ENGIE BRASIL ENERGIA S.A.

VIDEO CONFERENCE TRANSCRIPTION
RESULT FOR THE FOURTH QUARTER AND THE FISCAL YEAR 2023
FEBRUARY 28, 2024 – 11:00 A.M. (BRASÍLIA TIME)

RAFAEL BÓSIO: Hi and a good morning to all. We are now beginning the video conference for the fourth quarter of 2023 of ENGIE Brasil Energia. I am Rafael Bósio, the Company's 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 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 where more detailed analysis of the financial statements, operational results, ESG indicators, advances made with the implementation of new projects, among other notable 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 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-amil, sending their questions to the Company's Press Relations office.

With me today to discuss ENGIE Brasil Energia's fourth quarter 2023 performance are Messer Eduardo Takamori, Chief Financial and Investor Relations Officer and Eduardo Sattamini, Chief Executive Officer of the Company.

I would like now to pass the floor to Sattamini and Takamori, to begin the presentation. Sattamini, I think you are going to begin, right?

EDUARDO SATTAMINI: That's it. Thanks, Rafael, and good morning to all. It is a pleasure to be with you here once more and once again reporting good results for the year 2023 a year extremely important for us where we effectively executed the Company's energy

transition, decarbonizing our assets. Clearly, these impacts are also going to be part of our presentation.

The next slide please, slide number 5. Looking at the highlights in slide number 5, first the financial highlights. Why do we say that the energy transition has been completed and already comes with the replacement of our participation of high-carbon content assets with new assets?

You will observe that we grew this year very close to inflation, having lost a very important element contributing to Ebitda, namely the Pampa plant. Pampa — and you will se later on when Takamori talks about finance —, Pampa contributed more than R$ 350 million to Ebitda, if we compare 2022 with 2023, and, when we look at the generation and trading segment, it was only down R$ 122 million; that is, we have already compensated for part of this shortfall in Ebitda, via new generation assets and trading activities.

But we also made the transition to a company more diversified in its businesses, and we had the contribution from transmission and also the equity income from TAG helping our result to a year-on-year growth of 4.7%.

And from the net income point of view, with respect to the financial aspect, which is of great interest to our shareholders, we had a substantial increase in net result — of nearly 24% —, very much a function of the decrease in inflation, and with it, an improvement in the financial result of the Company. This is an indication of a robust company with a controlled debt and one benefiting from inflationary movements. This is important for us to observe.

Let's move on to the next slide where we look at other highlights of the Company. The Company has become, with the sale of the coal-fired assets, the largest electric power generator 100% from renewables in Brazil, and this is an historic milestone for us in 2023.

We signed the acquisition agreement for five photovoltaic complexes with a capacity of 545 MWac, worth R$ 3.2 billion — this is the project we call Project Cruzeiro —, with GIP. We are finalizing contractual questions so that we can complete the financial closing.

We made a successful bid for Lot 5 of the Transmission Auction, further boosting our strategy of diversification and penetration and growth of the transmission sector within the Company.

And we concluded a debenture issue worth R$ 2.5 billion, so that we could reimburse expenditures with implementation in the projects which we are developing.

Next slide. We also sold 15% of the equity stake we had in TAG – although we still have 17.5%. As a Group, we have joint control of TAG with CDPQ. This move was already part of the original project and came at a time when we need the resources so that we can invest in greenfield assets and continue our strategy of diversification and growth in transmission.

Now at a meeting of the Board, we also approved the distribution of mandatory complementary dividends for R$ 994.5 million, representing R$ 1.22 earnings per share, which we expect to be ratified at the AGM, and we should decide — I don´t know, Takamori should already be deciding the "ex-date", — when we are going to decide the "ex-date".

So our distributed earnings are reaching a 55% payout, the minimum discussed with the market since the follow-on in 2005, which is the practice we adopt for reductions so that we can in times of heavy investment, have the resources to cover company needs.

Let's move on to the next part, that of ESG highlights. So we are now for the first time a component of the S&P Global Sustainability Yearbook (2024). Just 12% of the companies which "apply" for this Yearbook are considered. This is a very important achievement and a very relevant recognition of our ESG practices.

And another very important aspect: we have progressed from the B rating to an A- classification in the CDP Climate Change 2023, critically important also for our maintenance in B3's Sustainability Index(ISE), which with our inclusion again allowing us to reach fifth place and the best ranking in the electric power sector in the ISE, an index of which we have been a component since its creation back there in about 2005.

We'll move on to the ESG highlights in terms of indicators. We're not going to go through them one by one. The important messages we have here are control of greenhouse gases, the issue of health and safety of our employees and outsourced personnel, and the participation of women in our workforce. We have also grown through investments in innovation, seeking innovation to improve productivity and performance in our assets.

We look very closely at the communities in which we operate; with this, we seek to apply all our incentivized resources in socially responsible investments - and this we have done and achieved. Social investment fell in monetary terms during the year 2023 due to tax issues, but it is our vision to use all the available resources with the communities close to our projects, to our plants. And we have a very high level of engagement with communities, with attention to and treatment of local needs.

I'm going to hand over to Rafael now so he can talk a bit about the commercialization

strategy and expansion, and then I'll be back here with you. Taka will talk about finances, and I'll be here with you to answer any necessary and strategic questions. Let's go, Rafa!

RAFAEL BÓSIO: Thank you, Sattamini. Very well. Moving on here to our energy balance, which we update quarterly and which is a very important tool for updating our performance in the market and also helping to model the Company and check out the potential opportunities and exposures.

If we compare the numbers shown in the chart on the left, we can see a very consistent evolution during the quarter: we had good sales naturally in the period where we had a higher level of uncontracted energy from 2026 to 2028, culminating in solid sales in 2028 — an average sale of 108 MWm, but with sales in excess of 300 MWm for 2028.

I would point out here that the energy balance can be found in the attachments section in slide 36. There you can see, when comparing the balance which we reported for the third quarter, that we were successful in maintaining the average energy selling price in the period.

So it was a significant result also showing our capacity to leverage sales and begin increasing our participation in retail - shown in the next slide. Please, Adriana…

EDUARDO SATTAMINI: Just a minute, Rafael, perhaps we should add…

RAFAEL BÓSIO: Go on, Satta.

EDUARDO SATTAMINI: On the question of maintaining price levels, this speaks much about the way we sell energy: we sell energy always in annual volumes, we are always alert to the market — accelerating at times when the price is better and easing off when prices are lower —, and this guaranteeing that we have a price which is very resilient to short-term market movements.

When we look at our average price, it is holding up even in an environment of lower prices which we have experienced with this excess offer in the market; we have the resilience of our results — we have no major exposures, but also on the other hand, when prices rise excessively, we also don't take full advantage. But it is this characteristic of stability and resilience which our asset has.

So this I think is an important message for our investors. In the same way — right, Rafael? —, that we have diversification in the industrial and commercial sectors in such a way that we also do not have over exposure to some sectors, which could present problems of

competitivity, etc.

Sorry about the interruption, Rafael, but I think this gives a dynamism to our presentation as well. And I pass the floor back to you.

RAFAEL BÓSIO: No, very well remembered, right Satta? So besides this diversification, let us also remember diversification between contracting in the regulated and free markets. We have — and Takamori will show this later on — a good part of our revenue contracted in the regulated market, which again gives us stability to the long-term result.

In the next slide, we show the evolution in the number of consumers, and like you said — right, Sattamini? —, this depends on the moment — in terms of volume —, we have a greater or lesser appetite for contracting. Naturally, we experienced a period when visibility was a little clouded in the long-term in terms of energy price — with low prices —, and, thus, a decreased selling appetite. But, in spite of this, the number of customers — and here you can see the opening up of the consumer appearing – of the high voltage consumer beginning to appear. We have seen important growth in the number of customers, jumping an average of 26.7% in these past three years.

Now, I think we can move into the expansion section, where we update you on projects in the process of implementation. There's good news coming from the Santo Agostinho Wind Complex: 68 of the 70 wind generators are already either in commercial or test operations; thus, in practice we can say that the project is moving into its final stages, nearly totally commissioned as we had planned. Recalling of course that this is a project totally contracted in the free market, adding more than 430 MW of renewable installed capacity to our generator park.

We have a further two projects in generation. The next is the Serra do Assuruá Wind Complex, which is also at a level… now entering an accelerated level of implementation — a global physical advance of 31% —, with assembling of the towers, the transmission line and advancing towards startup in operations in the second half of the year, having the complete operation, complete COD in 2025.

It's a very big project: more than 840 MW of installed capacity, in the Northeast region, and also making a contribution — as Sattamini said — to our work of replacing that non-renewable capacity which we have disposed in the past few years, so more than offsetting what we sold.

Moving to the third project. And here I am talking about the Assú Sol Photovoltaic Complex, another project of notable size, significant — nearly 900 MWp of installed capacity —, one of the largest being implemented in the Group. This is at a stage prior to

the Serra do Assuruá project. Assú Sol is also to begin operations this year, but becoming totally operational more to the end of 2025 and for this reason only being 100% operational in 2026, an aspect which like Assuruá, guarantees the wire discount.

Next slide please. And now we move on here to the diversification of our portfolio. It's a small project: Gavião Real Transmissora de Energia, which is a complementary project, basically an extension of the Novo Estado project — our project which has been totally up and running since February last year — and according to plan, according to our physical-financial schedule, should go into operation in this first quarter of 2024.

But we have yet another project in this next slide; this, for sure, a significant project, a much larger project: Asa Branca Transmissora de Energia, as we have called it, which is the lot from the June 2023 auction for which we made the winning bid. This is a project of more than one thousand kilometers of transmission line, traversing the states of Bahia, Minas and ending in the state of Espírito Santo. This project is going to help in the offtake of renewable energy which is being produced… which is going to be produced in the Northeast.

Here, we are announcing the expectation of an anticipated COD of at least 24 months based on the cut-off date for beginning operations — Aneel's limit, set for March 2029.

Next slide: Jirau. Here is the slide which we have, already an historical one, on Jirau, which is another opportunity for growth. A plant which — just to recall — is a plant in which the Engie Group has a stake of 40%; so this plant, it's still not in our portfolio, but it may come to be. That's right isn't it, Sattamini?

EDUARDO SATTAMINI: That's right. We have been showing this since our controlling company began construction. Everyone knows that we had various problems of delay and cost overruns due to events that we had at the site although today we are looking at a project in equilibrium. You can see here that we had an uptime factor of 100% in 2023. Financially, the plant is in equilibrium, generating cash; the TUST was revised after 10 years from the operation's startup to reasonable and sustainable levels in relation to the project. So it's possible that, in the near future, we'll start talks with the controller, although nothing has happened yet.

We have a large pipeline of projects, and we are focused on it, but at some point in time, we are going to reach the point where we will have to deal with the controlling company's decision to bring the stake of Jirau under the EBE umbrella, this obviously through the intermediary of the related parties committee, with all the governance that we have created, precisely to ensure a fair decision on the acquisition and pricing of this asset.

So, we are waiting for something to happened soon or in 2024 or in 2025. But we will give complete information to the market, and this will be done based on the best governance possible. Let's move on, Rafa!

RAFAEL BÓSIO: Perfect. Next slide, Adriana. Just by way of a reminder that, in addition to the projects under implementation - in other words, plants under construction - we have a portfolio of projects in development; in other words, projects awaiting a commercial opportunity, an opportunity to be made viable, and it's very important to have these options, because the market can react very quickly and, historically, from the start of development to the start of implementation, a project can take some years. So, it's important that we keep this portfolio current with mature projects, so that we can capture opportunities that may suddenly appear in the market.

Well, I think that concludes the update on our expansion and the projects under implementation and, finally, I'll hand the floor over to Takamori to go into the financial performance section. Taka, it's all yours, you now.

EDUARDO TAKAMORI: Thank you, Rafael. So, here comes the big moment: the financial performance, about which we're very excited.

Before this, just by way of a recap on the financial performance. Despite the change which Sattamini has mentioned, the decarbonization of our portfolio, which indeed has contributed much to Ebitda, you can see that our return on net adjusted equity still stands at a very high level, in the region of 35% and maintaining a much higher average to the market; return on invested capital as well, is about 20%.

Naturally, when we begin to leverage the Company more, these relationships change a little and perhaps we will have a little less return on invested capital going forward but still creating great value for the shareholder.

On the right hand side of the screen, here we just recall the brutal volume of investments which we have made since 2016, R$ 28.5 billion; and the high leverage as well, of 84%. Our company was very deleveraged and we benefited from this: we used our balance sheet to leverage and distribute a 100% dividend payout while we were able.

This has meant that we have evolved both in the part of decarbonization - in 2016, we were basically generation, - both renewable generation and thermoelectric generation. We managed to take the important step of decarbonizing and also diversifying our portfolio, both from the point of view of including new transmission projects, which over this time have accounted for around 8% to 10% of adjusted EBITDA - this varies a little, of course, with the increase and stage of construction, because there is an associated

construction margin - and also with the stake in TAG, in which we made an investment a little over 5 years ago.

Naturally, as we have made the divestment of TAG, partial, TAG's participation, which was 10% of adjusted EBITDA, although went as high as 14%, but is going to decrease — it is forecasted to decrease next year —, but even so, the portion represented by the sum of the networks, which is transmission of electric energy and gas transportation, is still going to continue representing in the range of 20%, which helps a lot in the stability of the result.

Another point worth recalling is that we have an important portion of our energy revenue also tied up in long-term agreements, while the transmission portion — both transmission as well as TAG —, this has longer term contracts. Transmission, still more so: this is a highly regulated business and the RAP of a perennial nature. And, of the 76% of adjusted EBITDA for the year 2023, an important part, something like 60%, is in agreements in the regulated contracting environment and also long-term. So, this recurring nature is a great help along with the stability of our result.

In the next slide, we look at the trend in net operating revenue, and here I go back to what Sattamini said, which shows that, right in the central bar, our… The three main drivers here which brought about this change in our net operating revenue, starting at R$ 11.9 bi but declining to R$ 10.7 bi year-on-year, are justifiable and were forecast.

The first was…, the disposal of Pampa Sul. It contributed nearly R$ 350 million here, and we see that this has an important impact on our net operating revenue. Of course, in other slides you will also see that it also impacts through a reduction in labor cost and in cost of acquisition of fuel, but in the top line here, of course it has an important impact.

Another element: we saw a reduction both in terms of purchase and sales volume of trading; and here in this case, we have a reduction in revenue in trading operations executed, in R$ 250 million, year-on-year. But this also is a case sort of one side netting out the other with fewer purchases — you are going to see that in Ebitda, the result of trading is of a very perennial nature, controlled.

And the last driver, transmission, which has the most significant impact year-on-year, of R$ 570 million approximately, and basically due to the decline in construction revenue. You know that transmission involves a differentiated accounting treatment: it generates construction revenue, it generates revenue even before entry into commercial operations. And since we had all the assets going into commercial operations at the same time, you naturally cease to have this revenue from then on.

So, this is the justification, three key elements that justify this reduction of about 10% in our net operating revenue.

In the next slide, we make a bridge to TAG. TAG, it should be pointed out, had an exceptional result in 2023 — we have already had cause to comment on this throughout the course of the year. The company enjoyed a series of internal optimizations, and we were able to capture this value. And the main driver here was self-refinancing, which freed up cash in the company, increased the distribution of dividends… So we had a year, indeed one might say, "one of a kind", at TAG. We now expect TAG to return to a certain normality over the next few years.

So we can see here that TAG's contribution to Ebitda was almost R$ 1 billion — R$ 993 million —, still based on our former stake of 32.5%.

You will also have seen that at the turn of the year, we signed a sale agreement, a recycling of capital, with our partners, our stake decreasing from 32.5% to 17.5%. So by the end of the year, we had this participation and this contribution of approximately a third of TAG's net income; although from this next quarter, you are going to see a number corresponding to a stake of 17.5% and also a business already with a more stable level of contribution. But worth repeating: TAG's contribution was very important to our result this year.

In the next slide we move on to the change in Ebitda. The chart has numerous columns but is very easy to follow. The external bars are raw Ebitda, showing that we had a very important evolution, from R$ 6.8 bi to R$ 7.3 bi. Excluding the non-recurring effects, we have an adjustment of R$ 151 million which ceased to happen as from 2022, and not recurrent, and a very small movement in 2023.

When you enter the adjusted Ebitda zone, there is an increase of 4.7%, above inflation, and if you now exclude IFRS… a disclaimer is important here: as from this year, also for you who analyze our financial information, we have decided to include in this adjustment here also the effect of the quota regime — of generation under the quota regime.

Formerly, we made the adjustment only according to the accounting effects of the transmission with non-cash elements remaining within the adjusted Ebitda. But this time, we also took the opportunity to make this adjustment so that it would be easier for you to see the operational effect than has been the case hitherto.

So, if you take out all these IFRS adjustments, we have a year-on-year growth of 6.4% starting from R$ 6.6 billion and increasing to a rounded R$ 7 billion — R$ 7.028 billion in actual fact.

And here you have the effects, and I am going to mention some of them. The main ones are the reduction in purchases for the portfolio. This is natural in the context of things: this year prices were more depressed so we had less interest whether in buying or selling third party energy since this creates less value than was the case in previous years.

Here's an important effect – the renegotiation of hydrological risk. Here you must have noticed that in the second quarter of 2023, we recognized a higher amount, of R$ 239 million. It involved our expectation of the recognition of the waiver for the Estreito plant, except that the accounting principles… the accounting treatment changed during the course of the year. We had a series of interactions with the auditors and we saw that

a revision was necessary. So, we booked a reversal of R$ 124 million now at the end of the year to leave R$ 115 million. But it also shows that there is an important value here in this concession extension - this creating value for the Company and for its shareholders.

And here, going more to the end, to the final bars, it also shows R$ 348 million, which is one of the bars where the effects are most marked— one of the most important effects year-on-year —, which is the reduction, the effect of the elimination of Pampa Sul from our portfolio.

In transmission, as we have already mentioned, here in fact, transmission is shown without the effects of the accounting treatment, so excluding the construction margin and all the other IFRS adjustments. From this you are able to see the increase of Ebitda as a function of the RAP. So, we have all the assets, all the transmission lines and substations of Gralha Azul and Novo Estado already operational, this producing an increase in Ebitda of R$ 265 million year-on-year.

And finally to the equity income of TAG contributing an additional R$ 266 million, compared to 2022 — a very important result from TAG. We were already imagining that this result would not be recurring, that 2024 would naturally be lower, but, even so 2023 was a fantastic year for TAG's contribution. Indeed it produced a very important return for us here.

Next slide: Net Income Change. Here, Sattamini has already done an introduction and already mentioned that the main impact was the financial result. Our financial result has an impact… it is very sensitive to the variation in the IPCA, because about 80% of our debt is linked to the IPCA and, so that as we had a much lower IPCA in 2023 than 2022, you have an important variation year-on-year here. So, we feel alleviated to see this more normal result here for the financial result.

Worth remembering on concessions payable, of the four plants where we have concessions

payable — those with the use of a public asset —, three of them are also linked to the IPCA. So, when we have this IPCA at a lower level, that is also to our benefit, having less impact from the variation in monetary restatement on the outstanding balance for concessions payable.

Here we show adjusted, the effect of adjusted Ebitda of R$ 329 million, which is on the previous slide and in this one here. Clearly, with the disposal of Pampa Sul, you have lesser depreciation and amortization, and your asset base reduces so that you have an improved value, less depreciation and amortization year-on-year.

And, last but not least, since we have a much superior result, we also pay more tax. This is the bad part of having such a good result: we pay nearly R$ 300 million more in tax year-on-year.

And here I would highlight that, whether from the point of view of net income or adjusted net income, we had a fantastic result, 28%, nearly 29%, an increase in net income of 24%, when adjusted for non-recurring events. So it really was very good, a fantastic year from the financial point of view as well.

Next slide. We come back to debt here. Our indebtedness remains super balanced: we are still at around 2x net debt/Ebitda.

Naturally, our debt increased, because as you know, we issued debentures at the end of the year, anticipating our cash requirements for this year — we have a series of investments that we will discuss next. So we increased our outstanding debt from R$ 18 billion to nearly R$ 21 billion at the end of 2023.

However, we have still not used these resources from the debt we have taken on. Our cash increased significantly as well and has kept our net debt at the R$ 15 billion mark.

The next slide, breakdown of debt, reveals a very comfortable payment profile. We have a very significant cash generation able to easily cover the payment of our debt and also maintain the dividend payout at 55%. So, we have a very comfortable profile here.

Just to point out that, as I mentioned, around 80% of our debt is indexed to the IPCA, a little less... 17% to the CDI and the remaining 5% to the TJLP, the result of former BNDES agreements.

And it's also worth pointing out that our nominal cost of debt of around 10% is even a little lower than the NTN-B for the same duration here (IPCA + 5.3%). So it's a very efficient cost of debt for us here too, allowing us to increase our ROE as well.

On the next slide, we have our investment plan, here consolidating everything which Rafael mentioned in the preceding slides. We have R$ 9.6 bi here — right, Rafa? — And here I am only trying to point out the information. Of these R$ 9.6 bi, naturally that gray bar depends on the closing of Atlas, an operation which is on the verge of being concluded: our signing took place over the year-end last year, in Q4, there's still CPs, but we are very hopeful that this operation closes over the next few weeks before the end of 1Q24.

So of these R$ 9.6 bi, about R$ 2.3 bi are Cruzeiro equity. And it's a great year for Serra do Assuruá. Serra do Assuruá comes on stream at the end of this year now, and this is the year which will put the greatest pressure on CAPEX — to the tune of about R$ 3.8 bi —, so a significant part of our financial commitment here goes to Serra do Assuruá.

Assú Sol will also begin to demand Capex soon — the disbursement curve will involve more or less R$ 2.1 billion for this year of 2024 —, and the remainder goes to the conclusion of Santo Agostinho, maintenance and the start on Asa Branca. Asa Branca is at a stage when its demands for CAPEX are still not great although even here there will be an outlay of about R$ 0.5 billion for this year.

So, when we add up all our investment commitments, this totals R$ 14 billion, very concentrated this year, so this year is going to be our big year for investments, which then links in with what we're going to talk about on the next slide, which is dividend distribution.

Naturally, we strive to maximize the distribution of dividends, to keep the payout as high as possible. Most years we've had a payout of 100%, but it's also expected that, at times of greater investment, we'll make a reduction, maintaining this healthy level of 55%. But it's expected and natural that we should have this financial discipline here to maintain an adequate capital structure, to cope with the investments we have.

Rafa, that concludes the more expository part of our call. Shall we move on to the Q&A?

RAFAEL BÓSIO: Perfect.

EDUARDO TAKAMORI: Thanks.

RAFAEL BÓSIO: I have some questions here — thanks to those who sent them. I am going to begin with questions involving the commercial area, Sattamini and Taka. The first question… in fact I have two related questions; we can try to do a combo here. Victor Cunha, analyst at Itaú BBA, mentions that "the Company accelerated its PPA sales in the quarter" and asks: "Can we expect 2024 to be a agitating year in terms of PPA sales, in the light of the recovery in energy prices? And what is the view of the Company in relation

to these prices for the next few years?”

EDUARDO SATTAMINI: Let’s take a look at this one. I can answer this question. Perhaps you can add something but we experienced the seventh worst December in our history for hydrology, the worst January… This obviously has an impact… Just a minute while I start my video here; looks like I don’t have any video.

RAFAEL BÓSIO: Still not, Satta.

EDUARDO SATTAMINI: Now. Well, with that, we obviously had a price impact. Agents who had short positions went looking for purchases - and we know that the market takes a while to react - and prices went up; so we have a scenario of prices driven by this hydrological issue and also by a question of stronger than expected demand. So, yes, this should be a feature of this year. We're already at the end of the rainy season without the period being... - very weak, in fact. In fact, the rainy period was very weak - and we're about to begin, despite comfortable reservoir levels, the dry period.

So the expectation is high as to how the rainy period will behave at the end of the year and how this might be reflected in prices in future years. It's a characteristic of our system, a system with a lot of hydropower generation, and this is already being reflected in the price.

So I think it's going to be an animated year, with good windows of opportunity for sales, but obviously long-term prices, which have already been affected by these events, will depend a lot on the behavior of hydrology and consumption in the coming years.

RAFAEL BÓSIO: Thanks, Sa…

EDUARDO SATTAMINI: Do you want to add something, Taka?

EDUARDO TAKAMORI: No.

EDUARDO SATTAMINI: So let’s move on.

RAFAEL BÓSIO: A question from João Victor Fagundes, analyst at Bradesco BBI, relating to commercialization: he questions if this sales volume — and we have as I commented, a more significant volume in 2028 —, its related to the opening of the free market to smaller customers or more related to the rollover of agreements with existing customers, Satta and Takamori.

EDUARDO SATTAMINI: So it's more to do with an increase in prices: when prices improve, we take advantage of the price windows and contract.

No, it's not actually this market opening; the market opening comes with some volume, but very small. There are lots and lots and lots of very small customers, and they still make little difference to the total volume. We understand that this market is going to increase, this market is going to become more relevant, but we still have the main sales drivers based on large corporate clients.

RAFAEL BÓSIO: Perfect. Thanks, Sattamini. One more question from Victor Cunha, Itaú BBA, changing the subject a little now, asking if we have any news on the Capacity Reserve Auction. He comments that the public consultation... if there is a possibility that the public consultation will still be open in the first quarter and if we intend to participate in this auction with Jaguara and Salto Santiago.

EDUARDO SATTAMINI: We intend to take part, but this possibility needs to be included in the auction notice. I think it's obviously not going to happen on the date that was planned, which was in April - I don't know - of this year; I think it's going to slip a little, and that in a way is good so that we can prepare and discuss the participation of these hydro plants in this auction.

RAFAEL BÓSIO: Perfect. Thanks, Sattamini — let me see the next question. Rafael Ratto, our investor and personal shareholder, he comments that in the Material Fact on the sale of TAG as well as the Results Release, we indicate that there is a synergy between the activities of generation and transmission. So he asks if in this way, you can infer that the focus of ENGIE Brasil Energia will be on the continuous expansion in energy generation as well as increasing the participation and being more relevant in the energy transmission segment, Sattamini and Takamori.

EDUARDO SATTAMINI: So I think he's got the idea well: Our core business is electricity; in other words, generation and transmission. We saw the gas opportunity as an opportunity to also participate in the energy transition by replacing more polluting fossil fuels, but this is based on the Group's expertise in operating gas pipelines. So much so that we have a company in the Group that also participates in TAG and has a larger stake than ours now, since our intention to divest.

So yes the tendency at ENGIE Brasil Energia is always to focus on growth in these sectors connected to electric power.

RAFAEL BÓSIO: Perfect, Sattamini. I have a question here from Lucas Xavier, our investor, and he is asking precisely if we are going to take part in the Transmission Auction so

clearly the response is “yes”.

EDUARDO SATTAMINI: That's it, let's go on this one. We are looking at some lots and studying them in depth, so that we have a very strong technical basis, route optimization, engineering optimization, so that we have a competitive and profitable bid - always. Competition is not about giving away returns; in competition, we have to maintain the returns required and appropriate to the risk of the activity, working hard on the optimization and performance of our assets.

RAFAEL BÓSIO: Perfect, Satta. You already also addressed the second part of his question in which he asks if we see ourselves as competitive. Thanks.

The next question — Takamori has already mentioned, has made mention, but I think that it is good to reaffirm here — it is with respect to a forecast for disclosure of an “ex-date” and a dividend payout date. This comes from Vinícius Santini, our shareholder, Takamori.

EDUARDO TAKAMORI: I think the first step is to wait for the decision confirming the dividend at the AGM, which is on April 25. Then, following that, we should make a timely announcement for fixing this date. But I think the main thing is to guarantee the amount, and then make the announcement and confirm the date, but we'll still... right after April 25.

RAFAEL BÓSIO: OK. Thanks, Takamori. A new question has come in from Daniel Travitzky, at Safra — in fact, there are two questions in one. About the sale of the stake in TAG, he asks if we can expect the sale of the remainder in the short-term and how the acquisition of the stake of Jirau enters the scope of this asset rotation.

EDUARDO SATTAMINI: Look, I don't see any interest on our part in getting rid of the stake. It could happen, but I don't see any need or interest at the moment.

With regard to Jirau, Jirau is an asset that is part of our core - it is a 70% contracted hydropower asset, and there is a contracted part in which we can create value through our commercialization - so, at some point, it will enter our sights, although it hasn't happened yet due to a decision by the controlling shareholder. The controlling shareholder understood that it needed to round off the rough edges of the operation before presenting it to the related parties committee.

And, at the appropriate time, we will look at how this asset will be brought into our scope - whether it will be brought in through a purchase financed by the controlling shareholder itself, or whether it will be through some kind of transaction via shares. I don't know yet, we haven't started discussing this yet, and, most likely, this will also be part of the

equation discussed within the related parties committee.

So what we can say is that this is expected to happen at some point and that it will be done within the governance set up by us to ensure the best possible governance and equal conditions between the controlling shareholder and the minority shareholder.

RAFAEL BÓSIO: Ok. Thanks, Sattamini. In this next question coming from Ilan at Ativo Investimentos, he asks Takamori: "How do you see the current leverage of 2.1x? Are you looking at new debt or refinancing current liabilities?".

EDUARDO TAKAMORI: Hi, Ilan. Certainly. 2x is a very comfortable level, and there is space to leverage a lot more still, and this is our entire strategy for the year, right? So, unless there's some transformational event here that requires other, slightly more differentiated capital structures, our base case is to continue issuing debt until the end of the year to meet our capital needs for the projects we've already mentioned. So we expect to continue issuing debt, yes.

Remember: We've already done part of our homework, issuing debentures at the end of last year, for R$2.5 billion. This reduces our need and the number of times we'll have to go to the market this year, but we're also optimistic that the market momentum for taking on these debts looks interesting too. Let's go for it!

RAFAEL BÓSIO: Thanks, Takamori. Daniel, from Safra, asks in relation to commercialization, if we see market liquidity in the light of recent increases in prices — liquidity for businesses.

EDUARDO TAKAMORI: Liquidity is increasing, yes, and this is good. When you have very depressed prices, the consumer tends to benefit from this in the short-term, we see a slight cooling of sales; but when we begin to see this volatility as a function of the hydrological conditions and the complexity of the market itself, you already see the consumer realizing that it is not down to his own expertise, and that he has to leave it to who understands the business, and transfer the risk through energy purchases via longer term agreements.

So we have seen this greater liquidity and this greater interest from consumers in closing positions more consistently. We are seeing this movement and, naturally, we are positioning ourselves and selling energy from our portfolio.

RAFAEL BÓSIO: Thanks, Takamori. I have a question here from João Pimentel, Analyst at BTG Pactual, specifically on TAG. I think I am going to try and reply from here. He asks if we could explain the reason for the fall in revenue at TAG in the fourth quarter and give

more details on the provision for the return of penalties that impacted Ebitda.

The answer to the first part of the question is precisely the second part of the question: the drop in revenue, João, is precisely the return of these penalties that were charged and provisioned, and they will be returned over the course of 2024 and 2025. And, just to remind you, this impact was greater because all the penalties for 2022 and 2023 only impacted the fourth quarter - in the fourth quarter of 2023, naturally.

We are getting to the end of the questions. Sattamini and Takamori, Vinícius Santini, our shareholder, asks if we have any news on green hydrogen projects.

Hello? Satta? You are on mute, Satta.

EDUARDO SATTAMINI: Okay, let's look at this. We have been looking, yes, at some green hydrogen developments. It's an industry very much in its infancy. We still don't have regulations to act as an incentive for this activity. We've been trying to discuss this in Congress and in associations, as to how we can get this industry off the ground and into operation. It's also very positive for the generation area, because it's a big consumer of energy - it's electro-intensive - but we still need a regulatory framework to facilitate business.

So this is, I think, the main barrier to the development of green hydrogen, but we have been working on some industrial projects that could be economically viable as long as we value carbon reduction - the cost of carbon could be an element that makes the creation of this industry viable.

So these are things that are moving slowly, but we're discussing them, and it's possible that we'll see some progress in 2024. We're working towards that.

RAFAEL BÓSIO: Perfect. Thanks, Sattamini. The next question comes from Antônio Araújo, our shareholder. He asks if we have an interest in Cemig's stake in Taesa should ISA not exercise preference rights. I don't know if we can reply to this, Satta.

EDUARDO SATTAMINI: We… It's not on our radar, I don't know… We are not looking. I can't comment… I don't have a position today and I can't comment because we are not part of the process.

RAFAEL BÓSIO: Perfect.

EDUARDO SATTAMINI: If there is a process.

RAFAEL BÓSIO: Perfect. A final question from Matheus Caetano, our shareholder, in relation to the outlook for the sector: “How the Company sees the viability of the new energy auctions when compared to the current supply-demand relation in the domestic system as a whole?”.

EDUARDO SATTAMINI: New energy auction…

RAFAEL BÓSIO: I don’t think there will be.

EDUARDO SATTAMINI: I think it’s a difficult situation, because there is no demand. There is no demand for this. If there is no demand, the auction is not going to happen.

RAFAEL BÓSIO: It is going to end up not happening.

EDUARDO SATTAMINI: We have excess supply even at the distributors themselves, who are losing many customers to the free market, so the likelihood is that you will even have a very large involuntary exposure of the distributors, affecting energy tariffs of consumers who remain captive.

This is the "death spiral": The guy departs for the free market, leaves the bills for those who stay, the bill gets more and more expensive and there is more incentive for the guy to leave for the free market and leave the bill for others. This is the "death spiral", the madness we are living through, and it has been largely stimulated by the growth of distributed generation. This has been the message we've been giving: the government needs to stop and look, because then the consumer, the poorest, the one with the least resources, will end up paying for those who are richer and smarter.

So that's the message we've been sending out to everyone in Congress, within the government, and it's been difficult for any action to be taken. I hope that soon that someone will realize what is going on and the government will start to do something, because this is extremely important for the health of the sector.

RAFAEL BÓSIO: Excellent, Satta. So now yes, definitely the last question so as not to leave any unanswered — and also what must also be very much in line with the antepenultimate response which you gave, Satta —, Bruno asks if there is an interest in the assets of AES Brasil.

EDUARDO SATTAMINI:

We always have an interest in generation assets. We examine, we take part in the process

and, at some point, it may come together. So I'm not saying we're going to get in or we're not going to get in, or we're going to do it or not do it, but if it's a generation asset, a transmission asset, has a good return, makes sense and it adds to our portfolio, we will look at it.

AES is an interesting asset — I have no doubts. There are some good plants in the southeast of Brazil, well located. I think that it could be that as part of this process we would have some interest.

RAFAEL BÓSIO: Perfect, Sattamini and Takamori. We have no more answers. With this, I return the floor for your final considerations.

EDUARDO SATTAMINI: Here goes, ladies and gentlemen. Once again, thank you very much. Great expectations for 2024, for us to progress in the regulatory environment, in the business environment of the electric power sector. As you know, we sail very well in all kinds of seas, whether rough or calm. We have the best quality crew and we count on the support of our investors so this interaction with you is very positive for us.

Once again, thanks very much and a good day to all of you.