4,253 average MW**), 4.1% lower than sold in the 2Q22.

On May 31, after the fulfillment of certain conditions precedent, **the disposal of the Pampa Sul Thermoelectric Power Plant was completed**. This was the last coal-burning plant in the Company's portfolio.

The Company **won Lot 5** at Aneel's 01/2023 Transmission Auction, with approximately 1,000 kilometers long, in the states of Bahia, Minas Gerais and Espírito Santo.

Commercial startup in 2Q23 of 10 more units of the Santo Agostinho Wind Complex, in the state of Rio Grande do Norte.

Consolidated acceleration of the Climate Journey, setting **clear and measurable goals and commitments covering scopes 1, 2 and 3**.

Summary of Financial and Operational Indicators

Consolidated (in R$ million)	2Q23	2Q22	Chg.	6M23	6M22	Chg.
Net Operating Revenue (NOR)	2,610	2,996	-12.9%	5,523	6,059	-8.8%
Results from Operations (EBIT)	1,478	1,456	1.5%	3,315	3,098	7.0%
Ebitda [1]	1,710	1,717	-0.4%	3,774	3,607	4.6%
Adjusted Ebitda [2]	1,798	1,897	-5.2%	3,862	3,774	2.3%
Non-recurrent effects adjusted Ebitda [3]	1,907	1,720	10.9%	3,799	3,380	12.4%
Ebitda / NOR - (%) [1]	65.5	57.3	8.2 p.p.	68.3	59.5	8.8 p.p.
Adjusted Ebitda / NOR - (%) [2]	68.9	63.3	5.6 p.p.	69.9	62.3	7.6 p.p.
Net Income	733	395	85.6%	1,615	1,040	55.3%
Adjusted Net Income	806	514	56.8%	1,688	1,150	46.8%
Adjusted Return on Equity (ROE) [4]	35.1	32.3	2.7 p.p.	35.1	32.3	2.7 p.p.
Adjusted Return on Invested Capital (ROIC) [5]	20.7	22.7	-2.0 p.p.	20.7	22.7	-2.0 p.p.
Net Debt [6]	13,890	16,342	-15.0%	13,890	16,342	-15.0%
Gross Power Production (avg MW) [7]	3,396	4,718	-28.0%	3,852	4,010	-3.9%
Energy Sold (avg MW) [8]	4,253	4,435	-4.1%	4,268	4,326	-1.3%
Average Net Sales Price (R$/MWh) [9]	219.80	216.60	1.5%	226.19	221.59	2.1%
Number of Employees - Total	1,133	1,218	-7.0%	1,133	1,218	-7.0%
EBE Employees	1,123	1,148	-2.2%	1,123	1,148	-2.2%
Employees on Under Construction Plants	10	70	-85.7%	10	70	-85.7%

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

Subsequent Events

A contract was signed for the **modernization** of 1 to 4 generating units and common systems of the **Jaguara Hydroelectric Power Plant**, in the amount of R$ 516 million.

Five more wind turbines at the Santo Agostinho Wind Complex were authorized for **test operations and one for commercial operations**.

On July 28, Fitch Ratings **raised the Company's IDR rating** (Issuer Default Ratings) on a long-term global scale in foreign currency **from BB to BB+**, with a stable outlook as a result of the improvement in the sovereign rating, still remaining one level above sovereign.

The Board of Directors approved the distribution of **R$ 767.2 million as intermediate dividends (R$ 0.94027879765/share) representing 55% of the distributable net income** reported in the first half of 2023. Shares will become ex-dividend as from August 22, 2023 and will be paid on a date to be determined later by the Management 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

This is a quarter to celebrate! Having completed the disposal of the Pampa Sul Thermal Power Plant, ENGIE Brasil Energia became the largest 100%-renewable electric energy generation company in Brazil. This is a milestone for the meticulously drawn strategy launched in 2015. In the past six years, the Company allocated over R$ 20 billion to the energy transition, including investments in clean energy and the implementation of transmission lines. The year 2023 has been one of significant progress.

In the last day of June, we also celebrated placing the winning bid for Lot 5 in Aneel's Transmission Auction 01/2023, concerning a concession to implement and operate over one thousand kilometers of transmission lines that will traverse the states of Bahia, Minas Gerais and Espírito Santo, meeting the demand for paths for the energy generated in the Northeast to flow to the Southeast. Over the course of the tender, we took part in fierce bidding where we displayed disciplined competitiveness, keeping a focus on delivery capacity, quality, safety and diligence as concerns investment timing and return.

This will be our fourth electric energy transmission asset. The Gralha Azul and Novo Estado transmission lines and substations continue to deliver high levels of uptime and we are evolving along the implementation of the Gavião Real Project, which concerns upgrading the Itacaiúnas Substation to serve the state of Pará's electric energy distribution grid and will integrate Novo Estado.

We are also moving forward in renewable generation expansion, with the implementation of three projects in the Northeast region of Brazil. The Santo Agostinho Wind Complex, in Lajes and Pedro Avelino, state of Rio Grande do Norte, reached 73% overall completion, and all ancillary works (access ways, grids and substation) are done. A total 12 generator units are commercially operational and another 15 are authorized for testing.

Also in Rio Grande do Norte, we have made progress implementing the Assú Sol Photovoltaic Complex, which in 2Q23 secured implementation licenses for the photovoltaic complex, collector substation and connection bay. This enabled starting the project's activities, such as trials, core samplings and preliminary studies. The Serra do Assuruá Wind Complex, made up of 24 wind farms to be implemented in a single phase in the municipality of Gentio do Ouro, state of Bahia, was granted installation licenses for the second half of the project and for the restricted-use transmission line, enabling construction works to proceed in line with the implementation schedule.



Jaguara Hydroelectric Power Plant

We continue to prosper along our Journey for Climate, setting **clear and measurable goals and commitments** drive by three action pillars – **Management, Mitigation and Adaptation** – that cover the entire value chain.

In 2Q23, ENGIE Brasil Energia posted a net operating revenues of R$ 2.6 billion, a decrease of 12.9% YoY, due mainly to the completion of the implementation of the Gralha Azul and Novo Estado Transmission Systems. Adjusted Ebitda recorded a decrease of 5.2%, reaching R$ 1.8 billion in 2Q23, with a 68.9% adjusted Ebitda margin (+5.6 p.p.). Adjusted Ebitda for transmission effects (excluding non-cash effects) increased by 10.9% compared to the same period of the previous year, from R$ 1.7 billion to R$ 1.9 billion. This indicator was negatively impacted by the reduction in sales volumes, to lower revenue from the remuneration of contract assets and the periodic tariff review of transmission assets. These effects were mitigated by the recognition of amounts related to the extension of the concession of Estreito HPP, to reduction in energy purchases and the increase in the net average energy sales price.

On the other hand, adjusted net income increased 56.8% compared to the same quarter in 2022, reaching R$ 806 million in 2Q23, due to the effects mentioned above in addition to the combination of a decrease in net financial expenses and an increase in income tax and social contribution.

In line with the context of the Free Energy Market's liberalization, the Company continues to strengthen its presence alongside with companies of various sizes in every region of Brazil, offering from simple migration solutions to sophisticated energy management products for large volumes contracted. In 2Q23, the number of free consumers increased by 23.1% compared with the same period of the previous year. Energy sales were made for delivery from 2024 to 2028 – average of 64 average MW in the period -, maintaining the average net selling price level above R$ 217/average MW.

In addition to offering our customers operations de-carbonization solutions, we continue to prosper along our Journey for Climate, setting clear and measurable goals and commitments drive by three action pillars – Management, Mitigation and Adaptation – that cover the entire value chain and aim to guide the Company's concrete actions towards reducing its greenhouse gas emissions and mitigating the effects of climate change.

With the total exit of coal operations, the Company's Greenhouse Effect Gases emissions originated in Scope 1 (operations) and 2 (energy consumption) were significantly reduced and, therefore, our climate strategy entered a new phase. Now the focus of the Journey for Climate program is on our indirect activities - Scope 3 - which involves purchases of materials, transport, and other services, and now are responsible for more than 90% of greenhouse gas emissions. This work requires broad understanding and engagement of the supply chain – and we are focused on making that happen responsibly.

In 2Q23, the Board of Directors approved the Company's weather-related goals and commitments, including the engagement of 100% of the main Scope 3 suppliers to set science-based targets by 2030. The Company also committed to reducing the intensity of greenhouse gas emissions by 30% by 2025 and 56% by 2030 (measured in tCO_2e/MWh). In addition, it plans to prepare climate adaptation plans for 100% of the assets by 2030 and to conduct regular training to employees, executive managers and board members twice annually.

Because we believe that innovation is a key element for the road ahead, we also executed our first investment contract with a startup company under the venture capital model. This is Descarbonize, a digital platform for accounting greenhouse gas emission and carbon tracking and compensation, intended for small and medium-sized companies active in the voluntary carbon market. It has potential for growth and return in line with the scenario's risk vs. opportunity balance rationale.

It is the systemic view that this message's various paragraphs reflect that enables us to ensure creating long-term value for our stakeholders, a central aspect of our management, and one that several organizations have been recognizing. In 2Q23, for the first time, ENGIE Brasil Energia joined the list of the 10 publicly traded companies posting the best shareholder returns, placing 4th in the Broadcast Empresas 2022 awards, hosted by Agência Estado. The Company was also in the top-3 of the Caliber ranking of how society perceives the ESG practices of the 32 companies listed in B3's Corporate Sustainability Index (ISE). For the second consecutive time, we were the highlight of the Energy category in the 2023 Melhores do ESG Awards given by Exame magazine.

Together, we continue to strengthen a positive strategy for business and for the world.

Good reading!



Eduardo Antonio Gori Sattamini
Chief Executive and Investor Relations Officer

Eduardo Takamori Guiyotoku
Chief Financial Officer

Breakdown of Assets

Energy Generation Assets

At the end of the 2Q23, ENGIE Brasil Energia had **8,176.9 MW of installed capacity** and operates a generating complex with 9,897.6 MW, comprised of 76 plants (11 hydro and 65 complementary energy source plants — biomass, SHP, wind powered and solar), 72 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 May 31, 2023, after the fulfillment of conditions precedent, the Company' completed the disposal of the Pampa Sul Thermal Power Plant, in line with the ENGIE Group's de-carbonization process.

Generating Complex as of June 30, 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	Feb/45	244.1
Salto Osório	Hydro	Iguaçu River (PR)	1,090.8	1,090.8	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			**8,115.1**	**6,404.5**		**3,226.5**
Santo Agostinho Complex - Phase I[1]	Wind Farm	Lages and Pedro Avelino (RN)	68.2	68.2	May/56	35.5
Campo Largo II Complex[2]	Wind Farm	Umburanas (BA)	361.2	361.2	Dec/54	192.5
Umburanas Complex - Phase I[3]	Wind Farm	Umburanas (BA)	360.0	360.0	Aug/49	213.3
Campo Largo I Complex[4]	Wind Farm	Umburanas (BA)	326.7	326.7	Jul/50	159.6
Trairi Complex[5]	Wind Farm	Trairi (CE)	212.6	212.6	Sep/41	88.3
Paracatu[6]	Solar	Paracatu (MG)	132.0	132.0	Jun/51	34.0
Floresta[7]	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			**1,782.5**	**1,772.4**		**829.4**
Total			**9,897.6**	**8,176.9**		**4,055.9**

** 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 composed of 14 wind power plants, 1 of which in full commercial operation.

2 Complex comprised of 11 wind power plants.

3 Complex comprised of 18 wind power plants.

4 Complex comprised of 11 wind power plants.

5 Complex comprised of 8 wind power plants.

6 Complex composed of 4 photovoltaic power plants.

7 Complex composed of 3 photovoltaic power plants.

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 June 30, 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.

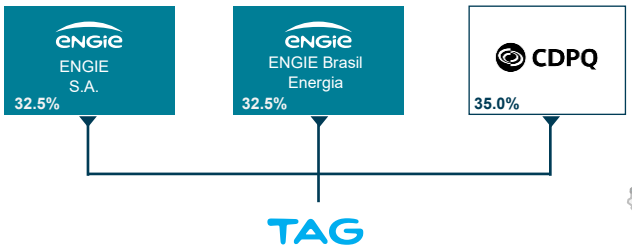
The largest natural gas transportation operation in Brazil, TAG has an infrastructure of 4,500 km of high-pressure gas pipelines extending along the country's southeastern and northeastern seaboards as well as a further section of line between Urucu and Manaus, in the state of Amazonas, crossing 10 Brazilian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

The gas pipeline network has several interconnection points, among them, 14 active gas entry points (including two Liquified Natural Gas (LNG) terminals) and a further 90 gas delivery points (one more under construction), conection with 10 gas distributors, serving three refineries, eight thermoelectric power plants and two fertilizer plants. The network's mesh has 11 compression stations, six of which own and five contracted (and slated for acquisition by August 2023). 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.

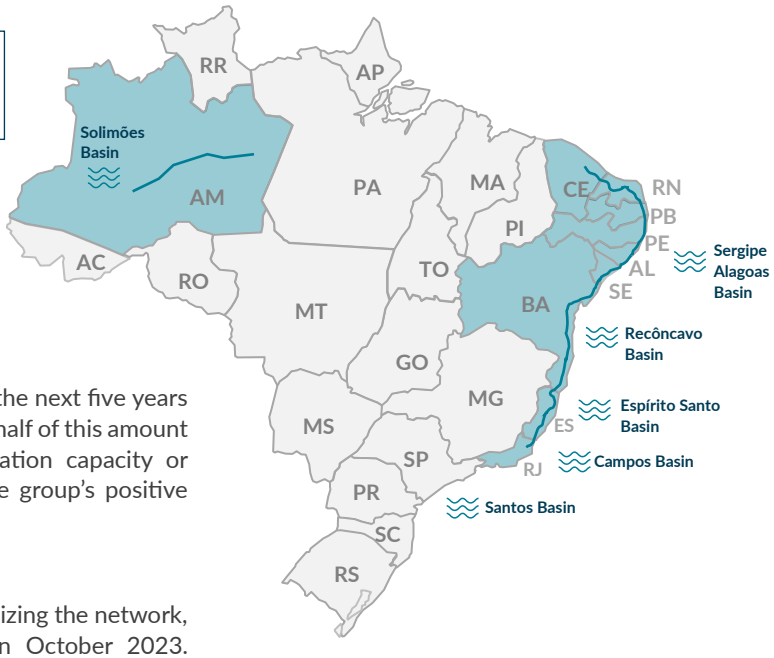
The company is fully contracted with Petróleo Brasileiro S.A. (Petrobras), the weighted average term of current agreements is approximately seven years, regulated by the National Petroleum Agency (ANP).

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 50 extraordinary agreements** in the 1H23 with 18 carriers (components of 11 distinct economic groups), representing a total volume of 13,8 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 the second quarter of 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. In May 2023, the Ministry of Mines and Energy approved Sergipe's application as a Priority Project.
- **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 m^3/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.

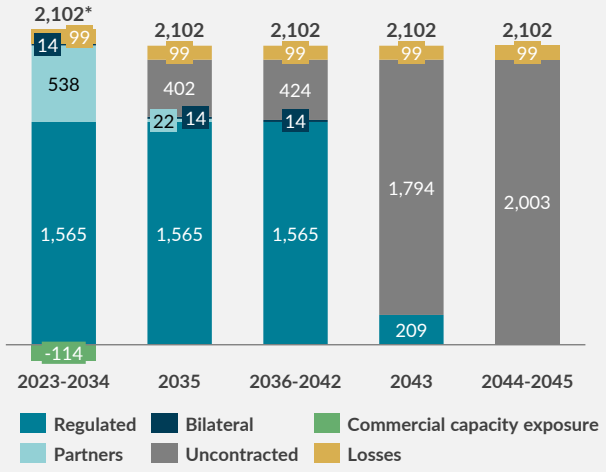


In 2Q23, the Jirau Energia generated 1,883.3 average MW, 11.7% lower than the 2,133.6 average MW for 2Q22, **while the National Electrical System Operator Uptime Ratio (FID) was 100%** (data subject to final Electric Energy Trade Board (CCEE) booking).

Despite the favorable hydro-energy situation in Brazil in early 2023, there has been a decrease in generation at the Jirau HPP, due to the transmission constraint imposed on plants of the Madeira Complex, preventing them from operating at full capacity. Furthermore, the favorable energy scenario throughout Brazil, with particular emphasis on renewables (solar and wind), often led the National System Operator (ONS) to order reductions in the Jirau HPP's energy output because of the large supply on the National Interconnected System (SIN).

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.

Asa Branca Transmission System - Bahia, Minas Gerais and Espírito Santo

The Company won **Block 5** in the Transmission Auction 01/2023, promoted by Aneel, offering a 42.8% discount on the maximum RAP, the second lowest discount in the auction. Named as Asa Branca, at a **length of 1,006 kilometers** in the states of Bahia, Minas Gerais and Espírito Santo the project provides for the implementation of four 500 kV single-circuit transmission lines. The concession period for the public transmission service, including licensing, construction, operation and maintenance of the transmission facilities, will be 30 years from the date of execution of the concession contract. The maximum construction period is 66 months, with the possibility of significant anticipation.

Block	Location	Contracted RAP (R$ million)[1]	Estimated Aneel Capex (R$ million)[1]
5	Bahia (BA), Minas Gerais (MG) and Espírito Santo (ES)	249.3	2,667.0
Total		**249.3**	**2,667.0**

1 Value as of December 2022.

Transmission Project 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, in addition to a capex reduction forecasted by Aneel.

The installation license and the authorization for plant cover suppression were granted in 1Q23, and Abengoa's mobilization process began.



Construction site earthworks

In 2Q23, there was an advance in executive projects and the construction site was completed.

The second quarter of 2023 saw progress in the executive projects and plant cover suppression, the beginning of earthworks, and the completion of the construction site. In addition, the equipment is at advanced manufacturing stages, with the first deliveries set for July 2023.

Block	Location	Contracted RAP (R$ million)[1]	Estimated Capex (R$ million)[2]
7	Pará (PA)	7.1	80.9
Total		**7.1**	**80.9**

1 Value as of June 2023.
2 Value as of June 2023, considering optimization against Aneel's capex reference (R$ 110.0 million in Jun/22).

Wind Projects under Implementation

Power plants	Source	Location	Installed Capacity (MW)		Assured energy (aMW) Company's Share
			Total	Company's Share	
Santo Agostinho Complex - Phase I	Wind Farm	Lajes and Pedro Avelino (RN)	434.0	434.0	221.1
Serra do Assuruá Complex	Wind Farm	Gentio do Ouro (BA)	846.0	846.0	412.0
Total			**1,280.0**	**1,280.0**	**633.1**

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 2Q23, **the overall progress on the work had reached 73%,** with the completion of all ancillary works (access ways, networks and substation). Supplied by Siemens Gamesa, the wind turbines continue to be manufactured and transported to the construction site, 76% of the principal equipment components having been received on site. As of August 8, the project has 12 commercially operational wind turbines and another 15 cleared for tests operations.



Wind turbines assembly

In 2Q23, general progress of work reached 73% with 11 generating units under commercial operations.

As subsequent events, on July 4 and August 4, two blades of two recently installed wind turbines at the project endured damages, with only material damage. The area where the wind turbines are installed has been strictly isolated and poses no risk to working teams. In addition, all equipment was put under temporary stoppage for prevention and assessment but without reflection on the implementation schedule, considering the information available so far. **Therefore, the forecast for the full completion of the project implementation remains for the fourth quarter of 2023**.

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. The other environmental licenses for installation, applicable to the second half of the project and the restricted use transmission line, were secured in June 2023, enabling construction to proceed in line with the implementation schedule.

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. In June 2023, the Company executed an investment agreement with Itaú Unibanco, under which the bank subscribed R$ 1 billion in new preferred shares, equivalent to 100% of preferred shares and 12.34% of the equity capital of Maracanã Geração de Energia e Participações S.A., the holding company for the Special-Purpose Entities (SPEs) comprising the Serra do Assuruá Wind Complex.

Installation licenses awarded for the second half of the project and the restricted use transmission line were secured.

In 2Q23, access way earth moving, the excavation of wind turbine foundations and excavations for medium-voltage line posts were under way. In addition, the laying of the foundations for the collector substation began.

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** (as of Jan/23), 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.

In April 2023, the Company received installation licenses for the photovoltaic complex, collector substation and connection bay, thus permitting work to begin.

The Company has signed the main supply agreements for solar panels, inverters, trackers, and connection construction work. Remaining contracts are at the final stages of negotiation. Start on implementation is forecast for the third quarter of 2023. The project's preliminary activities began with essays, core soundings and studies.

Construction works are set to begin in 3Q23 and the project is expected to become fully operational in the 2H25.

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

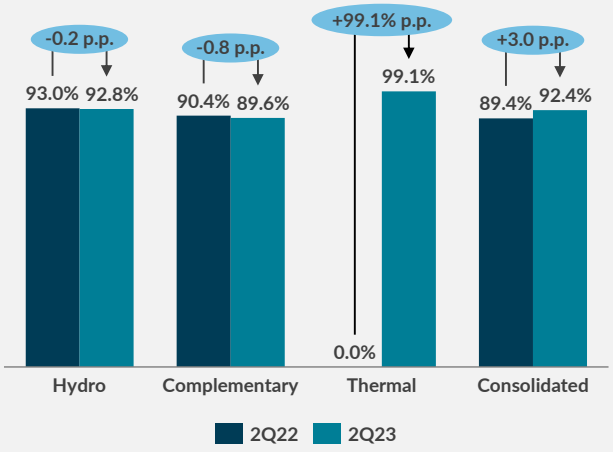
The plants operated by ENGIE Brasil Energia reported uptime working of **92.4% in 2Q23, if all scheduled and forced shutdowns are taken into account**: 92.8% for the hydroelectric plants, 89.6% with respect to the plants fired from complementary energy sources, namely SHPs, biomass, wind and photovoltaics, and 99.1% for the Pampa Sul Thermoelectric Power Plant, considering only the months of April and May, as the Plant's disposal process was completed on May 31, 2023.

Uptime at the **hydroelectric plants** reported a reduction of 0.2 p.p. in 2Q23, compared with 2Q22, influenced largely by the scheduled maintenance at the Cana Brava Hydro Plant and modernization of the digital systems of Generating Units 1 and 3 of the Miranda Hydro Plant and the generator of Unit 1 of the Jaguara Hydro Plant.

In relation to the **complementary plants**, there was a decrease of 0.8 p.p. in uptime working in 2Q23 compared with the same quarter in 2022, due mainly to the decreased uptime of certain Wind Complexes, caused largely by problems involving frequency converters and wind turbine blades.

Uptime Operating

Considering scheduled shutdowns



In relation to the **Pampa Sul Thermoelectric Plant**, the Plant's disposal process was completed in late May 2023. As a result, inter-period comparisons will no longer be drawn, as the Plant remained non-operational for preventive furnace maintenance in 2Q22.

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 second quarter of 2023, with a **total uptime index of 99.97%.** 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

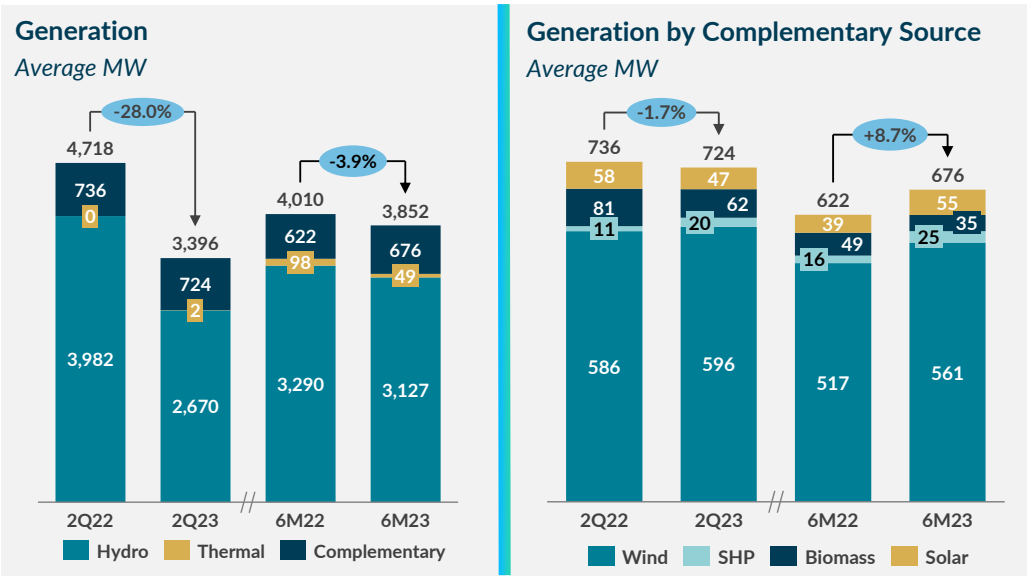
Electricity output from plants operated by ENGIE Brasil Energia was 7,418 GWh (3,396 average MW) in 2Q23, result **28.0% lower** than production for the 2Q22.

Total output breaks down as follows: hydroelectric plants 5,832 GWh (2,670 average MW) and the complementary source units 1,581 GWh (724 average MW). These results point, respectively, decreases of 32.9% and 1.6% in the hydroelectric and complementary energy source in relation to the 2Q22. The Pampa Sul Thermal Power Plant, while disposal process was completed in late May 2023, remained almost entirely inactive in the months of April and May, due to the beneficial hydrological conditions, generating 4 GWh (2 average MW).

The decrease in total generation **from the hydropower plants** in 2Q23 compared with 2Q22, was mainly a factor for plants in the South region, whose resources were spared because of the surplus hydro resources in the Southeast and wind generation in the Northeast. The National System Operator (ONS) prioritized generation in those plants to optimize output across the entire National Integrated System.

At **complementary plants,** the decrease in generation in 2Q23 comparing with the 2Q22 is due mainly to low output at the Lages Co-Generation Plant, the weather event that reduced generation at the Paracatu Photovoltaic Complex in early April 2023, and reduced generation in certain Wind Complexes. It is worth emphasizing that this quarter saw the commercial startup of 10 wind turbines at the Santo Agostinho Wind Complex.

No comparisons will be drawn for **thermal power plants** because the Pampa Sul TPP remained inactive for preventive boiler maintenance works in 2Q22.



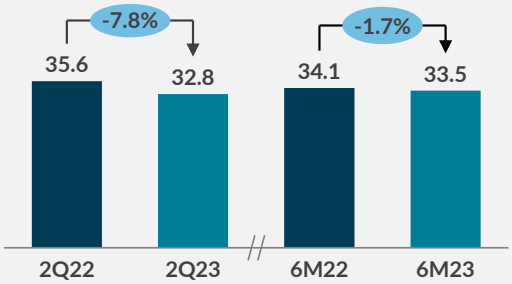
Finally, with the decrease in electric energy production in 2Q23, **it is worth emphasizing that the amount of hydro generation does not necessarily affect the Company's economic and financial performance**. This is due to the application of the Energy Reallocation Mechanism (MRE), where the inherent hydrological risks of hydropower generation are shared proportionally among MRE participants.

Gas Transportation

In 2Q23, TAG transported an average volume of gas of 32.8 million m³/day (35.6 million m³/day in the 2Q22). Extraordinary agreement volume was 13,8 million m³/day, representing approximately 17% of TAG's total contracted volume, and 24% if only the integrated network (excluding GTA Urucu-Manaus, where Petrobras remains sole carrier) is considered. In the 1H23, 50 transportation agreements were signed with 18 carriers.

Average volume of gas transported

MM m³/day



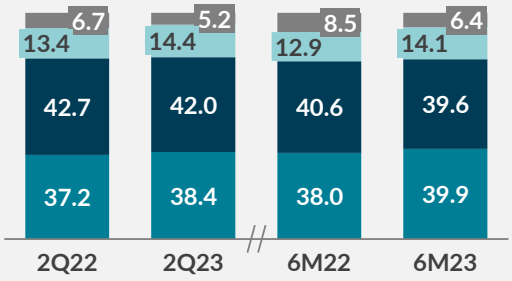


Transportadora Associada de Gás - TAG

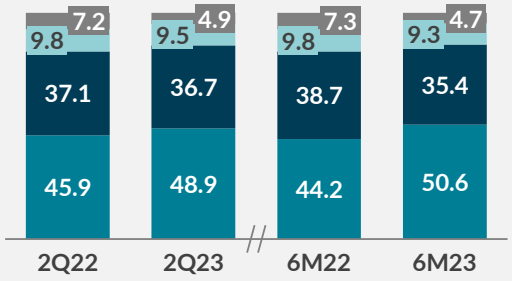
Electric Energy Sales Portfolio

In 2Q23, the participation of free consumers in the Company's portfolio (excluding the CCEE and other revenues) reached 42.0% of total physical sales and 36.7% of Net Operating Revenue (NOR), of the generation segment, decreases of 0.7 p.p. and 0.4 p.p., respectively, in relation to the same period in 2022. The reduced share of total revenue is mainly due to termination of supply contracts and the reduction in the availability of electricity for sale to free consumers.

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 **June 30, 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$/MWh)
	Own Resources	4,064	4,146	4,598	4,718	4,718	4,718				
+	Purchases for Resale	1,270	886	500	430	334	329				
=	**Total Resources (A)**	**5,334**	**5,032**	**5,098**	**5,148**	**5,052**	**5,047**				
	Government Auction Sales[1]	1,878	1,751	1,738	1,728	1,719	1,709				
	2005-NE-2010-30	200	200	200	200	200	200	115.1	Dec-05	295.4	265.4
	2006-NE-2009-30	493	493	493	493	493	493	128.4	Jun-06	324.1	291.2
	2006-NE-2011-30	148	148	148	148	148	148	135.0	Nov-06	338.5	304.1
	2007-NE-2012-30	256	256	256	256	256	256	126.6	Oct-07	304.8	273.9
	Proinfa	19	19	19	19	10	-	147.8	Jun-04	442.5	426.4
	1st Reserve Energy Auction	14	14	2	-	-	-	158.1	Aug-08	363.6	350.3
	Auction Mix (New Energy / Reserve)	14	9	8	-	-	-	-	-	358.6	345.5
	2014-NE-2019-25	122	-	-	-	-	-	183.5	Mar-14	294.9	264.9
	2014-NE-2019-25	10	10	10	10	10	10	206.2	Nov-14	342.4	329.9
	2014-NE-2019-20	82	82	82	82	82	82	139.3	Nov-14	223.9	203.2
	2015-NE-2018-20	46	46	46	46	46	46	188.5	Aug-15	280.7	254.7
	8th Reserve Energy Auction (Assú V/Floresta/Paracatu)	68	68	68	68	68	68	296.7	Nov-15	427.3	387.7
	2017-EN-2019-20	48	48	48	48	48	48	136.4	Nov-14	224.3	203.6
	Government Auction - Quotas regime										
	2018 - Quotas (UHJA) - 2018-30	226	226	226	226	226	226	-	Jul-17	181.7	173.3
	2018 - Quotas (UHMI) - 2018-30	132	132	132	132	132	132	-	Jul-17	209.5	199.8
+	Bilateral Sales	3,079	2,632	2,359	2,126	1,282	693				
=	**Total Sales (B)**	**4,957**	**4,383**	**4,097**	**3,854**	**3,001**	**2,402**				
-	**Structural GSF Hedge (0.80)**	**377**	**521**	**521**	**521**	**521**	**521**				
	Balance (A - B)	**-**	**128**	**480**	**773**	**1,530**	**2,124**				
	Sales average **net** price (R$/MWh) [2, 3]:	217.2	222.4	213.5							
	Purchases average **net** price (R$/MWh) [4]:	176.0	163.6	136.8							

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.

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 – 2Q23 X 2Q22 (in R$ million)

	Electric Energy				
	Generation[1]	Transmission	*Trading*	Gas transportation	Consolidated
2Q23					
Net operating revenue	2,251	252	107	-	2,610
Operational costs	(838)	(134)	(106)	-	(1,078)
Gross income	**1,413**	**118**	**1**	**-**	**1,532**
Selling, general and administrative expenses	(100)	(8)	(1)	-	(109)
Other operating revenues (expenses), net	(2)	(63)	-	-	(65)
Impairment, net	1,201	-	-	-	1,201
Disposal of subsidiary	(1,289)	-	-	-	(1,289)
Equity income	-	-	-	208	208
Income before financial results and taxes	**1,223**	**47**	**-**	**208**	**1,478**
2Q22					
Net operating revenue	2,366	466	164	-	2,996
Operational costs	(1,083)	(200)	(161)	-	(1,444)
Gross income	**1,283**	**266**	**3**	**-**	**1,552**
Selling, general and administrative expenses	(77)	3	(1)	-	(75)
Impairment	(180)	-	-	-	(180)
Equity income	-	-	-	160	160
Income before financial results and taxes	**1,026**	**269**	**2**	**160**	**1,457**
Change					
Net operating revenue	(115)	(214)	(57)	-	(386)
Operational costs	245	66	55	-	366
Gross income	**130**	**(148)**	**(2)**	**-**	**(20)**
Selling, general and administrative expenses	(23)	(11)	-	-	(34)
Other operating revenues (expenses), net	(2)	(63)	-	-	(65)
Impairment, net	1,381	-	-	-	1,381
Disposal of subsidiary	(1,289)	-	-	-	(1,289)
Equity income	-	-	-	48	48
Income before financial results and taxes	**197**	**(222)**	**(2)**	**48**	**21**

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

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

Net Operating Revenue

Operating revenue by segment – 2Q23 X 2Q22 (in R$ million)

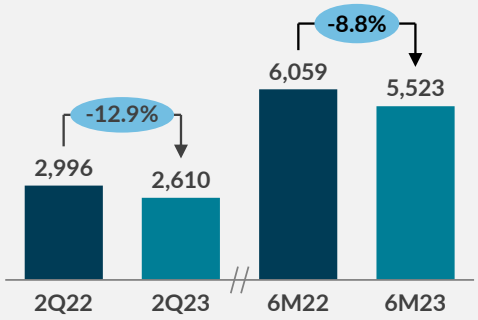
	Electric Energy			
	Generation	Transmission	Trading	Consolidated
2Q23				
Distribution companies	1,050	-	-	1,050
Free consumers	787	-	-	787
Remuneration of concession assets	104	138	-	242
Trading companies	204	-	-	204
Energy trading operations	-	-	106	106
Construction revenue	-	97	-	97
Transactions in the short-term market	64	-	1	65
Services rendered revenue	36	17	-	53
Other revenues	6	-	-	6
Net operating revenue	**2,251**	**252**	**107**	**2,610**
2Q22				
Distribution companies	1,038	-	-	1,038
Free consumers	838	-	-	838
Remuneration of concession assets	164	292	-	456
Trading companies	222	-	-	222
Energy trading operations	-	-	163	163
Construction revenue	-	166	-	166
Transactions in the short-term market	62	-	-	62
Services rendered revenue	34	8	-	42
Unrealized gains on trading operations	-	-	1	1
Other revenues	8	-	-	8
Net operating revenue	**2,366**	**466**	**164**	**2,996**
Change				
Distribution companies	12	-	-	12
Free consumers	(51)	-	-	(51)
Remuneration of concession assets	(60)	(154)	-	(214)
Trading companies	(18)	-	-	(18)
Energy trading operations	-	-	(57)	(57)
Construction revenue	-	(69)	-	(69)
Transactions in the short-term market	2	-	1	3
Services rendered revenue	2	9	-	11
Unrealized gains on trading operations	-	-	(1)	(1)
Other revenues	(2)	-	-	(2)
Net operating revenue	**(115)**	**(214)**	**(57)**	**(386)**

In 2Q23, net operating revenues were down 12.9% (R$ 386 million) versus 2Q22, from R$ 2,996 million to **R$ 2,610 million**. This change was mainly a reflection of the following factors:

Transmission: R$ 214 million (45.9%) decrease in the transmission segment. Additional details provided in a specific item ahead.

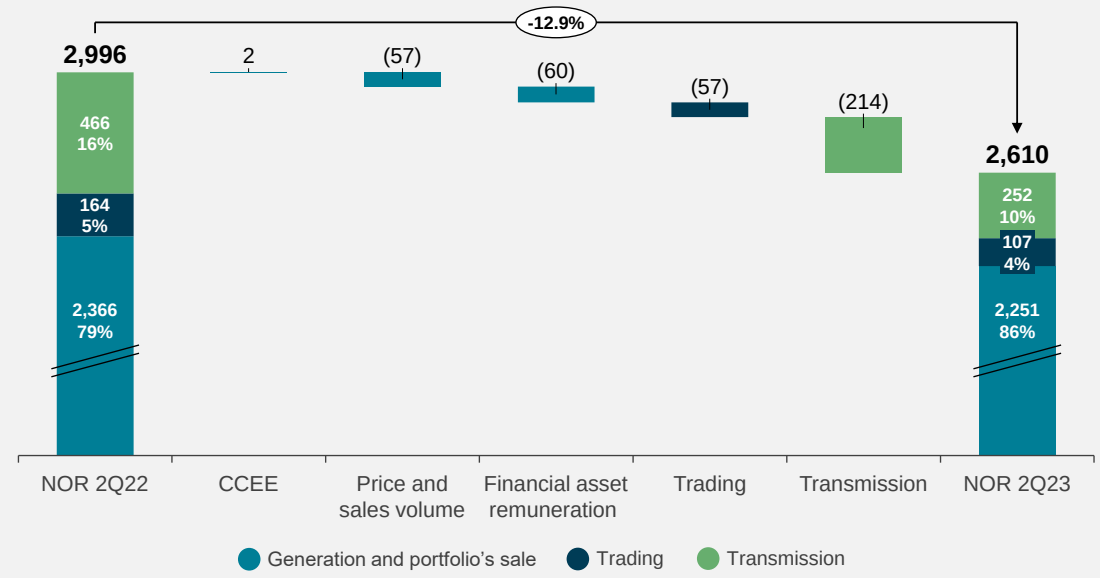
Generation and sale of energy from the portfolio: down R$ 115 million (4.9%), due largely to a combination of the following: (i) R$ 60 million decrease in the return of financial concession assets corresponding to the portion of payment for the Jaguara and Miranda Hydro Plants' concessions associated with the energy allocated to the Regulated Contracting Environment (ACR) because of the lower inflation between periods; (ii) R$ 57 million decrease in revenues from power purchase agreements in the regulated and free environments, a result of the decreased volume of energy sold, mitigated by the higher net average selling price; and (iii) R$ 2 million increase in transactions on the short-term market, in particular at the Electric Energy Trading Exchange (CCEE). Additional details provided in the item "Detailed Short-Term Operations".

Net Operating Revenue
R$ million



Trading: R$ 57 million (34.8%) decrease arising mainly from a decrease in revenues from transactions made. Additional details provided in a specific item ahead.

Net Operating Revenue Change by Segment
R$ million



Comments on Variation in Net Operating Revenue

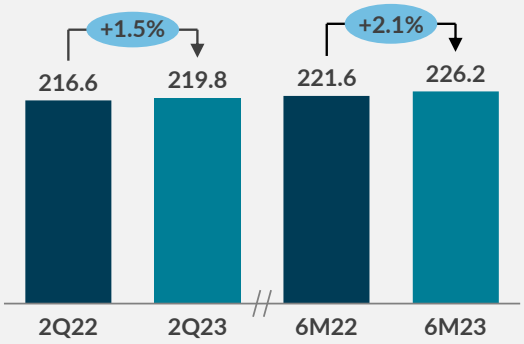
Generation and Sales of Energy from the Portfolio

- **Net Average Selling Price**

The average selling price of energy, net of charges on revenues and trading operations, was **R$ 219.80/MWh in 2Q23, up 1.5%** from 2Q22's R$ 216.60/MWh. As a result, it caused an increase of R$ 26 million between the quarters.

The price increase was largely due to the monetary restatement of existing agreements and a slight increase in the Differences Settlement Price (PLD), partially mitigated by the sale of the subsidiary Pampa Sul, which had energy sales prices above the average sales price of the rest of the Company's portfolio.

Net Average Selling Price*
R$/MWh

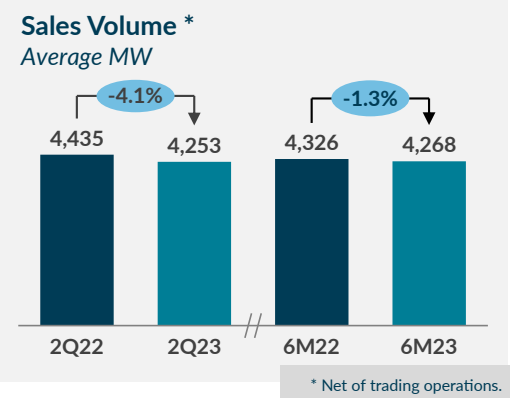


* Net of sale taxes and trading operations.

- **Sales Volume**

The volume of energy sold under contract, net of trading operations, dropped from 9,685 GWh (4,435 average MW) in 2Q22 to **9,289 GWh (4,253 average MW) in 2Q23**, down 396 GWh (182 average MW), or 4.1% year on year, with a negative impact of R$ 83 million.

The decrease in the volume of energy sold was due to the lower sales volume made available to free consumers and reduction in sales volume to distributors as a result of the sale of the subsidiary Pampa Sul.



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

Revenue from sales to distribution companies was R$ 1,050 million in 2Q23, up R$ 12 million (1.2%) from 2Q22's R$ 1,038 million. The following effects caused the change: (i) R$ 35 million — 3.4% increase in the net average selling price; and (ii) R$ 23 million — 86 GWh (40 average MW) in sales volume decrease.

The higher net average selling price between the quarters at hand was mainly the product of the monetary restatement of selling prices between periods, partly offset by the year-on-year increase in reimbursements under the regulated environment contracts.

The decrease in sales volume between periods is mostly a consequence of seasonal sales weighting, together with the disposal of subsidiary Pampa Sul.

  - Free Consumers:

Revenues from sales to free consumers was down R$ 51 million (6.1%) year-on-year, from R$ 838 million in 2Q22 to **R$ 787 million in 2Q23**. The decrease is due to the 332 GWh (152 average MW) lower volume of energy sold (R$ 63 million), mitigated by the 1.4% increase in net average selling price (R$ 12 million).

The change in the volume of energy sold is mainly due to the expiration of supply agreements and the decrease in the electric energy made available for sale to these consumers. The higher net average selling price was mostly caused by the monetary restatement of agreements in force, partly offset by lower prices under new contracts, under the influence of a market-wide price drop.

  - Trading Companies:

In 2Q23, revenues from sales to trading companies were R$ 204 million, down R$ 18 million (8.1%) from 2Q22's R$ 222 million. The change is explained by a combination of the 9.2% decrease in net average selling price (R$ 21 million) and the 22 GWh (10 average MW) increase in the volume of energy sold (R$ 3 million).

The price decrease was essentially due to the drop in short-term market prices. These are pegged to the PLD, which remained low throughout 2022, thereby impacting prices in 2Q23. Prices in 2Q22 were the product of 2021's high PLD. The decrease in 2Q23 was slightly offset by the monetary restatement of agreements in force. The higher quantity year-on-year was mainly a product of new agreements executed to manage the Company's portfolio.

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

In 2Q23, revenues from the short-term market were **R$ 64 million**, versus R$ 62 million in 2Q22. This represents a **R$ 2 million (3.2%) increase** between the quarters at hand. Additional explanations on these operations and the variation observed can be found in "Detailed of Short-Term Operations".

- **Remuneration of Concession Financial Assets**

Concession financial assets represent the present value of the future cash flows from the tranche of energy allocated to the Regulated Contracting Environment (ACR) as concerns the Jaguara and Miranda Hydro Plants, equivalent to 70% da of their physical guarantee. These assets are remunerated at the internal rate of return and the change in the Consumer Price Index – Extended (IPCA).

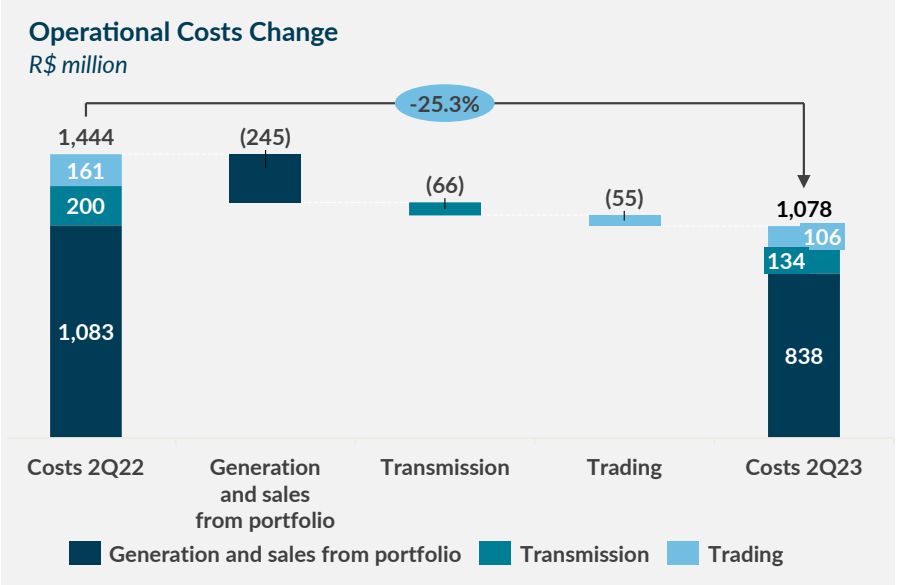
Remuneration of concession financial assets dropped from R$ 164 million in 2Q22 to **R$ 104 million in 2Q23, down R$ 60 million (36.6%)**. The change was largely due to the lower IPCA between comparative periods.

Operational Costs

Costs by segment – 2Q23 x 2Q22 (in R$ million)

	Electric Energy			
	Generation	Transmission	Trading	Consolidated
2Q23				
Electric power purchases	340	-	100	440
Depreciation and amortization	217	4	-	221
Charges for the use of power grid and connection	168	-	-	168
Construction costs	-	113	-	113
Materials and third-party services	102	9	-	111
Transactions in the short-term market	101	-	-	101
Personnel	63	4	-	67
Fuel for generation	44	-	-	44
Royalties	21	-	-	21
Insurance	18	2	-	20
Unrealized losses on trading operations	-	-	6	6
Concession period extension	(239)	-	-	(239)
Other operational costs, net	3	2	-	5
Operational costs	**838**	**134**	**106**	**1,078**
2Q22				
Electric power purchases	423	-	157	580
Depreciation and amortization	251	-	-	251
Charges for the use of power grid and connection	149	-	-	149
Construction costs	-	196	-	196
Materials and third-party services	99	4	-	103
Transactions in the short-term market	36	-	-	36
Personnel	40	-	-	40
Fuel for generation	8	-	-	8
Royalties	34	-	-	34
Insurance	18	-	-	18
Unrealized losses on trading operations	-	-	4	4
Other operational costs, net	25	-	-	25
Operational costs	**1,083**	**200**	**161**	**1,444**
Change				
Electric power purchases	(83)	-	(57)	(140)
Depreciation and amortization	(34)	4	-	(30)
Charges for the use of power grid and connection	19	-	-	19
Construction costs	-	(83)	-	(83)
Materials and third-party services	3	5	-	8
Transactions in the short-term market	65	-	-	65
Personnel	23	4	-	27
Fuel for generation	36	-	-	36
Royalties	(13)	-	-	(13)
Insurance	-	2	-	2
Unrealized losses on trading operations	-	-	2	2
Concession period extension	(239)	-	-	(239)
Other operational costs, net	(22)	2	-	(20)
Operational costs	**(245)**	**(66)**	**(55)**	**(366)**

Operational costs were down R$ 366 million (25.3%) between quarters, from R$ 1,444 million in 2Q22 to **R$ 1,078 million in 2Q23**. This was mainly the reflection of a combination of the following: (i) R$ 245 million (22.6%) decrease in the costs of the Company's generation and sales of energy from the portfolio segment; (ii) R$ 66 million (33.0%) decrease in the costs of the transmission segment, mainly due to lower construction costs; and (iii) a R$ 55 million (34.2%) decrease in energy trading operations' 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:** There was a R$ 83 million (19.6%) decrease in energy purchases between 2Q22 and 2Q23, due largely to a combination of the 372 GWh (170 average MW) decrease in the volume of energy purchased (-R$ 65 million) and the 4.2% decrease in net average energy purchase price (-R$ 18 million). The lower volume is due to a decrease in purchases for the purposes of portfolio management. The lower net average purchase price reflects the higher prices in force in 2022, a consequence of 2021's high PLD.

- **Transactions in the short-term energy market:** costs associated with these transactions were up R$ 65 million (180.6%) year on year. Additional explanations on these transactions and the change can be found in "Details of Short-Term Operations".

- **Fuels for generation:** up R$ 36 million (450.0%) between quarters. The change was due to (i) the R$ 39 million increase at the Pampa Sul TPP, arising from the increase in generation and the payment of ICMS on purchased coal, which included a special deferral regime for the sale of energy; and mitigated by (ii) the R$ 3 million decrease at the Lages Co-Generation Plant (UCLA), due to the plants' generation decrease.

- **Depreciation and amortization:** down R$ 34 million (13.5%) between the comparative quarters. The decrease is mainly a consequence of the cessation of Pampa Sul's depreciation because of its recognition as a Non-Current Asset Held for Sale and subsequent disposal in May 2023.

- **Personnel:** up R$ 23 million (57.5%) between the comparative quarters, due largely to the annual adjustment of employee pay and benefits, increase provisioning for bonuses and profit sharing, and the higher headcount year-on-year, partially mitigated by the sale of the subsidiary Pampa Sul.

- **Charges for the use of the electric network and connection:** up R$ 19 million (12.8%) between the comparative quarters, due largely to the annual restatement of transmission and distribution charges and the partial commercial startup of the Santo Agostinho Wind Complex in 2023. The gain was partly mitigated by the negative restatement of the distribution charge for the Miranda HPP, due to a specific Aneel certifying resolution associated with the annual quotas regime.

- **Financial compensation for the use of water resources (royalties):** down R$ 13 million (38.2%) between the comparative quarters essentially due to reduced generation at the hydro plants in 2Q23 vis-à-vis 2Q22 mitigated by the annual restatement.

- **Concession period extension:** Law 13.360/16 provides for Aneel to add to the original concession periods a like number of days as there are events excluding the responsibility of the agent recognized by the regulator. Based on this law, Aneel's Collegiate Board approved Technical Note 877/2022–SCG/SFG/ANEEL on January 31, 2023, resolving that the concession period replenishment days shall shift GSF (*Generation Scaling Factor*) extension days. This will cause the later to be recalculated over time, extending the concession period for the Estreito HPP by 852 days. On April 27, 2023, Aneel issued Official Notice 281/2023-SRG-SCG/ANEEL, requesting CCEE to calculate the concession extension. CCEE performed the calculations in document CT-CCEE06666/2023, published on May 10, 2023, generating 620 additional days beyond the previously calculated extension.

In view of this, in 2Q23, an intangible asset was recognized, corresponding to the right to extend the concession in the amount of R$ 243 million, as a contra entry to the "Extension of concession term" item in the income statements, in the amount of R$ 239 million, and the liability for concessions payable, in the amount of R$ 4 million.

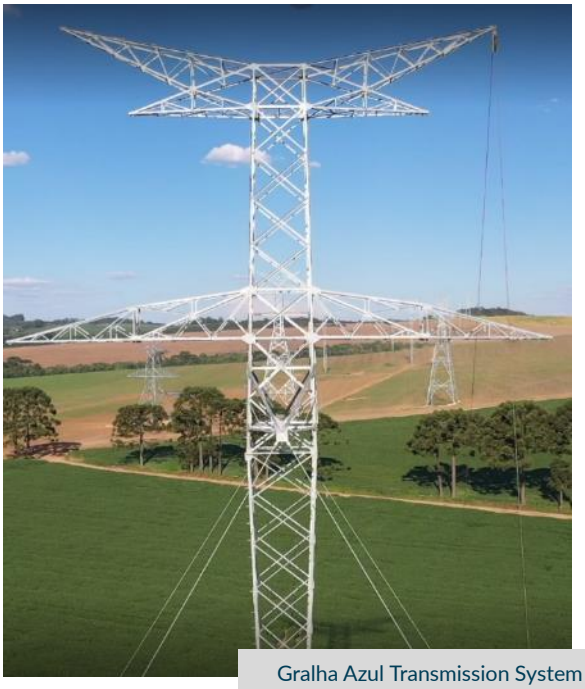
The remaining costs of this segment showed no significant variations between the quarters and years analyzed.



Estreito 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 margin on the construction services provided. 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

Gross result from the energy transmission segment was a positive R$ 118 million in 2Q23, down R$ 148 million (55.6%) from 2Q22's R$ 266 million. The variation is largely due to (i) a R$ 154 million (52.7%) decrease in concession assets remuneration, caused in particular by the lower inflation rates and reduced contract asset balances because of the tariff revision; and (ii) a positive R$ 14 million (46.7%) in net result from construction revenues and costs (reductions of R$ 69 million and R$ 83 million, respectively), arising mainly from the completion of construction works for the Gralha Azul and Novo Estado Transmission Systems.

In addition, 2Q23 saw the recognition of other operational expenses in the amount of R$ 64 million, with a negative impact on results arising from the periodic tariff revision for the offset against the contractual asset, based on CVM Circular Notice 04/2020 and Aneel Certifying Resolution 3.216, of July 4, 2023, because of the drop in NTN-B. The tariff is calculated based on the composition of the issued debt amount and the interest rates implicit in secondary market quotes for the last 5 years. Due to the revision, the contractual asset balance is adjusted to consider the new financial flow.

RAP receipts net of PIS and Cofins in 2Q23 were R$ 184 million, 97.8% above the R$ 93 million recorded in 2Q22, of which R$ 167 million (R$ 85 million in 2Q22) corresponding to amortization of the contractual asset, offset against the contractual asset account, and R$ 17 million (R$ 8 million in 2Q22) concerning revenues from O&M services rendered. The breakdown of the Regulatory transmission Ebitda is provided below.

(In millions of R$)	2Q23	2Q22	Change
RAP, net of PIS and Cofins	184	93	91
Operational costs	(17)	(4)	(13)
Selling, general and administrative expenses	(8)	3	(11)
Operational revenues, net	1	-	1
Regulatory transmission Ebitda	**160**	**92**	**68**

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 was down R$ 2 million (66.7%), from R$ 3 million in 2Q22 to R$ 1 million in 2Q23, due to the following: (i) R$ 3 million decrease between periods from the marking-to-market of future supply transactions — the gap between contracted and market prices; mitigated by the (ii) R$ 1 million increase in results from energy buying and selling 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 2Q23 and 2Q22, **net results** (difference between revenues and costs — net of taxes) from short-term operations — especially those realized within the scope of the CCEE — **were a negative R$ 36 million** and a positive R$ 26 million, respectively. This represents a **R$ 62 million decrease between the comparative periods**, comprised of a R$ 63 million decrease in results from the generation and sale of energy from the portfolio segment' transactions and a R$ 1 million increase in results from energy trading transactions.

These changes were essentially as a result of the following factors: (i) negative MRE effects because of low hydro generation and the consequent increase in the reimbursable amount to other MRE players; (ii) negative impact of the MRE's Adjustment Factor (GSF) due to the lower volume of energy produced in the MRE resulting in negative variation between the periods under analysis; (iii) positive impact of the export of excess hydro capacity, that is energy not used to serve the National Interconnected System (SIN) and that MRE-member hydro plants would have wasted was allocated to a new commercial transaction with neighboring countries; (vi) free energy reduction because of the seasonally weighted energy allocation strategy over the periods, combined with the positive variation in PLD; and (v) a decrease in the negative modulation impacts between quarters.

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	2Q23	2Q22	Chg. 2Q (%)
South	69.04	50.70	23.9%
Southeast/Center-West	69.04	50.70	23.9%
Northeast	69.04	50.70	23.9%

Disposal of a Subsidiary

On May 31, 2023, after the fulfillment of the applicable conditions precedent the Company completed the disposal of its equity interest in its subsidiary Usina Termelétrica Pampa Sul S.A. ("Pampa Sul"). On that date, the entity ceased to be controlled by the Company and was de-consolidated. The result of the disposal of the asset, net of selling costs (negative R$ 1,289 million), and impairment reversal (R$ 1,243 million), was a negative R$ 46 million in 2Q23.

Impairment

Furthermore, aside from the impairment reversal associated with the disposal of Pampa Sul, the Company in 2Q23 recognized provisions in the amount of R$ 42 million for the incident had at the Paracatu Photovoltaic Complex as a result of strong winds in the region of the municipality of Paracatu (MG) on April 02, 2023.

In 2Q22, the Company recognized R$ 180 million in impairment. This non-recurring event was caused by the recognition of impairment arising from a firm intent to dispose of Pampa Sul TPP, whose preliminary valuation was below book value.

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:

	2Q23		2Q22	
Income statement – in R$ million	**100%**	**Company's share**	**100%**	**Company's share**
Net operational revenue	2,283	742	2,054	668
Costs of services provided	(609)	(198)	(766)	(249)
Gross income	**1,674**	**544**	**1,288**	**419**
General and administrative expenses	(147)	(48)	(17)	(5)
Income before financial result and taxes	**1,527**	**496**	**1,271**	**414**
Financial result	(552)	(179)	(521)	(169)
Income before taxes	**975**	**317**	**750**	**245**
Income tax and social contribution	(335)	(109)	(258)	(85)
TAG's net income	**640**	**208**	**492**	**160**

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

	2Q23		2Q22	
Ebitda – in R$ million	**100%**	**Company's share**	**100%**	**Company's share**
Income before financial result and taxes	**1,527**	**496**	**1,271**	**414**
Depreciation and amortization	172	56	166	54
Amortization of *mais valia*	148	48	228	74
Ebitda	**1,847**	**600**	**1,665**	**542**
Ebitda Margin	**80.9%**		**81.1%**	

Between 2Q22 and 2Q23, equity income increased by R$ 48 million (30.0%), from R$ 160 million to R$ 208 million, respectively.

The change was largely a consequence of a combination of the following: (i) R$ 58 million increase in Ebitda due mainly to (i.i) restatement of transportation tariffs; (i.ii) June 2022 termination of the O&M agreement with Petrobras Transporte S.A. (Transpetro), taken over by ENGIE Soluções em Manutenção (Esom), a subsidiary of the ENGIE Group in Brazil; and mitigated by (i.iii) the establishment of provisions for liabilities with Petrobras arising from court escrow deposits held by TAG and whose return is deemed probable; and (i.iv) recognition of impairment of tax credits; and (ii) R$ 26 million decrease in amortization of *mais valia* due to a useful life revision.

The gains were partly mitigated by (iii) a R$ 10 million increase in net financial expenses arising largely from the higher CDI quarter on quarter; and (iv) a R$ 24 million increase in Income Tax (IR) and Social Contribution (CSLL) due essentially to higher before-taxes earnings.

Furthermore, net operational revenues and the cost of services rendered were impacted, each in the amount of R$ 20 million, by the pass-through to clients of charges that are not to generate margins for the transportation agent, such as congestion charges, balance charges and gas for system usage. It is worth emphasizing that the pass-throughs are provided for in National Oil Agency (ANP) resolutions.

Balance Sheet

TAG's principal asset and liability groups as of June 30, 2023 and December 31, 2022 were as follows:

Balance Sheet	06/30/2023	12/31/2022
ASSETS		
Current assets	**3,305**	**2,828**
Cash and cash equivalents	578	688
Accounts receivables from clients	1,565	1,513
Derivative financial instruments - hedge	267	284
Other current assets	895	343
Non-current assets	**29,751**	**30,585**
Restricted deposits	247	217
Derivative financial instruments - hedge	200	284
Other non-current assets	134	624
Property, plant and equipment	26,419	26,706
Intangible	2,751	2,754
Total	**33,056**	**33,413**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	**4,487**	**4,341**
Debt instruments	4,075	3,974
Other current liabilities	412	367
Non-current liabilities	**18,603**	**20,356**
Debt instruments	13,203	15,584
Deferred income taxes and social contribution	4,900	3,908
Other non-current liabilities	500	864
Shareholders' equity	**9,966**	**8,716**
Total	**33,056**	**33,413**



Transportadora Associada de Gás - TAG

Ebitda and Ebitda Margin

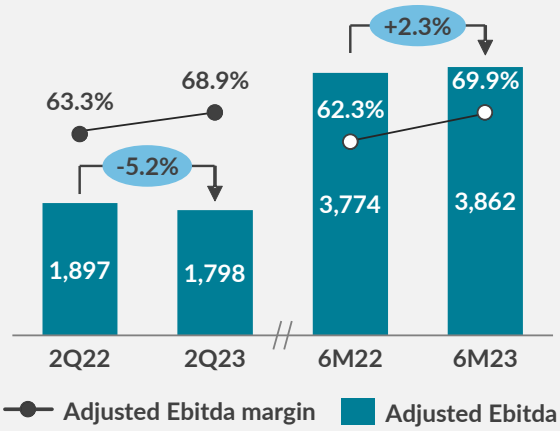
Ebitda by segment – 2Q23 x 2Q22 (in R$ million)

	Electric Energy				
	Generation	Transmission	Trading	Gas transportation	Consolidated
2Q23					
Income before financial results and taxes	1,223	47	-	208	1,478
Depreciation and amortization	228	4	-	-	232
Ebitda	**1,451**	**51**	**-**	**208**	**1,710**
Impairment, net	(1,201)	-	-	-	(1,201)
Disposal of subsidiary	1,289	-	-	-	1,289
Adjusted Ebitda	**1,539**	**51**	**-**	**208**	**1,798**
Adjusted Ebitda margin	**68.4%**	**20.2%**	**-**	**-**	**68.9%**
2Q22					
Income before financial results and taxes	1,026	269	2	160	1,457
Depreciation and amortization	260	-	-	-	260
Ebitda	**1,286**	**269**	**2**	**160**	**1,717**
Impairment	180	-	-	-	180
Adjusted Ebitda	**1,466**	**269**	**2**	**160**	**1,897**
Adjusted Ebitda margin	**62.0%**	**57.7%**	**1.2%**	**-**	**63.3%**
Change					
Income before financial results and taxes	197	(222)	(2)	48	21
Depreciation and amortization	(32)	4	-	-	(28)
Ebitda	**165**	**(218)**	**(2)**	**48**	**7**
Impairment, net	(1,381)	-	-	-	(1,381)
Disposal of subsidiary	1,289	-	-	-	1,289
Adjusted Ebitda	**73**	**(218)**	**(2)**	**48**	**(99)**
Adjusted Ebitda margin	**6.4 p.p.**	**(37.5 p.p.)**	**(1.2 p.p.)**	**-**	**5.6 p.p.**

Between 2Q23 and 2Q22, adjusted Ebitda was down R$ 99 million (5.2%), from R$ 1,897 million in 2Q22 to **R$ 1,798 million in 2Q23**. The change was a consequence of the following **negative effects**: (i) R$ 218 million (81.0%) from the energy transmission segment; and (ii) R$ 2 million (100.0%) from the energy trading segment. The negative impacts were partly offset by the following **positive effects**: (iii) R$ 73 million (5.0%) in the Company's generation and sale of energy from the portfolio segment; and (iv) R$ 48 million (30.0%) from the higher equity income from a jointly held subsidiary – TAG.

The main changes in Adjusted Ebitda can be found in the transmission segment, whose effects were largely the product of a combination of the following: (i) R$ 154 million decrease in revenues from contract assets remuneration; (ii) recognition of R$ 64 million with a negative impact arising from the periodic tariff revision; (iii) R$ 14 million increase in construction results; and (iv) R$ 4 million decrease in O&M margin (O&M RAP net of costs) due to cost increase.

Adjusted Ebitda[1] and Ebitda Margin



[1] Adjusted Ebitda: net income + income tax and social contribution + financial results + depreciation and amortization + impairment + non recurrent effects.

In addition, Ebitda was positively affected by the electric energy generation and sale segment, with the following positive effects: (i) R$ 239 million concerning the concession period extension arising from liability waiver; (ii) R$ 83 million in energy purchases; and (iii) R$ 13 million in royalties. These effects were mitigated by the following negative changes: (iv) R$ 63 million in short-term market transactions held; (v) R$ 60 million in return on and monetary restatement of concession assets of the Jaguara and Miranda HPPs; (vi) R$ 57 million from the combined variations of volume of energy sold and net average selling price; (vii) R$ 36 million in own fuel consumption; (viii) R$ 23 million in payroll costs; (ix) R$ 19 million in electric grid usage and connection charges; and (x) R$ 4 million in other operational and administrative revenues, costs and expenses.

Considering the non-recurring effects of the net impairment reversal and disposal of a subsidiary had in the relevant quarters, Ebitda was down R$ 7 million (0.4%) from R$ 1,717 million in 2Q22 to R$ 1,710 million in 2Q23.

Consolidated Adjusted Ebitda Margin

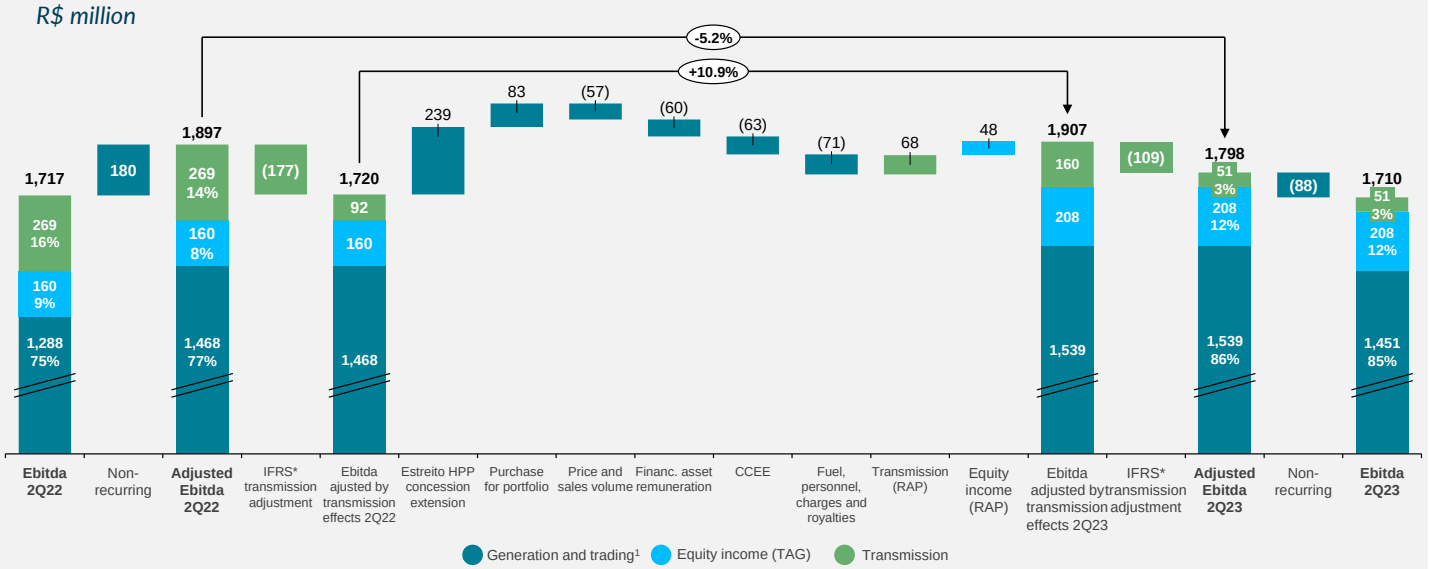
Consolidated adjusted Ebitda margin was up 5.6 p.p. from 63.3% in 2Q22 to 68.9% in 2Q23.

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$)	2Q23	2Q22	Chg. %	6M23	6M22	Chg. %
Recurrent net income	733	395	85.6	1,615	1,040	55.3
(+) Income tax and social contribution	253	81	212.3	488	253	92.9
(+) Net financial result	492	981	(49.8)	1,212	1,805	(32.9)
(+) Depreciation and amortization	232	260	(10.8)	459	509	(9.8)
Ebitda	**1,710**	**1,717**	**(0.4)**	**3,774**	**3,607**	**4.6**
Non-recurrent effects						
(+) (Reversal) provision of impairment, net	(1,201)	180	(767.2)	(1,201)	73	(1,745.2)
(+) Disposal of subsidiary	1,289	-	100.0	1,289	94	1,271.3
Adjusted Ebitda	**1,798**	**1,897**	**(5.2)**	**3,862**	**3,774**	**2.3**
Statutory transmission Ebitda (IFRS)	(51)	(269)	(81.0)	(338)	(502)	(32.7)
Regulatory transmission Ebitda (RAP)	160	92	73.9	275	108	154.6
Ebitda adjusted by transmission effects	**1,907**	**1,720**	**10.9**	**3,799**	**3,380**	**12.4**

Ebitda Change

R$ million



* IFRS: International Financial Reporting Standards.
¹ Considering the result from generation and trading segments.

Financial Result

	2Q23	2Q22	Chg.	6M23	6M22	Chg.
Income from financial investments	96	136	(40)	186	273	313
Other financial income	18	16	2	43	29	(9)
Total financial income	**114**	**152**	**(38)**	**229**	**302**	**304**
Debt:						
Interest	(274)	(412)	138	(595)	(783)	(350)
Monetary restatement	(212)	(409)	197	(469)	(707)	330
Other financial expenses, net	(37)	(56)	19	(90)	(93)	(43)
Total financial expenses	**(523)**	**(877)**	**354**	**(1,154)**	**(1,583)**	**(63)**
Concessions payable (Use of Public Asset):						
Monetary restatement	39	(140)	179	(46)	(298)	414
Present value restatement	(122)	(116)	(6)	(241)	(226)	(91)
Total concession payable expenses (Use of Public Asset)	**(83)**	**(256)**	**173**	**(287)**	**(524)**	**323**
Financial result	**(492)**	**(981)**	**489**	**(1,212)**	**(1,805)**	**564**

Financial income: in 2Q23, financial revenues were R$ 114 million, down R$ 38 million or 25.0% from 2Q22's R$ 152 million. This was largely due to the R$ 40 million decrease in revenues from financial investments. The decrease was mainly a product of the lower balance of financial investments in the relevant quarters, mitigated by a slightly higher CDI rate.

Financial expenses: financial expenses in 2Q23 were R$ 523 million, that is, down R$ 354 million or 40.4% from 2Q22's R$ 877 million. The main changes arose from the R$ 197 million decrease from monetary restatement of debt, because of lower inflation indices, and R$ 138 million in interest on the debt because of the settlement of debt instruments in significant amounts over the course of 2022.

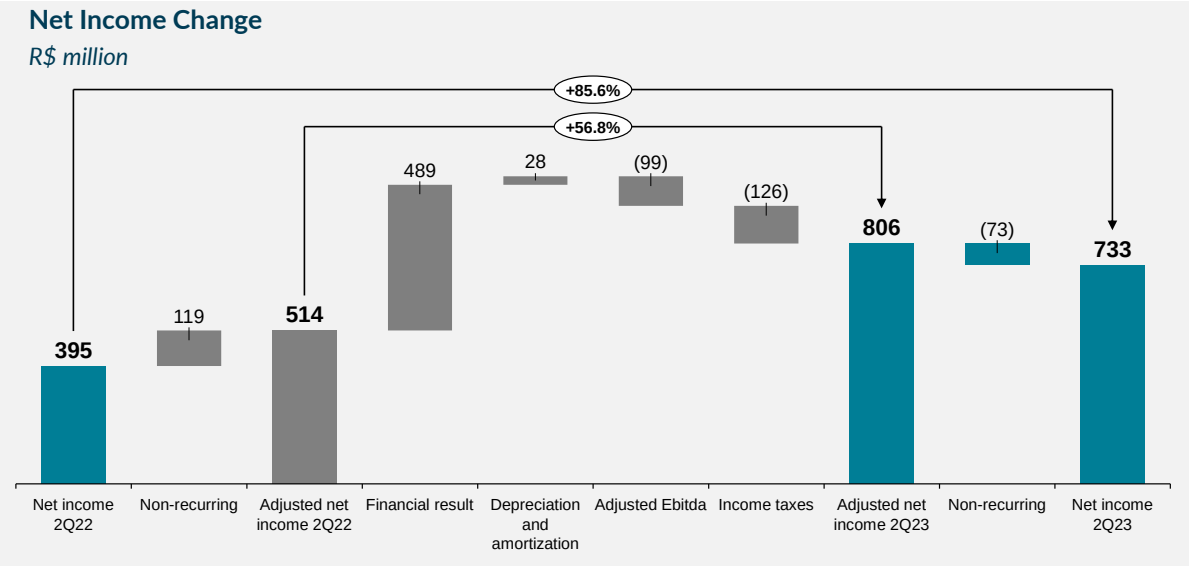
Concession expenses payable (Use of Public Asset): concession expenses payable were down R$ 173 million (67.6%), reaching R$ 83 million in 2Q23 from R$ 256 million in 2Q22 because of the following factors: (i) R$ 179 million decrease from monetary restatement because of the IPCA and IGPM decrease between quarters (highlight for the IGPM which showed deflation during 2Q23); and (ii) R$ 6 million increase from the present-value of concessions payable.

Income Tax and Social Contribution

The amount payable of **Income Tax and Social Contribution in 2Q23 was R$ 253 million**, up R$ 172 million (212.3%) quarter on quarter from 2022's R$ 81 million. The variation was mainly due to the higher earnings before IR and CSLL between comparative periods. Ex- non-recurring effects, IR and CSLL expenses were up R$ 126 million (88.7%) between the comparative quarters.

Net Income

Net income in 2Q23 was R$ 733 million, up R$ 338 million or 85.6% from the R$ 395 million posted in the same quarter last year. The increase is a consequence of a combination of the following effects: (i) positive R$ 489 million form net financial results; (ii) R$ 126 million increase in income tax and social contribution, considering recurring transactions; (iii) R$ 99 million decrease in adjusted Ebitda; (iv) increase in non-recurring effects, with a net positive effect of R$ 46 million; and (iv) R$ 28 million decrease in depreciation and amortization. **Ex- non-recurring effects, net income was up R$ 292 million (56.8%) between the comparative quarters.**



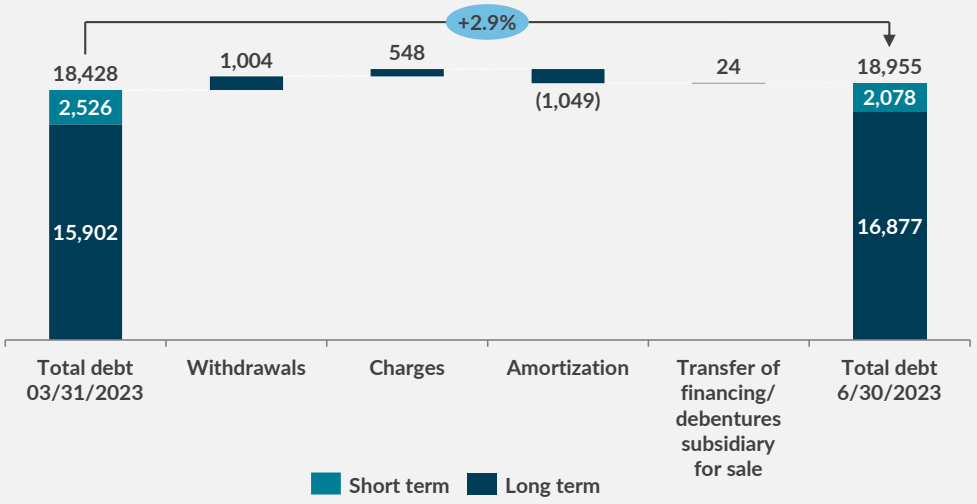
Debt

As of June 30, 2023, **total consolidated gross debt**, representing principally loans, financing, debentures and preferred shares redeemable, net of hedging operations, **totaled R$ 18,955 million — a increase of 2.9%** (R$ 527 million) compared to the position as of March 31, 2023. The **average debt maturity** at the end of 2Q23 was **7.3 years.**

The variation in company debt is related principally to a combination of the following factors in 2Q23: (i) R$ 1,004 million in withdrawals from the National Bank for Economic and Social Development (BNDES) to finance projects under construction; (ii) generation of R$ 548 million in charges incurred and to be paid and monetary restatement; (iii) R$ 1,049 million in amortization of loans, financing and debentures; and (iv) R$ 24 million transfer of financing and debentures of subsidiaries reclassified to Asset Held for Sale.

Total Debt

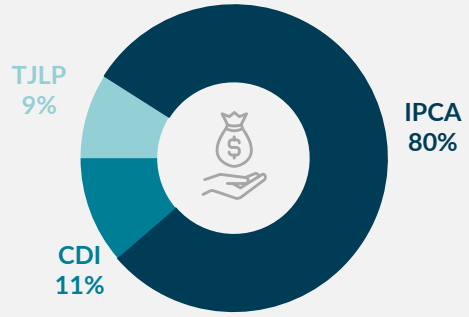
R$ million



The average weighted nominal cost of debt at the end of the 2Q23 **was 9.1%** — equivalent to IPCA + 5.8% — **6.7 p.p. lower than recorded at the end of the 2Q22** (15.8% — equivalent to IPCA + 3.5%). 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 June 30, 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$ 13,890 million, a decrease of 8.7%** compared with the end of the 1Q23.

Debt Breakdown

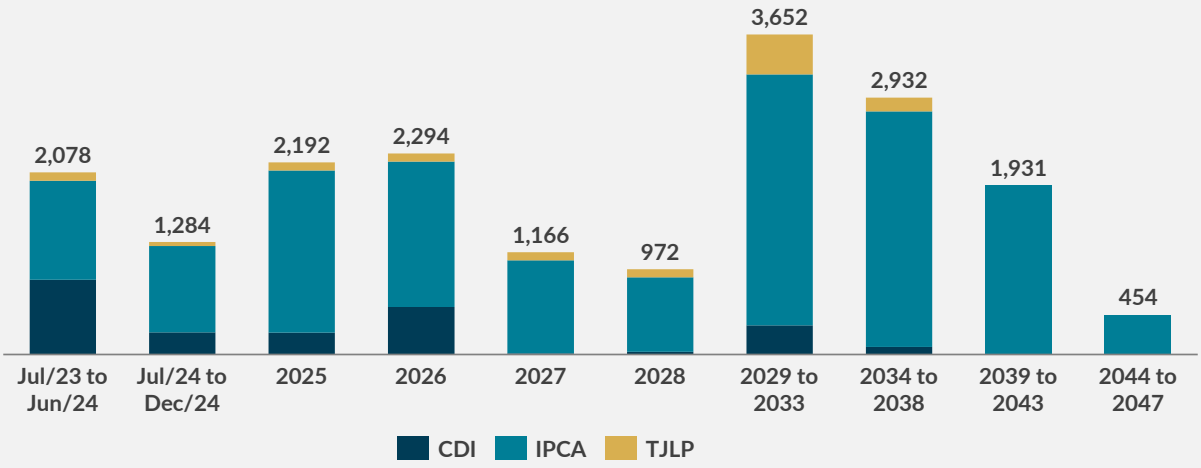


Net Debt

R$ million	6/30/2023	3/31/2023	Chg. %
Gross debt	18,673	18,175	2.7
Result of hedge operations	282	253	11.4
Deposits earmarked for the payment of debt	(311)	(271)	14.9
Cash and cash equivalents	(4,754)	(2,942)	61.6
Total net debt	**13,890**	**15,216**	**(8.7)**
Net debt/Ebitda last 12 months	**2.0X**	**2.1X**	

Maturity Term Loans

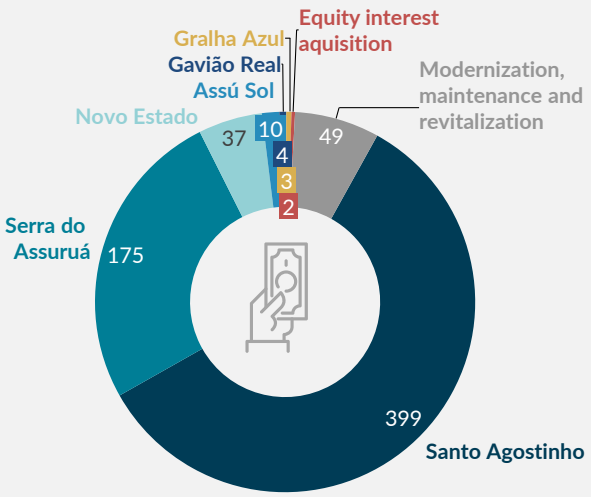
R$ million



Capital Expenditures

Total investments at ENGIE Brasil Energia in 2Q23 reached R$ 679 million, of which: (i) R$ 2 million in payments for the acquisition of equity interest in Assú Sol Photovoltaic Plant; (ii) R$ 628 million in the construction of the new projects, being: (ii.i) R$ 399 million in the Santo Agostinho Wind Complex – Phase I; (ii.ii) R$ 175 million in the Serra do Assuruá Wind Complex; (ii.iii) R$ 37 million concentrated in the Novo Estado Transmission System; (ii.iv) R$ 10 million to the Assú Sol Photovoltaic Plant; (ii.v) R$ 4 million in the Gavião Real Transmission System; and (ii.vi) R$ 3 million in the Gralha Azul Transmission System; (iii) R$ 33 million dedicated to maintenance and revitalization projects in the generator complex; and (iv) R$ 16 million for the modernization projects: R$ 9 million for Miranda Hydroelectric Power Plant and R$ 7 million for Salto Osório Hydroelectric Power Plant.

Investimentos
R$ milhões



Credit of Intermediate Dividends

At its meeting of August 8, 2023, ENGIE Brasil Energia's Board of Directors approved the credit of **intermediate dividends based on the financial statements raised on June 30, 2023 in the amount of R$ 767.2 million (R$ 0.94027879765 per share)**, representing a **payout of 55%** of distributable net income for the first half of 2023.

The Company's shares will be traded **ex-dividends as from August 22, 2023**. Payout to shareholders will take place on a date to be established by the Management Board in due course and will be announced through a Notice to Shareholders.

The reduction of the Company's payout respects its indicative dividend policy and aims to maintain a robust capital structure, enabling capture of short-term opportunities as well as meeting the investment plan and other commitments.



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".

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 June 30, 2023, out of the 76 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 82.0% 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).

To increase engagement with sustainable development, the Company is a signatory of the UNO Global Compact and of the Coalizão Brasil Clima, Florestas e Agricultura (Coalizão Brasil) movement. Internationally, we are party to the Action Declaration on Climate Policy Engagement, which aims to support climate-related action in line with the Paris Accord.

Journey for Climate

The ENGIE Group has a global commitment to i) reduce CO_2 emissions by 59% between 2017 and 2030, which is a Science Based Target; and ii) attain emissions neutrality by 2045.

In line with these commitments, ENGIE Brasil Energia has enshrined a specific program to contribute to the corresponding objectives. Called "Jornada pelo Clima" (Journey for Climate), it is based on scientific targets in pursuit of the de-carbonization of all the Company's activities, which also includes the value chain. Based on three pillars – Management, Mitigation and Adaptation –, it lies at the root of **the Company's goals and commitments in Brazil**, particular emphasis due on:

- **Reducing emissions intensity (Scopes 1, 2 and 3) by 30% by 2025, and 56% by 2030;**
- **Expanding renewable energy capacity;**
- **Having 100% of assets covered by climate adaptation plans by 2030;**
- **Engaging 100% of the top Scope 3 -offending suppliers to set science-based targets by 2030.**

Sustainability Committee

The Sustainability Committee was set up in 2007 as a body that reports to the Board of Directors, under the coordination of the People, Processes and Sustainability Director, and composed of 14 members drawn from different areas, more especially those related most closely to stakeholders, such as shareholders, clients, suppliers, employees, the media and communities, as well as a representative of the Board. Among others, the Committee 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;
- Propose changes and improvements to the Sustainable Management Policy and other ENGIE Brasil Energia policies and guidelines directly associated with sustainability;
- Propose corporate sustainability objectives, targets and actions to Executive Management, in line with the Company's commitments to sustainable development, and monitor their fulfillment by the executive areas;
- Articulate with organizational units to attain the Sustainability Committee's goals; and
- Advise the Board of Directors and provide inputs for decision-making as concerns sustainability-related matters.

Highlights of the Quarter

- The municipality of Umburanas, in Bahia, will benefit from yet another **local labor skills-building** action held by ENGIE Brasil Energia and Vestas Brasil. The two companies, in partnership with Senai, will make available 25 vacancies for the 2-year Electrical Technician course. The initiative will develop and train workers to operate in wind farm operation and maintenance in the future.
- The Dialogue with Stakeholders held in the vicinity of the Ponte de Pedra Hydroelectric Power Plant in 2022 raised a series of challenges to be faced locally: increasing the Plant's visibility, enhancing ties with neighboring communities, optimizing investment in socio-environmental projects. With this in mind, on June 13, at the Sonora (MS) House of Aldermen, the Ponte de Pedra Plant's teams had a **strategic meeting to become closer to neighboring communities and address initiatives** to meet the needs mapped.
- ENGIE Brasil Energia has since 2018 held the **"Energia Voluntária" (Volunteer Energy)** campaign, which encourages employees to donate some of their Income Tax bill to socio-cultural projects or entities, such as day-care centers, orphanages, hospitals, or elderly homes. The Company provides support in the form of consulting to enable donations and encourages donors to engage with the causes they support.



UHE Estreito – Gotas de Esperança Project

- On June 21 and 22, the Company held the **"Encontro de Gestão Sustentável" (Sustainable Management Meeting)**, an event that aims to engage every employee with the topic and also provides a forum for discussions and internal workshops on the evolution of sustainable practices. This year, the first day of the event focused on "Climate Change Risks and Impacts", with a lecture by Prof. Paulo Artaxo and members of the Civilian Defense of the states of Santa Catarina and Maranhão. The second day's topic was "Fostering Value-Chain Sustainability", featuring Prof. Vanessa Pinsky.
- To maintain the Company's operational efficiency, it began works on **modernization** of the Digital Systems of Generator Units 1 and 3 of the Miranda Hydro Plant and Generator Unit 1 of the Jaguara Hydro Plant.
- Also on the operational area, remote operation of the Paracatu and Floresta Photovoltaic Complexes began at the Operations Center, in the Company's registered offices in Florianópolis – SC. The Complexes were acquired in March 2022. With their addition, the Operations Center now runs 70 out of the Company's 78 Plants, corresponding to 76.5% of capacity.

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 2Q23 x 2Q22, associating each indicator with GRI Standards.

Sustainability Indices[1]

Sustainability Indices [1]										
Item	Dimension[2]	Index	Material themes	GRI disclosure[3]	2Q23	2Q22	Change	6M23	6M22	Change
1	Quality	Operating plants	- Economic and operational performance - Energy and Greenhouse Gas Emissions	EU1	76	76	0	76	76	0
2		Installed operated capacity		EU1	9,898	10,174	-2.7%	9,898	10,174	-2.7%
3		Installed proprietary capacity		EU1	8,177	8,453	-3.3%	8,177	8,453	-3.3%
4		Number of certified plants		EU6	11	11	0	11	11	0
5		Certified operated capacity (MW)		EU6	8,115	8,115	0.0%	8,115	8,115	0.0%
6		Certified operated capacity in relation to the total		EU6	82.0%	79.8%	2.2 p.p.	82.0%	79.8%	2.2 p.p.
7		Operated capacity from renewable sources		EU1	9,898	9,829	0.7%	9,898	9,829	0.7%
8		Operated capacity from renewable sources in relation to the total		EU1	100.0%	96.6%	3.4 p.p.	100.0%	96.6%	3.4 p.p.
9		Energy generation (GWh)		EU2	7,418	10,303	-28.0%	16,733	17,416	-3.9%
10		Certified energy generation		EU6	5,832	8,696	-32.9%	13,584	14,290	-4.9%
11		Certified energy generation in relation to the total		EU6	78.6%	84.4%	-5.8 p.p.	81.2%	82.0%	-0.9 p.p.
12		Energy generation from renewable sources (GWh)		EU2	7,413	10,303	-28.1%	16,522	16,990	-2.8%
13		Energy generation from renewable sources in relation to the total		EU2	99.9%	100.0%	-0.1 p.p.	1	97.6%	1.2 p.p.
14		Global uptime ratio of generating park		EU30	92.4%	89.4%	3.0 p.p.	93.4%	91.3%	2.1 p.p.
15		Uptime - transmission lines		EU30	99.97%	-	-	99.97%	-	-
16	Environment and climate change	Saplings donated and planted (sum-total of planted and donated	- Energy and Greenhouse Gas Emissions - Support to sustainable community developments - Water and effluents - Biodiversity	304-1, 413-1	57,811	52,709	9.7%	103,452	112,895	-8.4%
17		Number of visitors at the plants and environmental education		413-1	34,369	52,112	-34.0%	48,419	72,078	-32.8%
18		Water imput (megaliters)		303-3	919	1,238	-25.7%	1,418	2,276	-37.7%
19		Water consumption (megaliters)		303-5	427	731	-41.6%	889	1,723	-48.4%
20		Total emissions tCO_2e		D305-1, D305-2, D305-3	9,762	6,967	40.1%	209,695	424,144	-50.6%
21		CO_2 emissions intensity (fossil fuel plants) (kg/MWh)		D305-1, D305-2, D305-3	0.00	0.00	0.0%	513.1	1070.4	-52.1%
22		CO_2 emissions intensity (Generation complex) (kg/MWh)		D305-1, D305-2, D305-3	1.37	1.00	36.6%	8.27	32.00	-74.1%
23	People	Total employees	- Employee health, safety and development - Fostering value-chain sustainability	2-7	1,090	1,170	-6.8%	1,090	1,170	-6.8%
24		Women in the workforce		2-7	28.2%	24.4%	3.8 p.p.	28.2%	24.4%	3.8 p.p.
25		Frequency Rate (FR) operation and maintenance[4]		403-2	0.775	0.000	▲	1.143	1.544	▼
26		Severity Rate (SR) own employees[5]		403-2	0.006	N.D.	-	0.006	N.D.	-
27		Frequency Rate (FR) construction		403-2	1.858	1.813	▲	1.614	0.955	▲
28		Managerial Safety Visits - VGS		403-2	341	137	148.9%	594	250	137.6%
29		Registry of Risky and Near Accident Situation		403-2	694	779	-10.9%	1003	1,496	-33.0%
30	Social Responsibility[6]	Non-incentivized investments	- Support to sustainable community development	201-1, 413-1	957.4	978.4	-2.1%	1,831.9	1,802.1	1.7%
31		Investments through the Infancy and Adolescence Fund (FIA)		201-1, 413-1	0.0	64.0	-100.0%	210.5	200.0	5.3%
32		Investments through the Culture Incentive Law (Rouanet)		201-1, 413-1	700.0	571.0	22.6%	1,139.0	2,122.2	-46.3%
33		Investments through the Sport Incentive Law		201-1, 413-1	200.0	636.0	-68.6%	350.0	730.0	-52.1%
34		Investments through the Municipal Fund for the Elderly		201-1, 413-1	0.0	0.0	-	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/investidores/relatorios-de-sustentabilidade/).
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 which is subordinated to the Board of Directors and 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 improved domestic scenario, boosted by progress on the fiscal framework adjustment front, the Tax Reform – which promises to simplify the tax structure in Brazil – moving forward in Congress, the favorable outlook for a drop in future interest rates, and a slight decrease in unemployment encouraged investors. In the quarter ending June 30, 2023, the Ibovespa (the main Brazilian stock exchange index) had the best quarterly performance since 4Q20, closing at 118 thousand points.

Economic stimuli propped up the global scenario, helping reduce fears of a recession, particularly in the United States, and more stable stock exchanges.

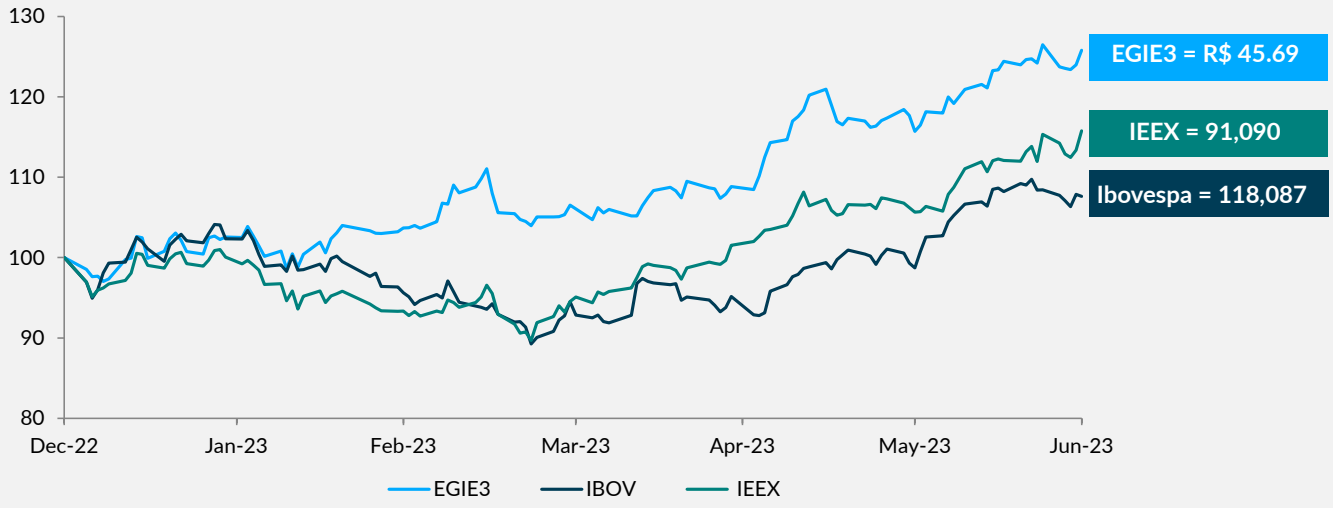
ENGIE Brasil Energia securities appreciated 18.6%, in 2Q23, against appreciation of 21.7% and 15.9% for the Electric Energy Stock Index (IEEX) and the Ibovespa, respectively.

EGIE3 recorded an average daily trading volume of R$ 71.0 million in the 2Q23, 7.3% higher than in 2Q22 when the volume was R$ 66.1 million.

On the last trading day in June 2023, the closing price of the Company's shares was R$ 45.69/share, translating into **a market capitalization of R$ 37.3 billion.**

EGIE3 vs. Ibovespa vs. IEEX

(Base 100 – 31/12/2022)





Passo Fundo Hydroelectric Plant

EGIE3 recorded an average daily trading volume of R$ 71.0 million in the 2Q23, 7.3% higher than in 2Q22, prices closing the quarter at R$ 45.69/share.

ATTACHMENT 1

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – ASSETS

(In thousands of R$)	06/30/2023	12/31/2022
Current Assets	**7,818,425**	**7,378,528**
Cash and cash equivalents	4,753,812	2,235,887
Accounts receivables from clients	988,581	1,143,117
Credit of income tax and social contribution	215,699	181,438
Inventory	62,460	59,313
Derivative financial instruments - hedge	-	-
Derivative financial instruments - trading	157,887	209,928
Restricted deposits	47,513	34,527
Risk premium to appropriate - Hydrological risk renegotiation	15,089	15,089
Concession financial assets	373,561	363,802
Contractual assets	599,992	558,179
Other current assets	599,254	244,470
Non current asset held for sale	4,577	2,332,778
Non Current Assets	**32,444,537**	**30,808,224**
Long Term Assets	**9,854,422**	**9,469,898**
Derivative financial instruments - hedge	-	31,981
Derivative financial instruments - trading	79,778	45,638
Restricted deposits	318,553	235,970
Deposits in court	60,659	71,435
Risk premium to appropriate - Hydrological risk renegotiation	62,873	70,418
Concession financial assets	2,925,750	2,856,475
Contractual assets	6,088,414	5,895,776
Other non current assets	318,395	262,205
Investments	**3,412,612**	**3,006,423**
Property, Plant and Equipment	**14,724,746**	**14,025,476**
Intangible	**4,286,702**	**4,134,944**
Right of use of leases	**166,055**	**171,483**
Total	**40,262,962**	**38,186,752**

ATTACHMENT 2

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED BALANCE SHEET – LIABILITIES

(In thousands of R$)	06/30/2023	12/31/2022
Current Liabilities	**6,118,500**	**5,890,219**
Suppliers	654,174	511,408
Dividends and interest on shareholder´s equity	1,637,604	181,104
Loans and financing	1,126,129	979,862
Debentures	700,521	565,958
Redeemable preferred shares	149,733	107,148
Lease liabilities	22,269	23,990
Concessions payable (Use of Public Asset)	656,215	406,871
Tax and social contribution obligations payable	72,441	143,288
Other fiscal and regulatory obligations	92,832	120,970
Labor obligations	110,162	153,809
Derivative financial instruments - trading	142,913	189,932
Provision	2,061	4,144
Obligations related to retirement benefits	31,394	54,015
Liabilities related to non-current assets held for sale	-	2,005,671
Other current liabilities	720,052	442,049
Non Current Liabilities	**24,846,621**	**23,856,361**
Loans and financing	11,316,023	10,930,652
Debentures	4,902,512	4,880,587
Redeemable preferred shares	477,788	476,918
Lease liabilities	130,474	131,708
Concessions payable (Use of Public Asset)	4,736,266	4,849,081
Derivative financial instruments - trading	68,153	31,527
Provision	552,529	425,659
Obligations related to retirement benefits	263,582	218,959
Deferred income taxes and social contribution	1,884,531	1,505,352
Other non current liabilities	514,763	405,918
Shareholders' Equity	**9,297,841**	**8,440,172**
Share capital	4,902,648	4,902,648
Capital reserve	(176,543)	(156,743)
Net income reserves	2,381,683	2,381,683
Additional dividends	-	1,455,160
Adjustment on fixed asset	(405,142)	(146,226)
Retained earnings	1,639,014	-
Non controlling interests	956,181	3,650
Total	**40,262,962**	**38,186,752**

ATTACHMENT 3

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED INCOME STATEMENT

(In thousands of R$)	2Q23	2Q22	Chg. %	6M23	6M22	Chg. %
Net Operational Revenue	**2,609,533**	**2,996,265**	**-12.9**	**5,523,281**	**6,058,566**	**-8.8**
Operational Costs	**(1,078,474)**	**(1,443,876)**	**-25.3**	**(2,311,381)**	**(2,964,043)**	**-22.0**
Electric power purchases	(445,867)	(584,357)	-23.7	(977,109)	(1,160,288)	-15.8
Transactions in the short term energy market	(101,196)	(35,623)	184.1	(114,215)	(114,845)	-0.5
Charges for the use of and connection to the electricity grid	(168,097)	(149,445)	12.5	(331,857)	(298,304)	11.2
Fuel expenses	(43,720)	(8,341)	424.2	(66,031)	(49,861)	32.4
Financial compensation for use of hydro resources (royalties)	(21,324)	(34,380)	-38.0	(53,911)	(54,769)	-1.6
Personnel	(66,879)	(39,965)	67.3	(129,002)	(89,137)	44.7
Materials and third-party services	(111,544)	(102,886)	8.4	(200,371)	(187,903)	6.6
Depreciation and amortization	(221,443)	(250,637)	-11.6	(438,222)	(491,462)	-10.8
Insurance	(19,784)	(18,385)	7.6	(38,644)	(37,288)	3.6
Reversals of operating provisions, net	15,231	12,538	21.5	4,576	32,736	-86.0
Cost of implementing transmission infrastructure	(112,780)	(195,563)	-42.3	(189,841)	(460,205)	-58.7
Concession period extension	239,297	-	100.0	239,297	-	100.0
Others	(20,368)	(36,832)	-44.7	(16,051)	(52,717)	-69.6
Gross Income	**1,531,059**	**1,552,389**	**-1.4**	**3,211,900**	**3,094,523**	**3.8**
Operating Income (Expenses)	**(260,475)**	**(255,998)**	**1.7**	**(352,271)**	**(329,207)**	**7.0**
Selling, general and administrative expenses	(108,504)	(77,241)	40.5	(200,508)	(162,932)	23.1
Impairment, net	1,201,115	(179,562)	-768.9	1,201,115	(72,298)	-1,761.3
Disposal of subsidiary	(1,289,115)	-	100.0	(1,290,524)	(94,430)	1,266.6
Other operating revenues (expenses), net	(63,971)	805	-8,046.7	(62,354)	453	-13,864.7
Result of corporate participations	**207,639**	**159,837**	**29.9**	**455,354**	**332,403**	**37.0**
Equity income	207,639	159,837	29.9	455,354	332,403	37.0
Income Before Financial Result and Taxes	**1,478,223**	**1,456,228**	**1.5**	**3,314,983**	**3,097,719**	**7.0**
Net Financial Result	**(492,010)**	**(980,718)**	**-49.8**	**(1,212,274)**	**(1,805,005)**	**-32.8**
Financial income	113,702	151,972	-25.2	229,151	301,886	-24.1
Financial expenses	(522,841)	(876,621)	-40.4	(1,153,788)	(1,582,808)	-27.1
Concession payable expenses (Use of Public Asset)	(82,871)	(256,069)	-67.6	(287,637)	(524,083)	-45.1
Income Before Taxes	**986,213**	**475,510**	**107.4**	**2,102,709**	**1,292,714**	**62.7**
Income tax	(180,965)	(51,080)	254.3	(344,217)	(171,019)	101.3
Social contribution	(72,603)	(29,836)	143.3	(143,625)	(82,049)	75.0
Net Income for the Period	**732,645**	**394,594**	**85.7**	**1,614,867**	**1,039,646**	**55.3**
Income allocated to:						
ENGIE Brasil Energia's shareholders	732,601	394,262	85.8	1,614,410	1,038,982	55.4
Non-controlling shareholder of Ibitiúva Bioenergética and Mar	44	332	-86.7	457	664	-31.2
Number of Ordinary Shares	**815,927,740**	**815,927,740**		**815,927,740**	**815,927,740**	
Net Income per Share	**0.8979**	**0.4832**	**85.8**	**1.9786**	**1.2734**	**55.4**

ATTACHMENT 4

ENGIE BRASIL ENERGIA S.A.

CONSOLIDATED STATEMENT OF CASH FLOW

(In thousands of R$)	6M23	6M22
Cash Flow from Operating Activities		
Income before taxes on income	2,102,709	1,292,714
Reconciliation of net income with operating cash flow:		
Equity loss	(455,354)	(332,403)
Depreciation and amortization	458,503	508,900
Impairment	(1,201,115)	72,298
Interests and monetary variation	1,066,724	1,512,531
Concessions payable expenses	287,637	524,083
Subsidiary sale	1,289,063	94,430
Extension of the concession	(239,297)	-
Remuneration of financial concession asset	(254,018)	(318,745)
Contract asset remuneration	(420,536)	(540,313)
Unrealized losses on trading operations, net	7,508	7,076
Transmission infrastructure construction revenue	(178,597)	(417,981)
Losses due to construction inefficiency	16,458	42,096
Others	66,361	(22,127)
Adjusted Net Income	**2,546,046**	**2,422,559**
(Increase) reduction in assets		
Accounts receivables from clients	175,222	60,462
Tax credits recoverable	36,513	(136,247)
Deposits in court and restricted deposits	1,773	10,342
Financial concession asset	174,984	156,393
Contract assets	284,661	104,818
Other assets	(17,493)	137,147
(Reduction) increase in liabilities		
Suppliers	(669)	(111,806)
Other fiscal and regulatory obligations	(40,756)	2,464
Labor obligations	(43,851)	(53,119)
Obligations related to retirement benefits	(24,464)	(20,637)
Other liabilities	77,230	(259,550)
Cash Generated from Operating Activities	**3,169,196**	**2,312,826**
Payment of interests on debt, net of hedge	(471,235)	(436,138)
Payment of income tax and social contribution	(259,863)	(335,560)
Cash from Operating Activities	**2,438,098**	**1,541,128**
Investments Activities	**(918,143)**	**(828,038)**
Dividends received from joint ventures	211,250	227,500
Acquisitions of subsidiaries	-	(656,157)
Cash and cash equivalents from acquired subsidiaries	-	199,870
Used in fixed assets and intangibles	(914,616)	(459,145)
Payment of liabilities linked to acquisition of assets	(2,075)	-
Receipt for sale of subsidiary, net of selling costs	50,934	-
Cash and cash equivalents from disposed subsidiaries	(107,999)	-
Payments of concessions payable	(155,160)	(142,680)
Others	(477)	2,574
Financing Activities	**997,970**	**(1,556,104)**
Debt instruments contracted	1,003,676	744,249
Payment of debt instruments, net of hedge	(897,698)	(1,712,890)
Payments of dividends and interest on shareholders' equity	-	(695,719)
Debt servicing deposits	(61,422)	108,256
Capital contribution from minority shareholders, net of issuance costs	953,414	-
Increase in Cash and Cash Equivalents	**2,517,925**	**(843,014)**
Reconciliation of Cash and Cash Equivalents		
Opening balance	2,235,887	5,156,406
Closing balance	4,753,812	4,313,392
Increase in Cash and Cash Equivalents	**2,517,925**	**(843,014)**
Transactions that do Not Affect Cash and Cash Equivalents		
Dividends intended by subsidiaries and joint venture	211,250	227,500
Interin dividends, interest on equity and additional dividends credited	1,456,500	1,189,585
Unclaimed dividends and interest on equity	4,696	7,817
Liabilities linked to acquisition of assets	-	255,366
Measurement of obligations with retirement benefits	31,397	-
Credit of income tax and social contribution	80,703	82,306
Supplier's of fixed assets and intangibles	92,851	46,632
Net assets of subsidiaries acquired	-	499,414
Constitution of capital reserve	19,800	192,449
Provisions for cost of disposal of subsidiary	19,000	-
Provisions for expropriations without cash effect in construction of transmission	213	869

ATTACHMENT 5

ENGIE BRASIL ENERGIA S.A.

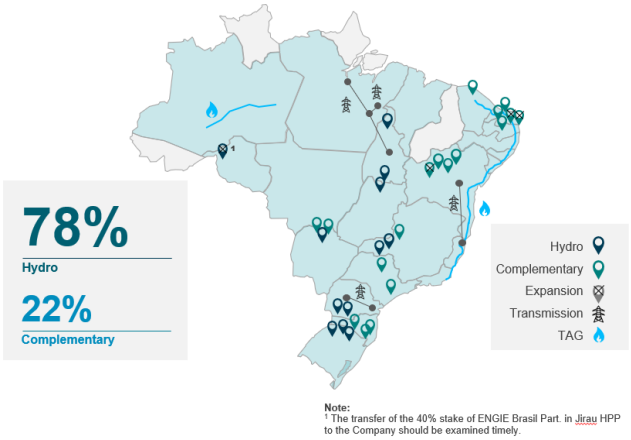
FACT SHEET 2Q23

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 the largest 100% renewable energy generator 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 June 30, 2023, was R$ 37.3 billion, and the own installed capacity totaled **8,176.9 MW**, which comprises a generating complex of **76 plants**, of which 11 are hydroelectric power plants 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

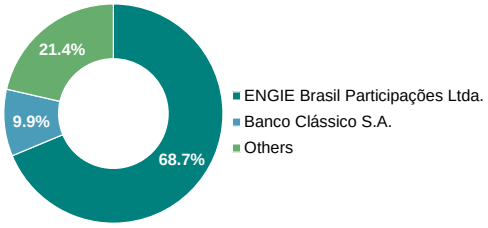


Note:
[1] The transfer of the 40% stake of ENGIE Brasil Part. in Jirau HPP to the Company should be examined timely.

Own installed capacity of 8,176.9 MW (4,056 aMW), 4,500 Km of operating gas pipelines and 2,709 Km of transmission lines under operation.

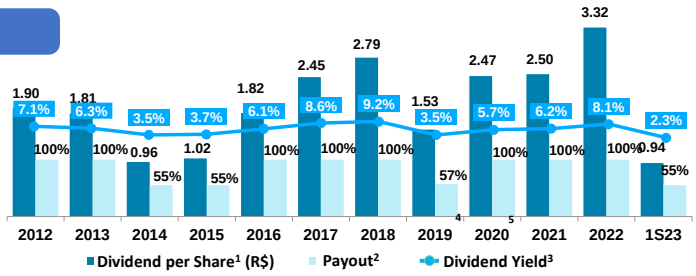
Ownership Structure

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).

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ATTACHMENT 5

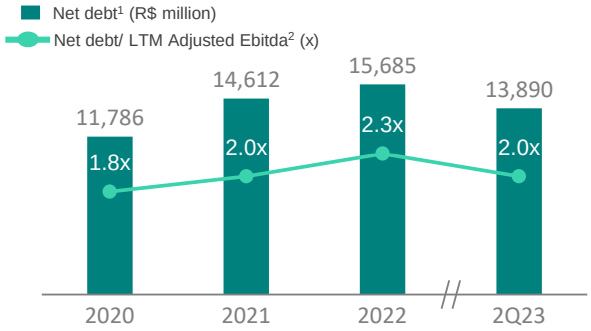
ENGIE BRASIL ENERGIA S.A.

FACT SHEET 2Q23

Consolidated (in R$ million)	2Q23	2Q22	Chg.	6M23	6M22	Chg.
Net Operating Revenue (NOR)	2,610	2,996	-12.9%	5,523	6,059	-8.8%
Results from Operations (EBIT)	1,478	1,456	1.5%	3,315	3,098	7.0%
Ebitda [1]	1,710	1,717	-0.4%	3,774	3,607	4.6%
Adjusted Ebitda [2]	1,798	1,897	-5.2%	3,862	3,774	2.3%
Non-recurrent effects adjusted Ebitda [3]	1,907	1,720	10.9%	3,799	3,380	12.4%
Ebitda / NOR - (%) [1]	65.5	57.3	8.2 p.p.	68.3	59.5	8.8 p.p.
Adjusted Ebitda / NOR - (%) [2]	68.9	63.3	5.6 p.p.	69.9	62.3	7.6 p.p.
Net Income	733	395	85.6%	1,615	1,040	55.3%
Adjusted Net Income	806	514	56.8%	1,688	1,150	46.8%
Adjusted Return on Equity (ROE) [4]	35.1	32.3	2.7 p.p.	35.1	32.3	2.7 p.p.
Adjusted Return on Invested Capital (ROIC) [5]	20.7	22.7	-2.0 p.p.	20.7	22.7	-2.0 p.p.
Net Debt [6]	13,890	16,342	-15.0%	13,890	16,342	-15.0%
Gross Power Production (avg MW) [7]	3,396	4,718	-28.0%	3,852	4,010	-3.9%
Energy Sold (avg MW) [8]	4,253	4,435	-4.1%	4,268	4,326	-1.3%
Average Net Sales Price (R$/MWh) [9]	219.80	216.60	1.5%	226.19	221.59	2.1%
Number of Employees - Total	1,133	1,218	-7.0%	1,133	1,218	-7.0%
EBE Employees	1,123	1,148	-2.2%	1,123	1,148	-2.2%
Employees on Under Construction Plants	10	70	-85.7%	10	70	-85.7%

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

Indebtedness (R$ million)

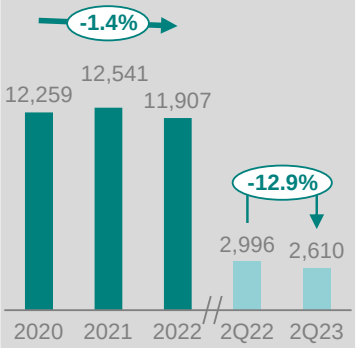


Notes:
[1] Debt net of hedge operations.
[2] Adjusted Ebitda in the past 12 months.

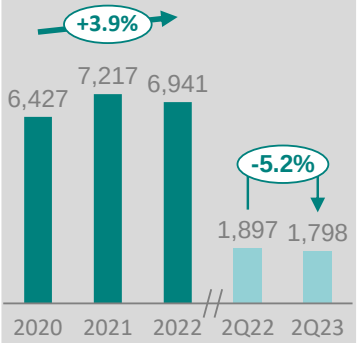
Ratings

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 raised Long Term International Rating at 'BB+' on the global scale** also with stable outlook.

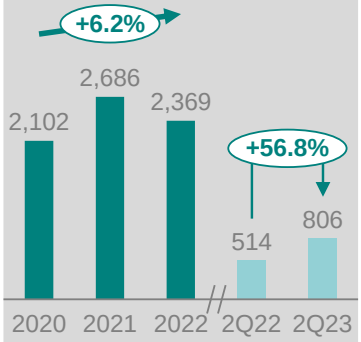
Net revenue (R$ million)



Adjusted Ebitda (R$ million)



Adjusted net income (R$ million)



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