ENGIE BRASIL ENERGIA S.A.

VIDEO CONFERENCE SCRIPT
RESULT FOR THE SECOND QUARTER 2023
AUGUST 9, 2023 – 11:00 A.M. (BRASÍLIA TIME)

ADRIANA WAGNER: Hi and a good morning to all. We are now beginning the video conference for the second quarter of 2023 of ENGIE Brasil Energia. My name is Adriana Wagner, an Investor Relations Analyst at the Company and I would like to make a few announcements before beginning the call.

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 in 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 and where more detailed analysis of the financial statements, operational results, ESG indicators and progress on the implementation of new projects, among other important events 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 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 second quarter 2023 performance are Eduardo Takamori, Chief Financial Officer and Rafael Bósio, Investor Relations Manager at the Company.

Now, I would like to give the floor to Takamori to begin the presentation. Takamori, please go ahead.

EDUARDO TAKAMORI: Good morning. Can you hear me? Perfect. Good morning everyone. First of all, thanks to you all for being here. It is a great pleasure to be here with you today. This will be the first time I shall be speaking to you officially as CFO at ENGIE Brasil Energia, in succession to Marcelo Malta, who was responsible here up to the previous quarter. Moving directly on to the slide of highlights, I think that first it is worth noting that this quarter was a very exciting one here at ENGIE Brasil Energia with some very significant events during the period, many of them of a non-cash nature. Highlighting Ebitda here, it is worth noting that we reported an adjusted Ebitda of R$ 1.8 bi, compared with R$ 1.9 bi in the second quarter last year, equivalent to a decrease of 5.2%. But here an initial caveat is worthy of note, namely that this Ebitda is adjusted for the accounting treatment of the transmission asset, which increased by more than 10%, an increase of 10.9%, as we shall see in the final slides, of the financial segment. And when we look at semi-annual results, the six months of 2022 against the six months for 2023, we can see that there was an improvement of 2.3% in the Ebitda between periods.

As to the key drivers, as I have already indicated here, many of them were of a non-cash nature, and indeed the three main drivers for this quarter are non-cash. The first of them, a positive effect of R$ 239 million, reflects the recognition of fair value of the Estreito plant. This was a process that ENGIE begun some time ago but which came to fruition in the second quarter now with the delivery of this recognition. In short, the Estreito concession will be extended for a further two years and four months more or less, with recognition of the waiver for the liability relative to the delay in the period while the plant was under construction.

As to negative impacts, summing up, the IPCA index had an important effect for this second quarter compared with the IPCA for the same period in 2022. This naturally means that you have lower remuneration both in respect to the financial asset of the Jaguara and Miranda generation plants — the regulated part of which is booked under IFRS rules in the financial asset - and also lower remuneration from contractual assets, namely the transmission assets.

And besides this, naturally we were subject to a periodic tariff revision of the transmission assets, this having a negative impact of R$ 64 million, but also with no cash effect. The revision occurred at the very end of the semester, but also due to an accounting practice, we had to recognize this effect on future values.

The good part of all this is that when we come to the adjusted net income between quarters, we had a very significant increase — this can be found in the slide on the right — very significant, from R$ 514 million to R$ 806 million, an increase of 57% approximately, basically due to the same effect, that of the IPCA. There is also a benefit which arises when the IPCA falls. It means we have much lower financial costs as

well. We will look at this more closely later on, but it does represent a very positive net financial result for Engie, with a reduction in financial cost between compared quarters. When we compare semester with semester, we reported an increase in adjusted net income from R$ 1.15 bi to R$ 1.69 bi, a very significant increase of nearly 50%.

I am now going to hand over to Rafael, to continue with our highlights. Rafael, good morning.

RAFAEL BÓSIO: Good morning and thanks, Takamori. Good morning to all and thanks to the audience and the interest shown in ENGIE Brasil Energia.

Here in slide 6, we continue with the non-operational highlights. As Takamori has said, this was a particularly special quarter, one including various important events, I think I shall begin here with the success we had in the ANEEL transmission auction, held on June 30, where we made the winning bid for Lot 5. This is a project which we are already developing and implementing. It is a project which involves about one thousand kilometers of transmission line crossing the states of Bahia, Minas Gerais and Espírito Santo, for assisting in the offtake of energy generated in the Northeast for delivery to the main consuming hub in the Southeast. A bit later on we will show a further slide on the project and give a little more detail.

The second item which in fact was a landmark event and is the result of work conducted over a long period – namely the conclusion of the disposal of the Pampa Sul Thermoelectric Power Plant. Those who are familiar with the Company a few years back will recall our change of strategy, when the Group decided to exit coal-fired generation in about 2015. We concluded this process now with the sale of the asset on May 31, thus qualifying ENGIE Brasil Energia as the largest company generating exclusively from renewables in Brazil with approximately 8,200 MW of installed capacity.

The third event, I believe Takamori has already covered very well. It concerns the recognition of the values with respect to the right of extending the Estreito concession. Remembering that as Takamori has mentioned, this was something that we had already announced to the market in a Material Fact published in January of this year and the effects of which we are now booking to our account statements.

The fourth item on this slide relates naturally to the sale of the Pampa Sul asset. In the light of this event, we approved at Board of Directors level, the new targets for our climate journey, on which we now embarking for a new phase. Among these targets, we have set a target for reducing by 30% the intensity of emissions by 2025 and by 56% at the end of 2030 in relation to the intensity in 2021; the continuing expansion in renewable energy which we are making with the implementation of new projects; to

have 100% of our assets with climate adaptation plans. We are also aware, and this is something that is worth mentioning, that with the disposal of Pampa Sul, our major challenge becomes the reduction in the intensity of our scope 3 emissions, in other words, those emitted by third parties. For this reason, we have a target, which is to engage all the Company's leading suppliers and define science-aligned targets (SBTi) up to 2030. So this is a further advance in which marks a new phase of our climate journey.

Next slide please, Ivani. That's it. In slide 7, we showcase the signature of the agreement for the modernization of the generator units at Jaguara HPP, an agreement worth about R$ 515 million. By way of a reminder, Jaguara, just as Miranda… these plants were two assets which Engie acquired in 2017, the Jaguara plant beginning operations in 1971; so that is more than 50 years ago. The time has come for plant modernization and we are looking with this work to extend the useful life, the reliability of the plant as well as its uptime ratio. This is a project which is going to take some years for completion, conclusion being forecast for 2028.

Another highlight in the quarter was the increase in our ratings by Fitch Ratings, from BB to BB+, this the result of an increase in sovereign rating. Thus, we continue with our rating one notch more than sovereign rating and just one notch below investment grade. In other words, if sovereign rating increases one notch further then naturally there will be an opportunity for the Company to be awarded investment grade and for ENGIE Brasil Energia to regain an investment grade rating.

And, finally, our board has approved the distribution of interim dividends worth R$ 767 million, equivalent to a payout of 55%, the shares to trade ex-dividends now on August 22. Here it should be pointed out that this payout respects our dividend policy and is the floor or lower limit of payout and reflects the Company's cash management. It allows us to continue looking for new opportunities, seeking to capture new opportunities which may come to light over the short term, as well as permitting us to carry forward our investment plan, as we shall see later on in the presentation — I shall be presenting our expansion plan —, as well as other commitments which we have agreed.

Let's move on to the next slide, Ivani, please. ESG indicators, which we update quarterly. Many of them of course already reflecting our strategy of exiting coal-fired generation if we compare with 2021 in particular. So as you can observe here, both in terms of total emissions and water withdrawal, we had a significant decrease, largely due to the sale of the Jorge Lacerda Thermoelectric Complex and now the disposal of Pampa Sul as well. These disposals are something that also reflect in the percentage of women in the labor force given the greater concentration of men at our generation assets.

Next slide please. Let's now look at the Energy Commercialization section. I believe that here we are showing good results for the quarter. If you examine the graph on the left hand side, in fact a summary of our energy balance, you are going to find we continue to record a high degree of contracting in the short and medium term and that we continue to reduce decontraction for the years further in the future. We sold on average about 64 MWm from 2023 to 2028 and the good news is that the net average selling price continues at high levels. This is only natural. As I said, we are operating a high level of contracting — approximately one third of our contracting is in the regulated market, with long-term indexed agreements —, thus ensuring stability in revenues, stability in the generation of results and consistency as well. So this is the security which the Company offers in adopting this strategy of gradual energy sales and anticipated sales of energy so that we are not caught out at times such as currently where we are experiencing a lower level of pricing whether due to good hydrology, or excess supply; whatever the reason, we always end up being protected.

Next slide, please. Still on commercialization strategy, some more good news are the results that we have enjoyed in the capture of those consumers migrating from the Regulated Contracting Environment to the Free Market. Our numbers of free consumers have risen 23% in relation to the second quarter of 2022, while the number of consumer units increased 16% and we have succeeded in maintaining our market share at around 9%. So we are moving still further towards retail where we identify a more competitive return, being able also to offer renewable products to our customers at a lower cost than they can find through their distributor.

Next slide and next section, Ivani, please. And now updating the projects which are currently in a process of implementation. We are operating on various work fronts, proof of our delivery capacity. In generation alone, we have three projects which are going to add more than 2 GW of installed capacity over the next few years.

The first of these, and going into operation now in 2023, is the Santo Agostinho Wind Complex. Physical progress of the work on Santo Agostinho is already 73% complete, despite the challenge of some incidents… two incidents in fact with wind turbine rotor blades, on July 4 and the other now last Friday, the assessments which have been made and the result of investigations to date have given us the peace of mind to maintain our forecast for full commercial operations by the year-end, the physical-financial schedule continuing on track. At the end of the second quarter, we had 21 wind turbines in commercial operation and being tested, and by yesterday, we had added a further 6 wind turbines. And the commissioning process continues apace.

Next slide please. Let's move on to the Serra do Assuruá Wind Complex. This is one of the ENGIE Group's largest wind projects in the world in the process of implementation. This is a very large project, 846 MW of installed capacity at an investment of approximately R$ 6 billion. We began work on the implementation of Serra do Assuruá now in 2023, with an expected gradual start to operations — ramp-up — scheduled for the second half of next year. This schedule will guarantee the right to the discount on the transmission tariff during the plant's entire authorized operation, and a competitive advantage in the future. Thus the energy generated from this complex will be very competitive and directed… it is being directed to the Free Contracting Environment as can be seen in the analysis of our energy balance as I have already mentioned. We continue selling little by little for 25, 26 and 27, and much of this energy comes out of our portfolio but also from an increase in our own resources. Construction work is ongoing and we continue to advance.

Next slide please. Now, let us take a look at the last generation project currently being installed. This time it's a solar energy project: the Assú Sol Photovoltaic Complex. Just as in the case of Assuruá, Assú Sol is also directing all its energy to the Free Market. In the second quarter 2023, we received the installation licenses, signed the agreements for panels, inverters, trackers - enough to allow us to begin work now in the third quarter 2023 up there in the state of Rio Grande do Norte, where we already have another two solar generation projects which are Floresta and Assú V. The Assú Sol project will have about 750 MW of installed capacity and more than 230 MW of commercial capacity with Capex of about R$ 3.3 billion.

Next slide please. Now leaving generation a little. Leaving generation and looking at projects being implemented in the transmission segment. The first of these, the Gavião Real project, was a project we acquired last year and involves the installation… expansion in fact, of the Itacaiúnas Substation, part of the Novo Estado Transmission System, one of our two transmission systems which are already in operation. Gavião Real will require Capex of R$ 81 million and is due to go into operation early next year, considerably earlier than the deadline set by ANEEL.

And now to a new slide, slide 17, if I am not mistaken. This is a new slide for the Asa Branca transmission project. We are now denominating Lot 5 of the auction held on June 30 as Asa Branca Transmissora de Energia. This will be our fourth asset in the transmission segment and will enjoy the benefits of synergies generated by another project which is being implemented in the same region. In other words, we shall be able to accelerate and anticipate the schedule for commercial operations - which will be anticipated gradually just as in the case of the Novo Estado and Gralha Azul transmission systems - making use of our entire expertise, which was developed both by suppliers, through land use/ownership negotiations, environmental licensing and training labor in the region. Indeed, we have already signed the first agreements and work is beginning on implementation now in this third quarter 2023. This is a project which will require

around R$ 2.7 billion of Capex.

In the next slide, slide 18, we have the now traditional slide of the Jirau Hydropower Plant, where our parent company, Engie Brasil Participações, has a 40% stake. Jirau reached an uptime factor of 100% in the second quarter, an indication of the asset's excellent performance. As the market is already cognizant, we are awaiting a signal from our parent company to begin the process of transferring its stake in this asset. This will be contingent on the analysis by an independent committee for transactions with related parties, the committee to be spearheaded by minority shareholders. To date, we have no news on when the process will begin although our interest in the asset remains.

The final slide now and which is the last in this section on expansion, is where we show the potential we still have for growth, with a vigorous pipeline of projects at an advanced stage of development: nearly 1.8 GW of wind and photovoltaic projects to be installed when we are able to verify the best conditions, be they commercial or in terms of leverage, evidence therefore that we are prepared to continue growing.

Good, with this I conclude my presentation for the moment but I will be back during the Q&A session and in the meantime hand you over to Eduardo Takamori for presenting our financial performance in the second quarter.

EDUARDO TAKAMORI: Thank you, Rafael. Excellent review of the projects we have going forward. We have a lot going on in the future. Now I would like to point out some very important performance metrics at ENGIE Brasil Energia.

The first of these, in the middle of the slide, is that we maintained a return on invested capital in excess of 20%, well in line with the years of 21 and 22, and a very good result. In addition, we have already reached a return on equity – the left hand graph - of 35%, which is also exceptional and is also higher than earlier years. This creation of shareholder value is fruit of very efficient management. It is strategic and anticipative; both in the sense that we managed to significantly anticipate the contracting of our portfolio as week as anticipating a declining price movement. Besides which, we have had portfolio diversification over these last few years, also fruit of this strategic decision, allowing us to also have diversified and solid revenue and Ebitda.

On the right of this graph, you can see some numbers, although what I really want to focus on here is that we invested more than R$ 25 bi over these past seven years from 16 to 22, both through portfolio diversification — via our debut in both gas and energy transmission in this period — as well as growth in renewables, and also in the indicators which you can see in the slide.

In the lower part of the slide, please see the effect of this strategic decision over recent years which has enabled us to change the profile of a portfolio from basically one of generation in 2016 and today a portfolio with 80% represented by generation, part of this Ebitda which is regulated and on the back of very long term agreements and therefore giving a high degree of predictability in flows. Additional to this, we have 12% of TAG, of gas transportation, and 9% in transmission assets and already operational.

Naturally, these numbers are going to fluctuate around these current indicators over the coming years. We have several renewable projects coming on stream as well over the next few years. And we also have the rollout of an important transmission project within a few years. So this is the result of a very well planned strategy and thought through for guaranteeing these great indicators of return on equity and invested capital.

In the next slide, we show the trend in net operating revenue. And here, starting out from the extremities, we have a NOR of about R$ 3 billion in the second quarter 2022, ending with a NOR of R$ 2.6 bi in this last quarter; and reflecting a variation of 12.9%. Of this difference of R$ 400 million, we have four significant elements here. Beginning with a R$ 57 million reduction which is largely reflecting sales price and volume. This is top line, right? Net operating revenue. So we had a reduction of about 4% in sales volume in this quarter, naturally the impact of the exit from the regulated agreements at Pampa but also a decline in energy supplied to free consumers. This effect was partially mitigated by the increase in average sales price, which even considering the challenging scenario of low prices, we saw an increase in average price of 1.5%. This partially offsets the reduction in contracted volume.

The second element to point out, that of -R$ 60 million, is a non-cash effect, basically a reduction in remuneration from concession assets at Jaguara and Miranda. This here is specifically generation: the mark-to-market of generation assets of Jaguara and Miranda, which have their own specific accounting treatment.

The third element is a reduction in revenue from trading operations. This is because of the negative figure of -R$ 57 million, but this does not mean that trading made a loss; rather, it is because sales volume fell from R$ 160 million to R$ 100 million between comparable quarters.

And the last, of -R$ 214 million, is also a non-cash effect, which is basically… so much so that we have already spoken about it at the beginning: it is the reduction of the remuneration of the transmission assets, Gralha Azul and Novo Estado, the reduction in the IPCA, as we have already had cause to comment previously. This accounts for R$ 154 million of these R$ 214 million. We still had a decrease in construction revenue of nearly R$ 70 million, because as construction winds down, so in turn we cease to

generate construction revenue flows which have contributed to Ebitda over recent years. But it is worth noting that the RAP we are finally receiving is a RAP very close to the full amount — more than 99% of the total RAP of the transmission assets, meaning that the assets are now totally commissioned and liberated for commercial operations.

In the next slide… Thank you. Before we talk about Ebitda, the Ebitda bridge chart, it is worth talking a little about TAG's results. The company starts with a net operating revenue for the quarter of R$ 2.3 bi. The quarter was characterized by various events; there were efficiency gains also with the entry of Esom, partially reflecting the replacement of the O&M service provider; a series of internal events as well, but which culminated in a net income of R$ 640 million from TAG for this second quarter. As we have a stake of approximately one third in TAG — a shareholding stake —, of these R$ 640 million, R$ 208 million contributed to the Company's Ebitda via equity income.

I think we can go on to the next slide now, Ivani, which shows… This, yes this is a slide which is more of a challenge because it has many elements to talk about. It shows the trend in Ebitda quarter by quarter and here I would like to begin at the extremities.

If you compare the adjusted Ebitda in the second quarter of 2022 with the second quarter of 2023, you get what we mentioned earlier: a -5.2% variation — a decrease from R$ 1.9 billion to R$ 1.8 billion. However, when you make the adjustments according to the mark-to-market of the transmission assets, Novo Estado and Gralha Azul, which are non-cash, you go to the more central part of the bar chart, you start at R$ 1.72 bi and increase to R$ 1.91 bi — from R$ 1.7 bi to R$ 1.9 bi. In other words, we have an increase of Ebitda of more than 10%, of 10.9%.

And what is the justification for such a significant increase? This is an increase of almost R$ 200 million in Ebitda. Practically the sum total of this variation, is justified in the first bar of R$ 239 million, which refers to the extension of the Estreito concession. Among the following bars, R$ 83 million relates to energy purchases, -R$ 57 million sales prices and volumes and -R$ 63 million relative to CCEE operations. These make up a combination of elements which we can understand as the commercial effects of the generation segment. That is, I have less purchases, which is good; I have fewer sales which is bad; I have a reduced result from the CCEE, provoked by lower hydropower generation and partially mitigated by exports in the first half or the first and second quarters. So this package practically cancels out these R$ 39 million… The R$ 239 million plus the three effects mentioned, basically produce a variation of R$ 200 million.

In the middle of these items there is a bloc of -R$60 million, which refers to the remuneration of the financial assets of Jaguara and Miranda, generation assets. We have already discussed that this is a function of the decrease in IPCA, which reduces the remuneration of these assets and which has a non-cash effect. There is also a bar of R$ 71 million which is compendium of various different items, from the recognition of unfavorable developments in tax litigation, culminating in payment of ICMS on coal which we acquired at Pampa Sul from the start of commercial operations there. This justified more than half this item of R$ 71 million, or -R$ 36 million. With the disposal of Pampa Sul and its elimination from our portfolio, this naturally ceases. This is an event where there will be no reoccurrence.

Another important item in relation to this here is the payment of a connection charge with the start of operations of Santo Agostinho, which is organic growth, so it's natural. And there is also an important variation in the personnel item on which particular focus was given in our release. And here it should be noted that this is not a typical quarter; because it is a quarter where you reverse bonus payments, the provision for bonus payments. There was a variation in the PLR with the sale of Pampa. There has been a gain in scale at the company in preparation… the increase in headcount …. in order for us to prepare for transmission auctions for example. Naturally, this increase in headcount is what has enabled us to be successful in the most recent transmission auction. So perhaps the quarter has not been the easiest to justify. There is no way of knowing if it will be repeated in the next few quarters, or what is the new normal, but in any case, the sum of all these elements results in a variation of R$ 71 million.

And there are a further two items which give some relief and which neutralize the effects of these previous items, a positive variation of R$ 68 million from transmission. This variation stems directly from the increase in RAP in relation to last year — recalling that all the assets are now operational, excluding Asa Branca, which is at the initial stages of implementation. To be more precise: Novo Estado and Gralha Azul are totally operational; there is the small lot of Gavião Real which will be finalized shortly; and the Asa Branca lot still in its infancy in terms of implementation.

And we also had a contribution… the variation in the contribution from TAG. Last year the contribution from TAG was a little smaller in the second quarter but in the second quarter this, contributing and additional R$ 48 million.

I think I would just like to highlight here for this final bar of the non-adjusted Ebitda in the Ebitda chart a reversal of impairment both in the result for the sale of Pampa as well as an additional impairment at Paracatu for a weather-related event that caused a degree of damage to some panels, which we are already considering as non-recurring, but which justify these -R$ 88 million.

If we could now move on to the next slide, Ivani. As to net profit, starting out from the central bars, we begin at R$ 514 million and increase to R$ 806 million, as we have already mentioned in the highlights. This is a very significant increase of nearly 57% of net income.

The main bar, that of R$ 489 million, the contributor here was a reduction in financial expenses — in short, debt. About R$ 200 million was monetary restatement for inflation and R$ 157 million of interest and other elements.

What justifies the additional portion is a positive variation in the concessions payable as well. Last year we suffered from a higher IPCA, the concessions payable item increasing sharply. Now we have a positive effect here of relief because we now have a mark-to-market value for the concessions payable item which was readjusted to a lesser degree at the IPCA also in the light of the latter's deceleration. And we also had a third effect here of lower financial revenues basically caused by a lower cash balance in the period.

There was little material change in depreciation and amortization which is the bar which contributed R$ 28 million to net income. We transfer adjusted Ebitda to the profit graph, which fell approximately R$ 100 million here.

And naturally as you have a higher taxable income base, we also pay more Income Tax and Social Contribution, generating this increase in tax costs here, generating this very significant, very robust net income of R$ 806 million for the second quarter.

Next slide please. Here we focus on debt. Here you should note that we ended the second quarter with total debt very close to R$ 19 bi. If we consider this roughly R$ 5 bi in cash and escrow deposits, namely the intermediary bars, this gives a net debt in the second quarter of practically R$ 13.9 billion, and this results in the light green line, green here and is a very comfortable leverage of 2x net debt/Ebitda.

But please note it is a very significant cash position. We are also committed to the distribution of dividends — for which there is still no date, but which should be announced soon. This is our commitment made last year and of course one which will be fulfilled. But we know that this degree of leverage is also temporary. We are in a very comfortable situation and this has allowed us to take a series of investment decisions which we will present shortly, but which will naturally generate a trajectory of growing leverage, which is both expected and in line with the Company's optimal capital structure and valorization of equity. I think as far as this slide is concerned the main information is this.

Here in the debt profile and composition, it is worth remembering that our credit rating is AAA. We have a very strong cash generation. The cost of debt is competitive: if you look in the lower right hand corner, our nominal annual cost is 9.1%. This is equivalent to practically IPCA + 6% — below that in fact —, so it is very efficient and thus helping us create shareholder value. A very important component of debt is the IPCA, not only in the case of debentures but also development bank debt. The maturity profile of the debt is also a very comfortable one, compatible with disbursement, with our cash generation. The average term of debt is very high also at 7 years.

I think it might be a good idea to move onto the next slide for commenting a little on the challenges for the next few years. In this slide on our investment plan, we can see that in addition to the efforts already made in investments in the past of R$ 25 bi, we have further to go in 2023, 2024 and 2025 and for which commitments have already been made. If we total up the three bars, this comes to R$ 14 billion, heavily concentrated during next year and this justifies in part why we are making an adjusted dividend payment of 55% for the first half. Here, I would like to point out that of these R$ 3.8 bi for 2023, we have already disbursed a significant part, although in the second half, investments will still be dominated by Santo Agostinho, which is in the final phase of its construction while there will also be investments for both Assú Sol as well as Assuruá.

In 2024, work on Assuruá will continue apace with Assú Sol close to termination while a start will be made on Asa Branca — these are all important investments with Asa Branca as our transmission project. And in 2025, investments will conclude at Assuruá while Asa Branca will be at full speed ahead — and reaching its peak construction phase between 2024 and 2025.

In the following slide, we bring all in the foregoing slides together and come to the Company's decision of… a strategic decision to distribute 55% of the interim dividends with respect to the first half of 2023. This here as Rafael has already commented earlier, is a strategic decision. It is even a little conservative at this time. But in addition to all the Capex commitments, disbursements we have going forward which could surpass the R$ 500 million mark per month next year – and we must be diligent and attentive to this —, we also have to … as Rafael has also mentioned in passing… keep a robust balance sheet during the second half in order to be able to take full advantage of short-term opportunities. Naturally, there are operations, things which are happening and we have to keep a close watch here. If nothing goes right, naturally we will have to review our position, always seeking to maximize shareholder return. We can revisit and make a complementary distribution, but what we can affirm today is that we always seek to maximize the return for the shareholder over the long-term. And of course, this moment in the market is a challenging one, but one which also brings opportunities. So we resolved not to take a decision which would leave us without room for maneuvering, opting for a 55% dividend distribution.

Rafael, do I return the floor to you?

ADRIANA WAGNER: Thank you, Takamori and Rafael. We now begin the questions and answers session. To ask a question, just send it using the video conference's Q&A tool.

Our first question comes from Eduardo Bomfiglio, our investor, and he asks what the Company's approach will be for the next transmission auctions.

EDUARDO TAKAMORI: Can I take this one, Rafa?

RAFAEL BÓSIO: Of course, Takamori.

EDUARDO TAKAMORI: You will have seen that we already have a series of financial commitments over the next few years, with investments of R$ 14 bi, and this will tend to increase a little more, with internal investments and all but naturally this will not prevent us from taking part in upcoming transmission auctions. The next auction is a very specific one with a series of interrelated lots, and the auction has been broken down so perhaps there will be less appetite here than for the following auction. However, we are going to continue watching the situation. We have a very capable team. Of course, our priority now is to ensure that all the assumptions that… all the considerations that we adopted for the transmission auction where we were successful — we want to take on board the lessons learnt and get off on the right foot at Asa Branca. Perhaps we have a little less appetite for the next auction but we are going to continue looking closely at events, yes. It makes every sense to continue investing in the transmission segment, both to be able to improve the offtake of renewable energy from the Northeast to the main consumer hub and also to diversify our portfolio. So ENGIE Brasil Energia's strategy makes total sense.

ADRIANA WAGNER: Ok. Thank you, Takamori. The next two questions come from Guilherme Lima, who is a sell side analyst at Santander. I am going to put the first question and then come back to the second. "Could you comment on the perspectives for the distribution of dividends when set against the Capex cycle which the Company must administer and the potential for growth? Can we expect 100% payout in 2023 or 2024 still?"

RAFAEL BÓSIO: Look, Taka, I think you have already commented on this but if you want to reinforce the position…

EDUARDO TAKAMORI: I think so, although naturally to generate expectations is very

premature but we always aim to maximize distribution of dividends. At this time, we have taken a conservative decision albeit, as you will see, we have a very comfortable position in terms of leverage and we are going to use this leverage in order not to harm our dividend strategy. So as far as we can, we are going to maximize dividend distribution, yes. I think due to a conjunctural question, it is premature to say how long this situation will persist, but we are following the situation very closely indeed. We are going to use different instruments for leverage over the next year. We are looking at various options. The market has improved a lot in these last few months, which is going to give us the flexibility to make good decisions and at the end of the day, to always seek to optimize share performance and shareholder returns.

RAFAEL BÓSIO: Takamori, if I may add something, also focusing in on something you have already commented, which involves the question of leaving flexibility in our capital structure. For a good time now, we have been commenting in the market that the expectation is that opportunities would appear with an excess of supply, an excess of projects. Some projects may come to the market through the secondary market, through entrepreneurs needing to realize, exit their assets, their investments. This can present… as we have said, could present opportunities and this is what is occurring in fact. We have nothing which is firm at present but we do not want to lose flexibility should a good project come up to continue the growth in our generator park. We don't want to lose such an opportunity do we, Takamori?

EDUARDO TAKAMORI: That's it. There are many things going on in parallel: our commitment to maximize distribution; our commitment and our interest in growing and diversifying the portfolio; and also a very close monitoring of market conditions so that we do not take on new debt at a difficult moment.

So there are various elements on the table which we have to watch. And also to avoid restricting our balance sheet which would prevent us taking an initiative, of going for inorganic growth, in the coming months.

ADRIANA WAGNER: Ok. In relation to the second question, also from Guilherme at Santander, he says: "In relation to energy exports, how are the discussions with the government and the sector in relation to perspectives for exports of spilled hydropower? Can you update us on this point?"

EDUARDO TAKAMORI: Guilherme, it's a very good question. This is big money on the table for the Brazilian electric energy sector, for the hydropower plants. In the light of conditions with a very large oversupply, it is only natural that there will be spilled hydropower during the next rainy season and we have come a long way in discussions. We are very hopeful that this will receive a positive reaction from the government. So in view of this it is difficult to go into details - there are a lot of people involved -, but

things are well aligned so that yes progress will be made with the rule permitting this anticipation in export of spilled hydropower. Yes, we are hopeful. And as I said, there is a lot of money on the table and it is a very efficient way of improving the Brazilian balance of payments, bringing hard currency into the country as well as helping neighboring countries reduce their energy cost to the final consumer. So this is a clear win-win operation and we are working for this to happen.

ADRIANA WAGNER: Ok. Thank you, Taka. Our next question comes from Mario Wobeto, an analyst at Banco Safra, and he asks: "We have noticed in the energy balance, higher energy sales prices versus prices practiced today and on the purchase side, lower prices in 2025. Can you comment on the Company's commercialization strategy?".

EDUARDO TAKAMORI: Here we always try to optimize the portfolio so that we can maximize results but without taking on any additional risk. So what is going on? We have already anticipated a good part of our contracting strategy and naturally, now what you are seeing with a very low price represents an ongoing evaluation of assessing whether it is worth continuing to sell or not.

Naturally, we continue to look at operations which make sense for final consumers as well. In fact, it is a partnership and cannot be any different. But of course, we do not take on commitments that potentially could result in regret over the long-term. So we end up being a little more selective in operations from now on, but that doesn't mean to say that we are at a standstill. The team is still very active in seeking out operations which make sense to customers, but it is no longer a process of anticipation and an uncontrollable race to sell energy. We are past that stage.

ADRIANA WAGNER: Ok, thank you. Carrying on the Q&A session, we have a question from Antonio Rizzo, an analyst at Inter-Ação, and he asks as follows: "Is it possible for investments in generation to prosper, those investments without PPAs, in the light of current energy prices in the Free Market?".

EDUARDO TAKAMORI: Antonio, it is very difficult to continue investing. We already have very significant commitments under construction and we have been successful in establishing long-term agreements - part of our plan. When we took the investment decision, we already had this perception that the price would remain low in the early years of operation, but we are visualizing a context where it makes little sense to take a further step forward without there being more effective signs of recovery in demand, of a vision that is a little more rational on the part of the government about limiting subsidies. So it is like this – we see the situation with caution and right now, we have less appetite to invest in generation beyond the commitments we already have. This is not to say that we will not be continuing to analyze M&A opportunities, for example those where there are projects contracted in the market, because this does not increase

our portfolio risk; but as to initiatives which increase the portion of uncontracted energy, it looks improbable.

ADRIANA WAGNER: In the second question also from Antonio Rizzo, he asks if we cannot manage to add a little more color to the Company's expectations on energy prices in the Free Market for the next three years. I think you have already commented on this.

EDUARDO TAKAMORI: If I could just add something, Adri, the question is a good one. This Asa Branca lot, it runs parallel to a lot which was bid last year and naturally this implies a series of synergies. In practice, it is possible to take advantage of a single wave along the entire chain which has already been developed for the other lot, of the other entrepreneur. In spite of not being the same entrepreneur and not being a corporate synergy, in a specific agreement, you can use the entire chain of subcontractors to accelerate the process. So this in fact gives a superior level of anticipation than what can normally be expected from a lot of this size, of a lot of one thousand kilometers.

On the other hand, Capex is not a differentiating factor for this particular project since it is in line with what was established by ANEEL in the auction. It is not the differential which will count for this lot, if only because we are not going to commit any madness and be irresponsible in Capex.

But I think that the major competitive advantage here lies in the optimization of the operation, the optimization of the implementation, the highly skilled team and the one which worked very hard on this lot over a very long period of time and managed to make a very competitive bid; and a very efficient and lucid design for the project.

ADRIANA WAGNER: Thanks, Taka. Our next question comes from a personal investor, Rodrigo. He would like to know what the current policy and the future vision is for the possible buy-back of the Company's shares for maximizing the return to the shareholders.

EDUARDO TAKAMORI: Rafa, do you want to cover this?

RAFAEL BÓSIO: Yes, let's talk about it. In fact, we have no share buy-back policy. Right, Takamori? What we have done in the past is use the bonus shares mechanism — via a stock split. However, it is something which is always on our radar when the moment becomes more opportune. Of course, we understand that with the challenges, with the opportunities we have within the sector, perhaps it is more… I won't say "more convenient", but "gives a greater return", continuing to invest, using these values

investing in the Company's growth be it in generation, transmission or in gas-related assets. Thus, I believe that to the present, buy-backs have not been deemed the best option among all the options open to us for investing our resources.

ADRIANA WAGNER: And the next question comes from Ronaldo Oliveira, also a personal investor, and he would like to know the reasons leading the Company not to disclose dividend payment dates, considering the two currently pending.

EDUARDO TAKAMORI: This is strongly influenced by the unpredictability and the number of elements which are on the table at present, Ronaldo. I can imagine the anxiety it causes. What I can say here is that we are going to disclose the payment date for last year's dividend soon. That in fact will be made soon — this announcement. This first half is another matter though. So what is going on here? I am going back to what I said just little earlier. There are many things on the table. You had the capital markets closed until a short time ago; now you are having a series of issues which have occurred in parallel and which will therefore have to pay a premium. So we are checking on the best moment for accessing the market without harming the shareholder. Evidently, our aim is always to distribute maximum dividends and as soon as possible but currently, I believe some caution is needed. But you will have some news shortly on the payment date for the complementary distribution for last year.

ADRIANA WAGNER: The next question comes from Giuliano Ajeje, sell side analyst at UBS, and he asks: "What do you expect the PLD floor price to be in 2024. Is there still a chance the regulator will increase the PLD floor to a value closer to the value of the quotas?"

EDUARDO TAKAMORI: Hi, Giuliano. This is another very good question. The situation is that we have seen an important evolution in the energy matrix, an entry of a series of operations at zero variable cost. This has to be in the literature, how to manage a corporation which is evolving, or a segment which is evolving to a variable cost of recovery close to zero. Thus, in this case perhaps the marginal cost no longer reflects best and naturally, but we continue in discussions, identifying other parties that are interested in discussing the theme, finding partners and discussing where the pain point is on the other side, putting these questions to the regulator, the formulator of the policy. We continue active in this theme but naturally it is a very sensitive one, since it involves changes to both floor and ceiling and no matter how just such changes are — and we believe that they are just —, perhaps we are currently a little less advanced than the discussion we have had very recently on anticipating the export of spilled hydropower. So perhaps we have … it's on the radar, but perhaps we would have… to sequence things here in order to deliver them, little by little. But yes, it is an important theme and we think that it makes sense to change the floor to ensure a certain minimum level of remuneration for the assets which really give support, the hydropower

assets, which do of course give support to all non-dispatchable renewable sources in Brazil. Hydropower is the fortress of the Brazilian electric energy sector. Only those that generate this fortress, the hydropower plants, are not being remunerated for playing this supporting role. On the contrary: they are being penalized.

ADRIANA WAGNER: Ok. Thank you, Taka. Our next question comes from Nayane Mendes, who is our investor and she would like to know if the Company has anything new on Green Hydrogen.

EDUARDO TAKAMORI: Rafa, do we have anything? We have progressed a lot in the studies on the subject. We have an area already structured for this.

RAFAEL BÓSIO: That's right.

EDUARDO TAKAMORI: We are already looking for partners and establishing partnerships. Obviously some of these are still not in the public domain but yes we are moving ahead.

RAFAEL BÓSIO: Exactly, Takamori. There are some opportunities and for this reason as you mentioned, we have set up an area and are structuring the development of these projects. There are already some good projects under analysis, but it is worth remembering that hydrogen is something which is not going to come to fruition in the very short term. We have some projects that can come off the assembly line more immediately, but we, as long-term investors, are thinking about this over the longer term — although investing with immediate effect. It is important to be well positioned, structured, to have a highly skilled team in order to develop projects which also create value.

ADRIANA WAGNER: Ok. We have a string of questions, and these are going to be addressed subsequently by the IR area itself. In the meantime, we would like to put the next question which is from Giuliano Ajeje at UBS: "Is there the possibility that Engie will take part in the next reserve energy auction? How might this participation take place?"

EDUARDO TAKAMORI: There is, yes, Giuliano, clearly an interest. Engie… I think that the predominant form of participation is through the contribution from spaces already available for further turbines at the existing hydropower plants of Salto Santiago and Jaguara. Both plants have two spaces for additional turbines, and this totals nearly 1 thousand MW of installed capacity. It is not the only way of monetizing these spaces and we are examining other alternatives as well for contributing to the security of supplies, the adequacy of supply and generating shareholder value. But naturally, the next year's auction will be an opportunity also to observe results. We have already begun inhouse

several studies and price simulations in preparation for the auction. But, yes, there are possibilities. There are other ways of participating in the reserve energy auction but our principal focus is on the existing spaces for additional turbines at the hydropower plants.

ADRIANA WAGNER: Thank you, Taka. The next question is from Pedro Machado, also a personal investor, and he asks: "How is the development and strategies for retail sales to meet the needs of market opening?"

EDUARDO TAKAMORI: Pedro, not only is market liberalization necessary, but it is also fundamental. Perhaps it is the most efficient way of effectively containing the subsidies extended to Distributed Generation in order to mop up a little of the excess energy currently and of course create value for the end consumer who today has no access to energy. So in this way it is fair. Market opening is a fundamental way of making room for all of us — CPFs as well —, so that we can benefit from low energy prices which today only the wholesale sector is experiencing. It is a very intelligent and economic way of introducing greater efficiency in the country.

And Engie has been preparing over time in readiness for this moment. Even before the final opening of the high voltage market was announced, Engie had already begun a very important internal process of restructuring systems, investment in people and processes in order to reduce transactional costs, in automation, in contractual simplification to reduce the perceived cost and to be more efficient. So Engie is not about to begin taking actions only now with the opening up of the market; rather, it has already begun taking them. And, naturally what the market perceives is just the tip of the iceberg: it is a different channel of communication, it is a marketing plan which is much more effective and much more visual, clearer, but this is just the tip of the iceberg. We have been preparing over time and much has already been done and is already operational inhouse. So we are alert and this is also reflected in the increase in the number of consumers which we already have in the last quarter compared with the same quarter in 2022.

ADRIANA WAGNER: Thanks, Takamori.

EDUARDO TAKAMORI: You have to open up. You have to open urgently. That is what it is all about in short, right? You have to open up the market urgently, yes!

ADRIANA WAGNER: Thank you, Takamori. We have various other questions, but due to time restrictions, we will answer them directly through the IR area. And with that we conclude the Q&A session. I would like to give the floor back to Rafael Bósio and Eduardo Takamori for their final considerations. Please can you both go ahead.

RAFAEL BÓSIO: I am going to speak first here, Taka, and just to underscore that the IR area here at Engie is at your service. We shall be replying to the questions which we have been unable to address now during the call as well as others which may come up later. Please go to our site. There you will find Speak to IR. We are at your disposal.

Takamori, the floor is yours.

EDUARDO TAKAMORI: It was a pleasure to take part now officially following my appointment as CFO. It is always a pleasure and very good to interact with all of you. I can see this in the quality and number of questions here which stimulate a very good and rich interaction. We will also internalize those questions we have been unable to answer and respond soonest and let's hope that the next quarter will bring fewer events… not so many elements here to cause us commotion or pollute the result, right? Perhaps this series of non-cash and non-recurring questions pollute a little and do not allow us to show the excellent work and excellent result which we have reported for this quarter, the "root". The "root" result here.

Thank you all for taking part.

ADRIANA WAGNER: ENGIE Brasil Energia's video conference is concluded. We would like to thank the participation of everyone and wish you a good afternoon.