ENGIE BRASIL ENERGIA S.A.

VIDEO CONFERENCE TRANSCRIPTION
RESULTS OF THE FIRST QUARTER 2025
MAY 8, 2025 – 11:00 A.M. (BRASÍLIA TIME)

ADRIANA WAGNER: Hi and a good morning. We are now beginning the video conference for the results of the first quarter 2025 of ENGIE Brasil Energia. I am Adriana Wagner, the Company's Interim Investor Relations Manager and I would like to make a few announcements before beginning the video conference.

Currently, those who are connected are in listening mode only. Later, when we open the questions and answers session to participants, you may submit your questions via the Zoom Q&A tool. Please note that this video conference is being recorded.

We have also made available on our website www.engie.com.br/investidores the files for the Presentation and Results Release as well as the ITR and other documents filed yesterday at the CVM with more detailed analysis of the financial statements, operational results, ESG indicators, progress made with the implementation of new projects, among other relevant factors in the period.

Before proceeding further, I would like to clarify that any statements that may be made during this video conference with respect to the business outlook for the Company, should be treated as forecasts contingent on the economic scenario for the country, performance, and electric energy sector regulations as well as other variables and are therefore subject to change.

We would remind you that journalists wishing to ask questions should do so via e-mail, sending their questions to the Company's Press Relations office.

With us today to discuss ENGIE Brasil Energia's first quarter 2025 performance is Eduardo Takamori, Chief Financial and Investor Relations Officer.

I would like now to pass the floor to Takamori, to begin the presentation. You may begin.

EDUARDO TAKAMORI: Good morning to all. It is always a pleasure to be here with you all to present the quarterly results of ENGIE Brasil Energia. In our slide here — the first one —, we list the important features of the quarter; worthy of particular note is that in this quarter when compared to the same period in 2024, we managed to add a further 900 MW

of installed capacity to the portfolio — this is a very important milestone. We practically hit the 10 GW installed capacity mark now at the end of the quarter. If we include the additional wind turbines and solar panels implemented after the close of the quarter, then we are very close to 10 GW. That means that today we are operating a generator park of approximately 11.6 GW. This is indeed a very impressive level of capacity and also a very interesting as well as balanced portfolio.

And this is without counting the fact that we signed at the end of the first quarter an agreement to acquire the Santo Antônio do Jari and Cachoeira Caldeirão hydropower plants as we have already announced in a material fact. Once closed, the acquisition will mean a further addition of 612 MW to our portfolio — as I said once the deal is finalized.

From the point of view of adjusted Ebitda and net adjusted profit — now moving on to the small bar charts —, we had, and discounting the effect of the partial sale of our stake in TAG in the first quarter of last year - we were able to report an increase in Ebitda of R$ 1.8 billion to R$ 2 billion between compared quarters, representing an adjustment of 12.4%; and an increase in adjusted net profit of 13.8%. And of course, we will go into much more detail on this in the financial section later on.

Finally, we would highlight here the approval at our recent AGM of the distribution of interim dividends for fiscal year 2024 worth R$ 715 million and corresponding to R$ 0.87/share. Shares will trade ex-dividends as from May 7 — that is, yesterday, while payout will be on December 23.

Total distributed profits for fiscal year 2024 were practically R$ 1.9 billion, equivalent to 55% of the distributable net income in 2024. We will comment on this in a little more detail in the final slides of the presentation.

On ESG KPIs, we saw a further improvement in performance from the point of view of health and safety frequency rates which sweeps up, we should remember, both our own employees and also those of third-party service providers. This result is especially important — a reduction from 0.48 to 0.45 — if we consider that we have many fronts involving implementation going on at the same time. As you know, we are completing the work on Assú Sol and Assuruá and at the initial stages of ramping up construction at Asa Branca.

From the point of view of percentage of women in the labor force and in positions of leadership, we also had a very significant increase: in 12 months starting out in the region of 30% and increasing to 32% if you consider the total percentage of women as a whole in the Company, and from 28% up to 34% when we look specifically at the percentage of

women in senior management positions - a major advance in terms of equity.

And, in the charts in the lower part of the slide from the point of view of investments in social responsibility, we remained at the same level and this despite a reduced volume of incentivized resources in the period; and kept a good number of engaged people, who we monitor through the relationship with the community program called “Connection” — 13 thousand people identified here.

And, finally, on this slide of ESG indicators, we are commemorating the twentieth consecutive year of ENGIE Brasil Energia’s participation in the ISE (Corporate Sustainability Index), in a leading position: we reached 4th place in the general ranking out of 82 companies selected here, a source of great pride — and congratulations to the whole team — a demonstration that we are on the right track, always recording progress in our practices.

The operational highlights here show a very interesting effect. I'll start with the graph on the left, which shows our total portfolio - Gross Power Generation. We fell... here we measure in average MW – from average 6.4 GW to average 5.4 GW. It's a significant reduction, but this was mainly due to the reduction in the contribution from the hydropower plants. As you may remember, the beginning of last year here in the south of Brazil was a traumatic one: there was torrential rainfall, several regions were flooded, and this meant that normalization of inflows and generation here in the south of the country justified a significant part of this reduction in hydroelectric output.

When we look specifically at complementary sources - in other words, wind, SHPs, biomass and solar - which is the graph on the right, we can already see a very significant advance: we doubled generation from complementary sources in this first quarter. And, if we look in more detail, we had the same improvement in the performance of the operational plants, which are the plants that don't have the black surround in the bar on the right-hand chart. So, wind power went from average 421 MW to 516 average MW; solar power also went from an average 50 MW to an average 53 MW. And in the bar on the right, you can see the effect of the inclusion of new projects, both in terms of M&A and also from the point of view of organic growth, which was also incorporated during the first quarter of last year.

Note that in the first quarter, this additional contribution was basically that of Assú Sol — organic growth. Recalling that the closing of the Atlas acquisition took place at the end of the month — in the middle of March of 2024, so the total contribution from the assets of Atlas is not even contemplated.

Hence, a very significant growth. It shows that finally we are beginning to see the fruits from the projects in which we have invested over the past few years. They are beginning to go into commercial operations and produce results.

In the next slide, we shift focus to one of the most important current issues for the sector: curtailment. As all of us already know, this first quarter of the year was emblematic, reporting very significant levels of curtailment.

There in the table on the lower right-hand side of the slide, we show the total curtailment experienced by ENGIE, representing 19%. This is many times higher than what occurred in the same period last year, although naturally we have two key factors driving this increase: the first one was prolonged downtime — 22 days of downtime in a critical transmission line in the North Region of Brazil – a good part of the downtime, if not all of it, will qualify for reimbursement and this should be this year still from the point of view of the Company's results.

And the second factor was wind much above what was expected for this quarter, resulting in practically all the wind power above our expectations being wasted. Unfortunately, the system had insufficient capacity to cope with this additional wind and converting it into energy for delivery to the load center, predominantly the South and Southeast of the country. South, Southeast and Center-West.

So, despite this very high level of curtailment which, indeed negatively inflates this percentage - the numerical value of curtailment here - it has, in a way, been absorbed to a large extent both from the point of view of either reimbursement or from generation: generation we didn't expect and therefore didn't even forecast; so, manageable.

And, besides, for ENGIE Brasil Energia, the wind and solar generation, which it could have generated up to average 1,191 MW — here in the upper chart — but where in reality we generated average 965 MW, if you take this from the point of view of total generation, this percentage of 19% of curtailment of wind and solar generation represents only 4% of our total expected generation, if you include the hydropower plants. So, you can see the benefits of having a diversified, heterogenous portfolio and one which has many different sources, and which permits physical rebalancing between sources as well as regions.

In the next section, we show the energy commercialization strategy. Here I would point to three elements in this slide. The bigger numbers in the lower part of the slide show a highly significant evolution in the number of free customers and Consumer Units: a free customer base of 1,800, and it is with much satisfaction that we show how our commercial strategy has been very fruitful — as well as achieving the level of 3,790 Consumer Units

served, an increase of more than 13% in relation to the same period in 2024.

From the point of view of uncontracted energy, which are the bars..., I would highlight the gray-colored bars in the top right of the chart; they show that we had a reduction of more or less 1% of our total portfolio for the years 2025, 2026, 2027 and 2028 and slightly more accelerated sales in 2029.

This is very compatible with our expectations for the first quarter. You may remember that last year, in some quarters, we voluntarily accelerated the process of selling energy due to the opportunities which arose, and in this quarter, due to various factors of the moment, this level of sales was at the level we had expected, okay?

And note that we also had very significant price growth, we had a price mismatch between submarkets, so this also contributed to this level of sales here in the quarter.

Adri, I'll pass on the expansion part to you.

ADRIANA WAGNER: Hi. Thank you, Taka; good morning to all. Moving on then here in the expansion section in slide 13, showing an update of the projects we currently have in implementation.

The first project for which we are updating the status is the Serra do Assuruá Wind Complex. Here we reached a global physical advance of 99% in work at the end of the first quarter of 2025, and recently — now at the end of April — the electro-mechanical assembly of all 188 wind turbines has been concluded. And considering the most recent position in the chart — up to yesterday —, we have already reached 155 wind turbines in commercial operation and the remainder — 33 — on a test basis, thus representing a complex which is already fully operational be it commercially or on a test basis.

Moving on to the next slide, the Assú Sol Photovoltaic Complex, which is an equally very large project — with almost 900 MWp of installed capacity — and which implementation has been advancing on schedule to reach 93% completion during the first quarter 2025.

Up to now, we have 4 of the 16 solar farms in commercial operation and a further 6 operating on a test basis. And here the forecast is for full operations by the end of this year. We will continue to monitor and update the status and progress of this project throughout the coming quarters.

Leaving a little now the two projects we have in the area of generation and moving on to the projects in the transmission area, the first of these — which is at the more advanced stage —, Asa Branca Transmissora de Energia, a project where we were successful in the Aneel transmission auction back in 2023.

Implementation is progressing here as we have already informed you in the preceding quarter with activities focused on civil work and the assembly of metallic structures on the initial stretches of the project. So, in the same way here, we will continue updating you in the coming quarters in relation to progress at Asa Branca.

The next transmission project, Graúna, we made a successful bid at the September auction last year. This is still at a more incipient stage of implementation, and the most important event here in the first quarter of 2025 was the signature of the main procurement and execution agreements. So, in relation to Asa Branca, which at a more advanced stage, Graúna is more recent, and we'll continue to update the status of implementation over the next few quarters.

Finishing the projects that are under construction - the two generation and two transmission projects - we have included a slide here about the signing of the acquisition agreement for two hydropower plants located in Amapá, which took place recently, at the end of March - on March 21 - which are the Santo Antônio do Jari and Cachoeira Caldeirão plants. Both are assets that are 100% operational with long-term contracts in the Regulated Contracting Environment and will add 612 MW of installed capacity to our portfolio as soon as the acquisition closes - expected in the coming months.

An important point to note is that this acquisition also lengthens the average term of our concessions, which we will update in the coming months in the context of the eventual closing date. Just to remind you that these plants are in the process of being acquired and that's why we've inserted this slide here to update you on this additional capacity to be incorporated once the operation closes.

Moving on to the next slide, which has become a traditional slide on Jirau hydropower plant — and just to remind those who have not followed this saga in any detail —, that this is a plant in which our parent company, ENGIE Brasil Participações, has a stake of 40%.

Here we have very little to add, just reinforcing that operationally the plant has been performing very well, maintaining a 100% uptime factor now in the first quarter, as indeed has been the case in preceding periods.

And so, the final slide in this expansion section, here we have a summary of the projects which are under construction — which are these on the left-hand side of the chart —, as commented just now: two generation plants, two transmission lines. And on the right-hand side, we have the projects under development; or in other words, those that are in the portfolio still awaiting commercial conditions allowing implementation to be feasible. So, we conclude this section with two sides to this slide to make it clear what is under construction right now and what is still under development.

And with this, I conclude this expansion section and return the floor now to Takamori, to discuss financial performance.

EDUARDO TAKAMORI: Thank you, Adri. With relation to financial performance, both in relation to Return on Equity and also ROIC, we are still reporting very good levels despite the natural decline between quarters and years here as a function of the greater amount of capital invested and the greater net equity allocated to the Company's operations. This is to be expected but even so, the amounts are very significant.

And, in the blue part here on the right side of the slide, I highlight here in the pie charts in the lower part — which since 2024 we have had here a level of approximately 25% contribution from the transmission assets and TAG. Also recalling that we began these investments around 2016 and 2017 — about the time of our first success in a transmission auction; then later acquiring a stake in TAG; and today representing a contribution of about 25% of our adjusted Ebitda, even after the partial sale of our stake in TAG.

In the following slide, we give a little more color to the net operating revenue. Our NOR increased from R$ 2.6 billion to R$ 3 billion, an increase of 15.5%. Naturally, the contribution of generation is the most significant —our DNA is generation here at ENGIE Brasil Energia — and this remained at more or less the same level: from R$ 2.25 bi to R$ 2.27 bi.

And the contribution of transmission, yes, this increased significantly: increasing from R$ 300 million to approximately R$ 700 million, this variation of R$ 390 million — which is that green build-up - by and large a function of the increase in construction revenue. Remembering that this is the effect of an accounting practice we use.

And, as the main elements of variation of the generation part, we have R$ 129 million basically as a function of the increase in sales revenue and volume and average price also in line with last year; in spite of a small reduction in average price, this is still a very high

average price.

And almost all of this R$ 129 million was practically neutralized by the lower contribution from hydropower (1T24 x 1Q25) from transactions via CCEE, as we commented at the beginning, notably from plants in the South of the country, with a corresponding lower level of settlement of energy across the CCEE and representing to a degree a normalization of CCEE operational levels. Other items here are less material.

In the slide on corporate stakes, we introduce here a type of bridge because as we have a stake in TAG, its contribution is included through the equity income method; so, the contribution of TAG to our Ebitda is a function of EBE's percentage participation in TAG in the first quarter of 2025.

When you look at the base figure, TAG's NOR was R$ 2.34 billion. After the adjustment for all costs, expenses, impacts of financial result and taxes here, the company generated approximately R$ 950 million of net income in the first quarter. Considering our stake of 17.5%, it generated a contribution to our Ebitda of R$ 167 million (against R$ 162 million in 1T24). This is basically that little bar, a light blue sliver of R$ 5 million; in other words, R$167 million was practically the same level as in the first quarter of last year.

Here — now going back to the macro of this slide —, as we always do, we start from the absolute Ebitda, without any sort of adjustment between periods. It's worth making the first adjustments for non-recurring items; we had a very important non-recurring item at the beginning of last year, which was the conclusion of the partial sale of TAG. When we make this adjustment of R$ 1.35 billion, we begin to see a more recurring operational starting point: thus, we start at R$ 1.8 billion to reach R$ 2 billion for the year.

But naturally, there are very significant effects of IFRS, basically due to the increase in the Jaguara and Miranda concessions and also the Asa Branca construction process. So, when we also take out these effects - non-cash - caused by IFRS, we enter the central bars, which show an increase in our Ebitda from R$ 1.68 billion to R$ 1.8 billion.

Basically, we had an operating performance that contributed R$ 308 million, compared to the first quarter of last year. This R$ 308 million is basically a combination of price and volume and also of existing assets and a smaller amount of energy purchases; when we put new projects into commercial operation, we naturally need to buy less energy. So, the combined effect of all this is an improvement of R$ 308 million in Ebitda from the generation side.

The second bar, which detracts a little from this benefit, is also mechanical. We've just mentioned that there was a reduction in short-term operations across the CCEE - due to the lower rainfall this year compared to the first quarter of last year; and also a higher structure of operating costs and expenses here in R$ 45 million, basically due to the start-up of new assets - Assuruá and Santo Agostinho - as well as some acquisition costs for photovoltaic sets, which we mentioned earlier.

Starting from Ebitda and going to net income, you also have to expurgate the non-recurring effect of the net effect… of the net profit from the partial sale of TAG at the beginning of last year; and when we subtract this R$ 891 million of net profit from the sale of the stake in TAG, we begin from a starting point of R$ 793 million and arrive at an amount of R$ 823 million.

See that in spite of having an adjusted Ebitda R$ 225 million higher than the first quarter 2024 we have two elements which to a degree detract from what would be this more interesting operational result.

We had a net financial result of R$ 98 million more than last year; that is to say more expensive. This is basically because we had lower financial revenue in the first quarter of this year.

In spite of our cash position being very similar at the end of the quarter, this is largely due to having deposited the result of the issue of debentures to our cash position right at the end of 1Q25. Hence, there was no effect from this cash during the period as a whole – it is not just a question of multiplying our cash position at the end of the quarter, tax, and Selic, OK?

So, basically, this R$ 98 million is justified by the lower financial revenue and also additionally by the higher cost of concessions payable — the monetary restatement of concessions payable. This means UBP concessions, monetary restatement of the Use of Public Property.

And the second important element here which detracted from the increase in Ebitda: depreciation and amortization. As you know, we put into commercial operation many assets, a very important undepreciated asset base, which from now on changes our level of depreciation; and we are already beginning to see an increase of R$ 77 million in depreciation and amortization charges when compared to the first quarter last year. And mechanically speaking, as we had a better result, we paid more taxes. There is no specific note on this.

With respect to indebtedness, we have seen an evolution in gross debt — jumping from R$ 24,4 billion at the end of last year to R$ 26.6 billion — and, so we have a greater leverage from the point of view of total debt, starting at 3.3x and increasing to 3.5x total debt-to-Ebitda, total debt/adjusted Ebitda.

But, if we consider… excluding cash and cash equivalents and earmarked deposits, we reach a level of R$ 20.67 billion of net debt and, when we compare this with our Ebitda, it comes out at a ratio of net debt/Ebitda of 2.7x; in other words exactly the same level as the end of the last quarter of last year — here the comparison is with the end and not the beginning of last year, right?

As to debt profile and composition, we have a very adequate profile in relation to our payment capacity and cash generation of the Company. What is worth highlighting here is that, of course, in our latest issues, we voluntarily indexed more towards CDI, due to the cost of debt linked to IPCA and also to be a little more compatible with our cash position, which we typically carry at times of expansion and implementation of new projects.

Our debt composition is predominantly IPCA — you may remember that this reached as high as 80%, perhaps even a little more than this, but now we stand at two thirds of our debt, 66% —; and CDI now a little more significant, at 30%. And the remaining 4% is indexed to the TJLP. The nominal cost of debt now, measured in the first quarter, is 11.6%, which is equivalent to the IPCA + 5.8%, well below the cost of the NTN-B.

Here — just going back to the last slide here —, I just wanted to point out here in the part on debt that we adopted a very innovative solution. We always try to optimize the portfolio, creating value for the shareholders, borrowing with the use of more intelligent structures in the most intelligent way possible; and this time, we signed an agreement with one of our partner banks where part of the structuring commission of these debentures was paid with carbon credits.

This, to our knowledge, was the first operation of its kind in Brazil and a source of great pride to us, because, indeed, we create value both for our partners as well as our shareholders here. Congratulations to the team that spearheaded the operation!

As to the investment plan, here in the last quarter we show approximately R$ 4 billion being the expected commitment for 2025. Naturally, now with the signature of the purchase and sale agreement, we are already showing the additional value to be invested in these new operations, these assets, these hydropower plants that we are in the process of acquiring, lifting, after closing, Capex to R$ 7.1 billion; while the levels for 2026 and

2027 remain unchanged at R$ 2.1 billion and R$ 2.3 billion respectively.

When you give a little more color, a little more information here about these amounts, basically 2025 - the blue part there, a little blue-green - basically half is to finalize the investments in Assú Sol and Assuruá; and the other half, around R$ 2 billion, is the investment in Asa Branca, because Asa Branca is now starting to enter a phase of more significant investment.

And then, for the following years - 2026 and 2027 - basically all the investment already committed is to finalize the Asa Branca and Graúna projects. So, we have a very important investment plan for this year and for the coming years.

As for the dividend policy, here we have already shown the effect of the dividends per share of R$ 2.3 billion, which naturally resulted in a payout of 55% last year, resulting in a dividend yield of 5.6% for the year.

Of course, we are always interested in maximizing this payout, but as a function of our moment of growth and expansion, both organically and inorganically, management took the decision to reduce this to our minimum payout commitment of 55%, which is also well above the statutory and legal minimum of distributable net income.

With this, we conclude the more formal part and open the Q&A session. Right, Adri?

ADRIANA WAGNER: That's right. Thank you, Taka. We now begin the questions and answers session. Just as a reminder: to ask a question, just use the Zoom Q&A tool.

Out first question comes from Victor Cunha, sell-side analyst at Itaú BBA, and he asks: "Could you give more details in relation to the strategy for allocating the physical guarantee for the year? In addition, was the Company affected negatively by the mismatch between prices in the Northeast and Southeast submarkets? What is the Company's exposure to this submarket risk if any?".

EDUARDO TAKAMORI: Victor, thanks for the question. Unfortunately, we are unable to give greater detail in relation to the strategy for allocating physical guarantee because it is considered sensitive information which indeed has an impact on our capacity to act commercially.

But what we can say is that in the first quarter of this year when we had the greatest differences between submarkets, ENGIE had an inter-submarket exposure which was very

limited. That implies that we are going to have a more significant exposure in the second half, due naturally to seasonal weighting and the resources effectively available in each submarket — that is the net position in each submarket — to us. But the impact was very limited for us in the first quarter, right? Although of course exposure does exist.

What is worth pointing out as well is that this mismatch of price was triggered by different elements. Naturally, systematically, we have an excess of wind generation exceeding that of solar, the offtake of the latter having preference, which naturally causes these mismatch movements to occur.

What happened in the first quarter was, in fact, both very significant potential generation - wind – also combined with very significant generation from Belo Monte combined with the transmission network situation... which resulted in this very high level of curtailment. And there was an additional element as well: the new configuration of risk aversion used in price formation models.

So, the amalgam of all this means that we had a very expressive price mismatch in the first quarter. Today, under current circumstances, we don't see such an expressive mismatch; it's going to occur but much less intensely than in the first quarter, OK?

So, we view the impact of the price mismatch to perhaps be less than, for example, the impact from curtailment. Hence, the Company views price mismatch as very manageable.

ADRIANA WAGNER: Thank you, Taka. Carrying on here with the questions, we have two questions from personal investors — Felipe and Mateus — with respect to dividends. I am going to put the two questions into one because they are correlated, OK? They ask why the Company announces dividends but makes no payout after the announcement if these same dividends are to be restated for inflation anyway.

And the second question: the issue of spacing between the "date with" and the payout date of the dividends.

EDUARDO TAKAMORI: Ok, it's a fair question. Naturally, they are not going to be readjusted for inflation, but it is important to underscore here that we are going through a period of very significant investment. You may remember that last year, we made an investment of the order of R$ 10 billion, which is much above our Ebitda, our capacity to generate cash. This in turn meant that we were obliged to take a series of measures not only to protect payment capacity and not face a cash crunch at the Company, but also to take decisions which can be deemed as of a conservative nature, and unfortunately, we

were unable to pay and shorten the spacing. But this is not going to be a recurring feature, OK? We believe that we can reduce this distance between announcement and payout overtime.

ADRIANA WAGNER: Thanks, Taka.

ADRIANA WAGNER: OK. The next question is also from Felipe, our personal investor, and he asks if the Company sees leverage getting close to its peak or if there is a tendency to grow further given recent acquisitions.

EDUARDO TAKAMORI: No, it's going to continue growing. What we are always watching is our capacity to generate cash, our debt payment profile, and our rating. We had our rating reaffirmed by Fitch at AAA for long-term debt. Naturally, we will monitor this closely and our intention is to hold onto this AAA rating, which is instrumental in allowing us to pick up resources on a very competitive basis, very efficiently compared with other ratings, OK? Inferior ratings.

This level of rating, just for your information, is of the order of 3.5x. So, up to 3.5x net debt-to-Ebitda is an acceptable level of debt. I can't give you an exact position as to what level of debt we will reach in the next few quarters, for this would be a sort of guidance and we don't work with this kind of reference; but yes, the tendency is to grow as a function — as you yourself mentioned — of the fresh investments we have made.

ADRIANA WAGNER: Ok. Thanks, Taka. The next question comes from Daniel Travitzky, sell-side analyst at Safra, and he asks if we could add a little more color to the Company's outlook for resolving the curtailment issue: "When do you expect the levels of curtailment to decline? And what would be a reasonable level of recurring curtailment going forward?".

And, on reimbursements: "When do you effectively expect to receive reimbursements and what is the process for this?".

EDUARDO TAKAMORI: Gee … We would need some kind of crystal ball here! We haven't managed to make this crystal ball yet although we're working on it, Daniel, but we haven't managed it yet. And where we have good visibility as to the future, it is often a little sensitive for us to share the information. What can I say about this? Curtailment is an issue that is here to stay, it's happening in all countries where there is a significant penetration of intermittent sources, and in Brazil, we are aware that a series of decisions were made here that caused this oversupply. It was a kind of tragedy foretold.

It so happens that transmission has not kept up the same pace of expansion as these sources of energy, which means in fact that this level of curtailment is only going to be significantly reduced - curtailment provoked by the absence of lines, restriction of transmission lines – is only going to be significantly reduced with the rollout of the Graça Aranha transmission line and this we imagine is going to be between 2029 and 2030. So, our outlook is that we are going to see high levels of curtailment for the next three or four years. It would be very irresponsible on our part to think that the thing is going to be sorted without the physical conditions in place — this from the physical point of view.

Another physical element which has been occurring is that naturally, the level of curtailment depends both on the penetration of renewable sources — wind and solar — in the region, together with water originating from the structured projects, but also the method of risk aversion used to operate the transmission network.

So we are aware that there are certain “n-1, “n-2” criteria for the trunk-routing system and apparently there is a major effort on the part of the operator, the government and all the agents to find ways of increasing energy transportation capacity across the existing transmission lines. And contingent on the solution found, this could feed through to a significant reduction in curtailment— it could reduce curtailment between 1,000 MW and 1,500 MW, up to 2,000 MW, depending on the solution adopted, even without having a very significant or expressive increase in operational risks to the system.

So, depending on the timing of this and this new set of parameters and short-term solutions, it could happen within a few months. It depends a little on the conclusion of the working party which is analyzing ways to increase transportation capacity of the transmission system.

Even if we resolve the transmission part, there is a part where we are going to remain with some degree of curtailment caused by absence of consumption capacity, and lack of demand for all this energy. To some extent, we have already seen this during weekends where despite idle transmission capacity, you still have some outages which can be significant, depending on the time of year, at weekends etc. So, we can no longer imagine a country without some kind of physical curtailment.

The last question you asked was when we are to be reimbursed. Here again we have a little difficulty in predicting this. There are already clear regulations for this reimbursement to be made. We hope we can effectively receive this by the year-end. So, this is the best information we are able to pass on today; but naturally it depends a little on the machinery of the CEEE for eventually validating some rules in the case of wind

energy. And this depends a little on the effort and capacity of execution, the solution not being solely in our hands here.

ADRIANA WAGNER: Ok. Thanks, Taka. The next question is from Matheus Caetano, an analyst at Warren. He would like to know if we can give more details on the operation involving payment via carbon credits — how it was structured and how the Company sees the market. And if we see room for more initiatives of this type, given the profile of the Company and its potential for generating these carbon credits.

EDUARDO TAKAMORI: That was just a pitch, OK, Matheus. But I'm glad you're interested. We'll talk about it later, we'll get in touch so you can have more details, but there's certainly more room for this kind of initiative, and the whole green financing and creative operations part is welcome, because that's how we start to create more value for shareholders and reaffirm our ESG policies. It's all related, so yes there is room for this type of operation.

And, remembering that ENGIE is a major generator of carbon credits, both of the classical CERs and also the I-RECs, ENGIE-RECs. As you will see, we have a large portfolio of products here and we are able to meet any kind of demand on any scale appropriate for our customers and partners.

ADRIANA WAGNER: Thanks, Taka. The next question is from Guilherme Lima, analyst at Santander, and he asks if we can comment on the possible proposal for increasing the offtake of energy between the subsystems for increasing renewable generation in the Northeast currently being examined by the CMSE (Electricity Sector Monitoring Committee) and how far advanced are discussions on curtailment.

EDUARDO TAKAMORI: I think we have already commented in our previous reply, Adri. Yes, in practice there are a series of initiatives; there are initiatives from the point of view of passing on part of this cost to the final consumers.

Curtailment is caused both by a natural evolution of the market, so part of this we, as generation agent, must assume the corresponding risk; but there are a series of effects of curtailment, be they aversion to risk of operation in the system, be they by the delay in entry into operation of lines — so that you have short-term downtime of transmission lines —, and the cost of this indeed should be passed on to the consumption segment — it should not remain with generation —, but only part of this has either been regulated up to now or there exists legal provision for passing on in order to alleviate the generation segment.

So there's this side that's a bit more regulatory, but there's also the side of optimizing the system and the rules for special protection systems, so there's a series of actions that can be taken to reduce the risk aversion criterion, by operating at N-1, which would be much more extreme, but which has already been done in the past.

So, there are a series of operational decisions that, with a collective effort, we could reduce agent curtailment.

ADRIANA WAGNER: Ok. Thanks, Taka. Our next question comes from Nayane Mendes, also a personal investor. She congratulates us on the results and asks us if there is any update on green hydrogen.

EDUARDO TAKAMORI: Thanks for the congratulations, Nayane! On green hydrogen, we are at a much less advanced state of development, much less mature than we could have imagined… We also had a green hydrogen development cell here at ENGIE Brasil Energia, but at the moment, we have decided to take one step backwards and wait both for the technology as well as the value chain to mature a little more.

At the end of the day, we have both the problem of the value chain and also the offtaker — that is who in fact buys green hydrogen, pays the difference in price between green hydrogen sources and the conventional sourced base —, as well as experiencing difficulty in justifying the business, ensuring the economic viability of this type of project.

But we haven't given up. At the global level, ENGIE is still exerting some effort to develop the area. If I'm not mistaken, there are two projects in implementation in the world — under development or at an advanced stage —, but here in Brazil, we have decided to focus a little more on the delivery of our wind and solar projects, on the expansion of transmission and in the acquisition and expansion of our portfolio including via M&A as well - so that we create more value for the shareholder. So, we have decided to put further development here on hold.

ADRIANA WAGNER: Thanks, Taka. We have a few more questions which we will address directly to the participants. I would like to give the floor to Takamori for his final considerations.

EDUARDO TAKAMORI: Many thanks to all for your participation. Here, I just wanted to showcase how in this quarter, we have managed to demonstrate that despite all the adversities occurring in the electric power sector in Brazil and worldwide, we have managed successfully to maintain an excellent level of both Ebitda as well as profit and

show that all this investment made in the last few years is already beginning to bear fruit. And we are going to continue seeing the effects of these assets going into commercial operation, whether in generation or transmission segments, over the next few years.

Thank you for the participation of all.

ADRIANA WAGNER: Thank you all for your participation and we continue at your disposal. We wish everyone a good day.