

GRUPO
equatorial
ENERGIA



Earnings Release 4Q23

EQTL
B3 LISTED NM



Brasília, March 25th, 2024 - Equatorial Energia S.A., a multi-utilities holding company, operating in the Distribution, Transmission, Generation, Commercialization, Services, Sanitation and Telecom segments (B3: EQTL3; USOTC: EQUY), announces its results for the fourth quarter of 2023 (4Q23).

Adjusted Consolidated EBITDA grows 26% and reaches R\$2.8 billion in the period (vs. 4Q22)

Consolidation of Equatorial Goiás and control of leverage are the main highlights of the period

- **Quality of Operation – Reduction in DEC**, in a 12-month accumulated view, in all DisCos compared to 4Q22. Highlight for **Maranhão**, which has reached the regulatory limit and for **Amapá** which has reduced its DEC by 11,00 hours in comparison to 4T22.
- **Total consolidated losses** are now classified at the regulatory level, with emphasis on Pará's classification within the regulatory limit.
- **Total volume of distributed energy** reached 14,832 GWh, consolidated growth of 12.3% compared to 4Q22, with emphasis on Goiás (+17.0%), Pará (+14.4%), Piauí (+14.1%) and Maranhão (+12.6%) which achieved double-digit percentage growth.
- **Consolidated investments** totaled around **R\$2.6 billion** in 4Q23, an increase of R\$0.9 billion when compared to 4Q22, mainly due to the development of solar parks in the renewables segment.
- Consolidated **Net Debt/EBITDA ratio** in the covenant view, ended 4Q23 at 3.3x, showing a reduction for the fourth consecutive quarter and reflecting the organic deleveraging trajectory.
- **Closing of Intesa's alienation** in March 2024.
- **Consolidated Cash** for the period reached **R\$12.8 billion**, with a **Cash/Short-term Debt ratio of 2.4x**.
- **R\$6.6 billion of pre-payments and operations**, with a focus on decreasing short-term debt, promote the lengthening of the debt and decreasing its average cost.
- **Equatorial Group starts to integrate official ISE and Idiversa B3 portfolio.**

MAIN MACROINDICATORS ¹

Financial Highlights	4Q22	4Q23	Δ%	Δ
R\$ million				
Net Operating Revenues (NOR)	7,917	11,246	42.0%	3,329
Adjusted EBITDA (Quarter)	2,197	2,757	25.5%	560
EBITDA Margin (% NOR)	27.8%	24.8%	-3.0 p.p.	
Adjusted EBITDA (Last 12 months)	7,077	9,801	38.5%	2,724
Adjusted Net Income	878	1,059	20.6%	181
Net Income Margin (% NOR)	11.1%	9.5%	-1.6 p.p.	
Investments	1,710	2,638	54.3%	928
Net Debt	23,807	35,338	48.4%	11,531
Net Debt / Adj EBITDA (Last 12 months)	4.1	3.3	-0,8x	
Cash / Short Term Debt	2.8	2.4	-0,4x	

¹ Adjusted EBITDA net of non-recurring effects and non-cash effect of VNR, IFRS and MtM.

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NOTICE

Forward-looking statements are subject to risks and uncertainties. Such statements are based on the beliefs and assumptions of our Management and information to which the Company currently has access. Forward-looking statements include information about our current intentions, beliefs or expectations, as well as those of the Company's Board of Directors and Officers. Disclaimers with respect to forward-looking statements and information also include information about possible or assumed operating results, as well as statements that precede, follow or include the words "believes", "may", "will", "continues", "expects", "anticipates", "intends", "estimates" or similar expressions.

Forward-looking statements and information are not guarantees of performance. They involve risks, uncertainties and assumptions because they refer to future events, therefore depending on circumstances that may or may not occur. Future results and the creation of shareholder value may differ materially from those expressed or suggested by forward-looking statements. Many of the factors that will determine these results and values are beyond the Company's ability to control or predict.

Accounting criteria adopted:

The information is presented on a consolidated basis and in accordance with Brazilian corporate law criteria, based on revised financial information. The consolidated financial information presented in this report represents 100% of the results of its direct and indirect subsidiaries and considers the result of the assets from their acquisition, unless otherwise indicated for comparability purposes.

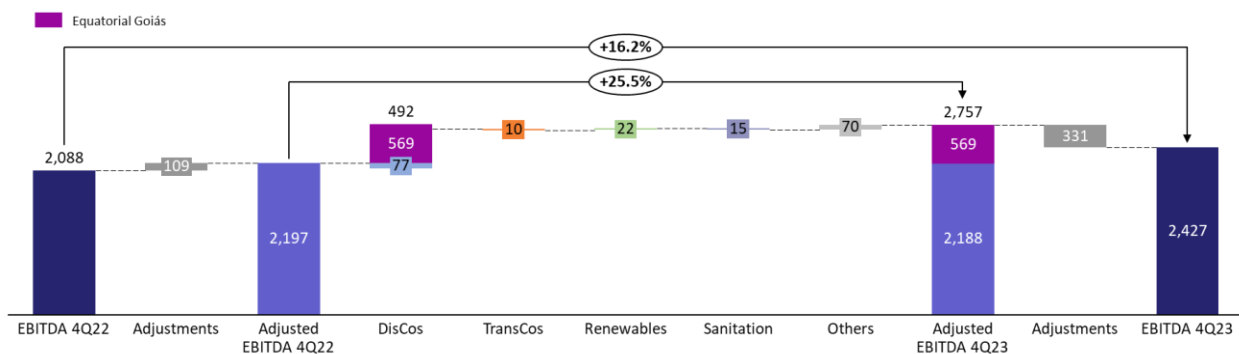
The consolidated operating information represents 100% of the results of direct and indirect subsidiaries.

CONSOLIDATED FINANCIAL PERFORMANCE

Income Statement	4Q22	4Q23	Δ%	Δ
R\$ million				
Gross Operating Revenues (GOR)	10,085	15,247	51.2%	5,162
Net Operating Revenues (NOR)	7,917	11,246	42.0%	3,329
Energy Purchase Cost	(4,724)	(7,003)	48.2%	(2,279)
Gross Margin	3,193	4,243	32.9%	1,050
Operating Expenses	(887)	(1,391)	56.7%	(504)
Other Operational Revenues/Expenses	(217)	(296)	36.3%	(79)
EBITDA	2,088	2,427	16.2%	339
Adj. EBITDA	2,197	2,757	25.5%	560
Depreciation	(343)	(512)	49.2%	(169)
Goodwill Amortization	(143)	(144)	0.5%	(1)
Service Income (EBIT)	1,601	1,771	10.6%	169
Financial Results	(678)	(1,026)	51.4%	(349)
Adjusted Financial Results, net	(458)	(1,088)	137.5%	(630)
Operating Results	924	744	-19.4%	(180)
Income Tax	(152)	246	-261.2%	398
Minorities	311	316	1.4%	4
Net Income	460	674	46.6%	214
Net Adjusted Income	878	1,059	20.6%	181
Investments	1,710	2,638	54.3%	928

The information contained in this section includes the results of the companies starting from their respective acquisitions. It is worth noting that the results of Equatorial Energia Goiás began to be consolidated in 1Q23, while its balance sheet began to be consolidated in 4Q22 and, therefore, are not considered in the numbers presented in 4Q22. It is worth noting that the adjusted numbers started to consider non-cash and IFRS effects from 2Q23, and that this change affects the 2022 numbers, which were adjusted in the same way.

ADJUSTED GROSS MARGIN



On a consolidated basis, in 4Q23, Equatorial group's adjusted Gross Margin showed a growth of 39.0% compared to 4Q22, totaling R\$4.2 billion, already excluding the effects of construction revenue and IFRS(VNR, IFRS 9 and MtM).

The result is mainly explained by the consolidation of Equatorial Goiás in the quarter, which added R\$858 million to the result. In addition to the consolidation of Equatorial Goiás, in the variation between quarters it is important to highlight other movements that contributed to the growth of the margin in the other DisCos, such as strong market growth (R\$ 205 million), improvement in losses (R\$ 22 million), increase in other revenues (R\$ 14 million), which was partially offset by the decrease in the parcel-b tariff (R\$ -77 million). Growth in the DisCos' gross margin must also be emphasized, where it was impacted by the Parcel B readjustments that occurred in 2023, which negatively impacted the results of Equatorial Maranhão and Equatorial Pará (companies that had reductions in the Parcel B of -7.9% and -9.6%, respectively).

Below we present the non-recurring effects of the Gross Margin opened by segment:

Non Recurring	Distribution	Transmission	Renewables	Sanitation	Others	4Q23 Total
Revenue - Retroactive Entries	25	-	-	-	-	25
Must Gloss	12	-	-	-	-	12
Operating Revenue	37	-	-	-	-	37
Neutrality adjustments in tax accounts and Parcel A	(12)	-	-	-	-	(12)
Compensation, Fines, and Penalties	4	-	-	-	-	4
Deductions from Operating Revenue	(8)	-	-	-	-	(8)
Net Operating Revenue	29	-	-	-	-	29
Adjustments - RTA and RTP	(21)	-	-	-	-	(21)
Parcel A without corresponding CVA	16	-	-	-	-	16
Cost of Electricity Service	(5)	-	-	-	-	(5)
Gross Margin	25	-	-	-	-	25

Below is a breakdown of the effects, which were concentrated in the Distribution segment:

Operating income:

- (i) *Retroactive Revenues (Pará, CEEE-D and Goiás): In Pará, the adjustment comes from retroactive revenues of the Public Lighting Contribution Tariff and the adjustment of R&D and PEE inspection resources, in Goiás the effect refers to an accounting adjustment made to equalize equity accounts and in CEEE-D it is the remuneration of the additional base recognized in the 2023 tariff adjustment.*
- (ii) *MUST Gloss (CEEE-D): Referring to the fine received for delays in the work of two substations that should be ready to serve the transmission system.*

Deductions from operating income:

- (i) *Neutrality adjustments in tax accounts and Parcel A (Goiás and CEA): Adjustments in PIS/COFINS neutrality accounts that showed a mismatch in 1Q23 and/or were used for low tariffs.*
- (ii) *Compensation, Fines and Penalties (Alagoas): Provision of DIC/FIC fines.*

Electricity service cost:

- (i) *Tariff adjustments Processes (Goiás): Referring to the adjustment of assets in the base to reflect the recognitions from Tariff Reviews.*
- (ii) *Parcel A without corresponding CVA (Goiás): Value corresponds to the provision for expenses with Parcel A that did not have a CVA constituted, which are corrected in the subsequent month and have no impact on the accumulated result.*

The breakdown of effects by company system can be found in the Distribution section.

COSTS AND EXPENSES

Operating Expenses	4Q22	Δ Distribution	Δ Transmission	Δ Renewables	Δ Others*	4Q23 Ex GO	Goiás	4Q23	Δ% Ex GO	Δ%
R\$ million										
(+) Personnel	281	-14	1	-4	6	271	29	300	-4%	7%
(+) Materials	45	23	1	1	-15	54	21	75	19%	66%
(+) Third Party Services	485	29	-13	-7	64	559	189	747	15%	54%
(+) Others	76	29	1	-5	-4	97	24	120	28%	59%
(=) Reported PMSO	887	67	-9	-16	51	980	263	1,243	10%	40%
Adjustments	-35	-	-	-	-	-63	-8	-71	79%	101%
Adjusted PMSO	852	46	-9	-16	44	917	255	1,172	7.7%	37.7%
(+) Total Provisions	13	234	2	-	-153	97	158	255	626%	1813%
(+) CCC Subvention	-13	34	-	-	-	22	0	22	-275%	-275%
(+) Other Operating Expenses (Revenues)	217	-39	-	-	-	177	119	296	-18%	36%
(+) Depreciation and Amortization	343	56	0	-49	8	358	154	512	4%	49%
Total	1,448	352	-7	-64	-94	1,634	695	2,328	13%	61%
IPCA					4.62%					
IGPM					-3.18%					

*Includes Eliminations and PPAs

Adjusted OPEX grew 37.7% between quarters, going from R\$852 million to R\$1,172 million. The variation can be explained mainly by the:

- Consolidation of Equatorial Goiás, which in the adjusted view added R\$255 million;
- Increase of R\$46 million in the Distribution segment, mainly in the Third-Party Services line, with the mobilization of teams focused on quality improvement in Maranhão and Piauí, in addition to emergency assistance at CEEE-D.
- The increase in “Others” by R\$44 million, which consolidates the sanitation segment (R\$8 million), Equatorial Serviços (R\$5 million), the holding's expenses (R\$37 million) and accumulates the effects of eliminations carried out in the consolidation and PPAs.

Below we present the non-recurring effects of costs and expenses, categorized by segment:

Non Recurring	Distribution	Transmission	Renewables	Sanitation	Others	4Q23 Total
Operational Costs and Expenses	64	-	-	7	-	71
Personnel	2	-	-	-	-	2
Materials	6	-	-	-	-	6
Services	33	-	-	7	-	40
Others	23	-	-	-	-	23
Provisions	196	-	-	-	-	196
PDD - Matrix Update and Others	91	-	-	-	-	91
Contingencies - Fines, infractions, and provisions	105	-	-	-	-	105
Costs and Expenses	260	-	-	7	-	267

Below is the detailing of the effects, which were concentrated in the Distribution segment:

Operating Costs and Expenses:

Personnel

- Reversal and regularization of PLR Provision, Allocation and Reclassification of Actuarial Interest (Goiás, Pará and Alagoas): Adjustment in the open PLR provisions made by the former controller in 2017 and 2018 that were outstanding in Goiás, adjustments in allocation entries in Pará and reclassification of actuarial interest expenses to financial expenses.

Material

- (i) *Expenses with climate events and activations (Pará and CEEE-D): Non-recurring expenses with materials due to extreme climate events in CEEE-D.*

Third-Party Services

- (i) *Extraordinary payments to third parties and consultancies (Maranhão, Piauí and CEEE-D): related to the mobilization of third-party teams and/or consultancies focused on the operation quality for Maranhão, Piauí and for CEEE-D. In the case of CEEE-D, the mobilizations were aimed for emergency assistance.*

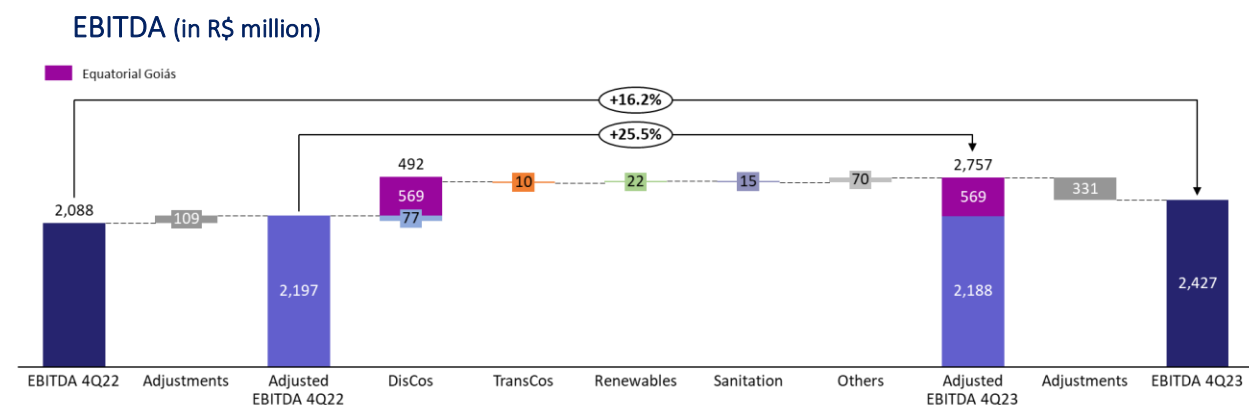
Others

- (i) *Other Effects (Maranhão, Piauí, Alagoas, CEEE-D and Goiás): Effect considers retroactive entries, provision of fines, expenses with emergency care, update to present value of inventories and provision of pension plans.*

The non-recurring effects for Provisions for Delinquency (PDA) refer to the update/reversal of the loss matrix and the start of the implementation of the loss matrix in Equatorial Goiás. In contingencies, the non-recurring effects refer to provisions for the values of infraction notices received, which are related to supply quality.

Individual effects can be viewed in the non-recurring table in the Distribution section.

EBITDA



Equatorial's reported EBITDA reached R\$2,427 million in 4Q23, 16.2% higher than 4Q22.

While the EBITDA adjusted for non-recurring and non-cash effects reached R\$2,757 million, 25.5% higher than the same period of the previous year, or R\$560 million higher. This increase is mainly explained by the consolidation of Equatorial Goiás, which contributed R\$569 million. Disregarding the effect of Equatorial Goiás, the Distribution segment presents an EBITDA drop of R\$77 million. The explanation of EBITDA is in the "Distribution" section of the document.

It is important to mention that the adjusted EBITDA already includes non-cash and IFRS adjustments (VNR, IFRS 9 and MtM), including for the year 2022.

Below we present the reconciliation of Reported EBITDA, in accordance with CVM Instruction 527/12 and the comparison of Adjusted EBITDA for the main non-cash and non-recurring effects, along with the ex-new assets view in the comparison 4Q22 x 4Q23:

EBITDA	4Q22	4Q23	Δ%	Δ
R\$ million				
EBITDA Equatorial IFRS	2,088	2,427	16%	339
Non Recurring Adjustments	260	400	54%	140
(-) IFRS 9 (Transmissão)	(18)	(48)	167%	(30)
(-) VNR	(133)	(198)	49%	(65)
(-) MtM	-	176	N/A	176
EBITDA Equatorial (ex new assets)	2,197	2,757	25.5%	560
(-) New Assets	-	(569)	-	(569)
EBITDA Equatorial (ex new assets)	2,197	2,188	-0.4%	(9)

The non-recurring effects that impacted EBITDA are listed below.

Non Recurring	Distribution	Transmission	Renewables	Sanitation	Others	4Q23 Total
Gross Margin	25	-	-	-	-	25
Costs and Expenses	260	-	-	7	-	267
Other Operational Incomes/Expenses	294	-	-	-	-	294
IFRS (VNR / IFRS 9 / MtM) Adj.	(198)	(48)	176	-	-	(70)
PPAs	-	-	-	-	(185)	(185)
EBITDA Adjustments	381	(48)	176	7	(185)	331

The EBITDA adjustments in this quarter were concentrated in the group's DisCos, and are represented in the previous sections “Gross Margin” and “Costs and Expenses”. For more details, see the “Distribution” section.

Financial Results

Net Financial Result	4Q22	Δ Distribution	Δ Transmission	Δ Renewables	Δ Others	4Q23 Ex GO	4Q23 Goiás	4Q23	Δ% Ex GO	Δ%
R\$ million										
Financial Income	310	(35)	14	(0)	(21)	267	5	272	-13.7%	-12.1%
(+) Fines and Interest on Overdue Bills	121	(26)	-	-	(0)	95	9	104	-21.8%	-14.6%
(+) Swap Operations	(176)	(108)	(5)	-	5	(283)	(1)	(284)	61.4%	61.8%
(+) Foreign Exchange on Debt	110	81	3	-	(11)	183	(14)	169	65.6%	52.7%
(+) Interest on Debt	(757)	(23)	(8)	5	(11)	(794)	(278)	(1,071)	4.9%	41.5%
(+) Charges and Fees	26	(100)	-	-	13	(61)	(51)	(112)	-330.1%	-521.9%
(+) Interest and Present Value - Judicial Recovery	(20)	(6)	-	-	-	(26)	-	(26)	27.7%	27.7%
(+) Interest and Present Value - Commercial	(203)	224	-	-	0	21	-	21	-110.3%	-110.3%
(+) Contingencies	(52)	(25)	-	-	-	(76)	(24)	(100)	47.5%	93.5%
(+) Other Financial Revenues / Expenses	(38)	(23)	(16)	(11)	105	16	(15)	1	-141.2%	-102.2%
Net Financial Results	(678)	(40)	(13)	(6)	80	(658)	(368)	(1,026)	-2.9%	51.4%
(+) Non Recurring Events	220	(252)	3	-	0	(29)	(32)	(61)	-113.3%	-128.0%
Adjusted Net Financial Results	(458)	(292)	(10)	(6)	80	(687)	(401)	(1,088)	50.0%	137.5%

On a consolidated basis, the Company's reported financial result in 4Q23 reached negative R\$1,026 million compared to negative R\$678 million in 4Q22, mainly because of the effect of consolidating Equatorial Goiás' result.

Next, we present the non-recurring effects of the period:

Non Recurring	Distribution	Transmission	Renewables	Sanitation	Others	4Q23 Total
Financial Revenues	(47)	-	-	-	-	(47)
Tax Refund	(26)	-	-	-	-	(26)
Contingency Reversal	(21)	-	-	-	-	(21)
Financial Expenses	(17)	3	-	-	-	(15)
IRPJ and CSLL fines	(15)	3	-	-	-	(12)
Contingency Update	(2)	-	-	-	-	(2)
Financial Results	(64)	3	-	-	-	(61)

Below are explanations of non-recurring effects:

Financial Revenues

- (i) *Tax refund (Maranhão): Court decision in favor of the recovery of IRPJ and CSLL credits on SELIC when billing customers.*
- (ii) *Reversal of contingencies (CEEE-D and CEA): reassessment of the values between principal and update in CEEE-D and reversal of the PIS/COFINS fine provision than in CEA.*

Financial Expenses

- (i) *IRPJ and CSLL fines (Goiás and transmission): Adjustment in the calculation of IRPJ/CSLL from previous periods.*
- (ii) *Update of contingencies (Maranhão and Goiás): Referring to the progression of processes classified from possible to probable or entering the probationary phase.*

The adjusted financial result in 4Q23 was negative R\$1,088 million, a variation of 137.5% in relation to 4Q22, mainly explained by an increase in the company's gross debt by R\$4.7 billion in the ex-Goiás view (R\$11.7 billion considering the debt acquired from Equatorial Goiás on December 31, 2022). The increase in debt in the ex-Goiás view is the result of investments in the group's DisCos with tariff reviews in 2023 and 2024 and investments in Echoenergia's renewable pipeline. It is important to highlight that the line of fines for late payment no longer made up financial revenue in 1Q23, and that this quarter reached R\$90 million.

Net Profits

On a consolidated basis, Equatorial achieved a profit of R\$990 million in 4Q23, while the adjusted net profit for the period was R\$1,059 million, R\$181 million lower than the same period of the previous year.

Consolidated Net Revenues (R\$ Mn)	4Q22	4Q23	Δ%	Δ
Distribution	847	838	-1.0%	(8)
Transmission	111	130	17.7%	20
Intesa	7	(7)	-195.5%	(14)
Echoenergia	36	101	183.9%	65
Serviços	(29)	(127)	331.5%	(97)
CSA	(38)	(63)	67.4%	(25)
PPAS	10	216	2105.2%	206
Holding & Others	(172)	(99)	-42.3%	73
(=) Net Revenues	771	990	28.4%	219
<i>(-) Minorities</i>	<i>(311)</i>	<i>(316)</i>	<i>1.4%</i>	<i>(4)</i>
(=) Net Revenues Adjusted by minorities	460	674	46.6%	214
Distribution Adj.	240	342	42.2%	101
Transmission Adj.	-	3	N/A	3
Sanitation Adj.	-	7	N/A	7
PPAS Adj.	(10)	(216)	2105.2%	(206)
IFRS (VRN, IFRS and MtM) Adj.	(124)	(67)	-46.2%	57
Adjusted Net Revenues	878	1,059	20.6%	181
New Assets	-	183	N/A	183
Adjusted Net Revenues	878	876	-0.2%	(2)

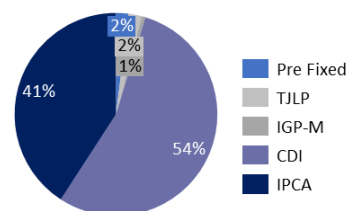
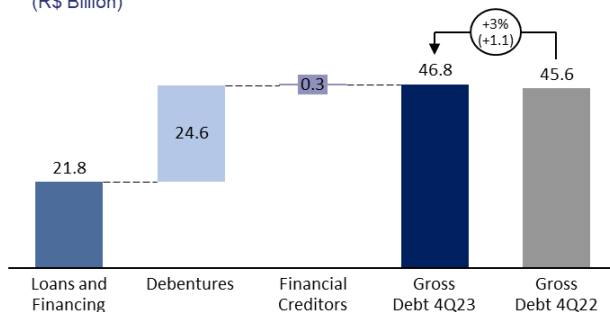
Below we present the non-recurring effects that impacted the company's profit:

Non Recurring	Distribution	Transmission	Renewables	Sanitation	Others	4Q23 Total
EBITDA Adjustments	285	-	-	7	-	291
Other Non-Operational Incomes/Expenses	212	-	-	-	-	212
Financial Result	(64)	3	-	-	-	(61)
Taxes	(91)	-	-	-	-	(91)
PPAs	-	-	-	-	(216)	(216)
<i>IFRS (VNR / IFRS 9 / MtM) Adjustments líquido de impostos</i>	<i>(130)</i>	<i>(52)</i>	<i>116</i>	<i>-</i>	<i>-</i>	<i>(67)</i>
Total Adjustments to Net Profit	211	(50)	116	7	(216)	69

Debt

In 4Q23, the consolidated gross debt, considering loans and financing, financial creditors from the judicial recovery (net of adjustment to present value) and debentures, reached R\$46.8 billion. For a more detailed breakdown of the debt, visit the IR website, in the section: Financial Information – Operational and Financial Data.

Build-up - Debt
(R\$ Billion)



Build-up Net Debt / EBITDA
Covenants Vision

Equatorial's Covenants consider the company's acquisitions EBITDA LTM and does not consider all judicial recovery debt

Build-up - Covenants

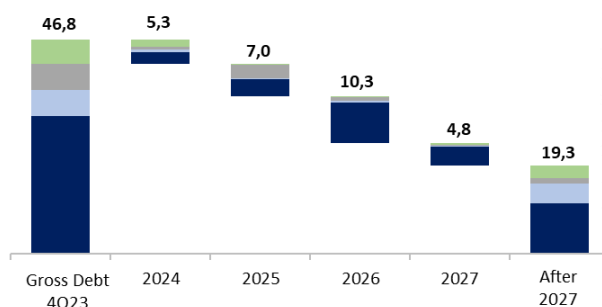
Gross Debt	46.8
(-) Covenants Adjustments	1.3
(-) Cash	12.8
Net Debt	35.3
Consolidated EBITDA LTM	10.7
Covenants EBITDA	10.7
Net Debt / EBITDA	3.3

Due and Average Cost

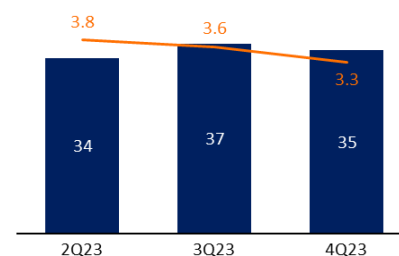
5.0 years / 12.40% p.a.

Referring to the average cost of liabilities incurred in the period

Amortization Schedule
(R\$ Bln)



Net Debt / EBITDA History
Covenants vision (R\$ Bln)



Relevant Payments on the quarter:

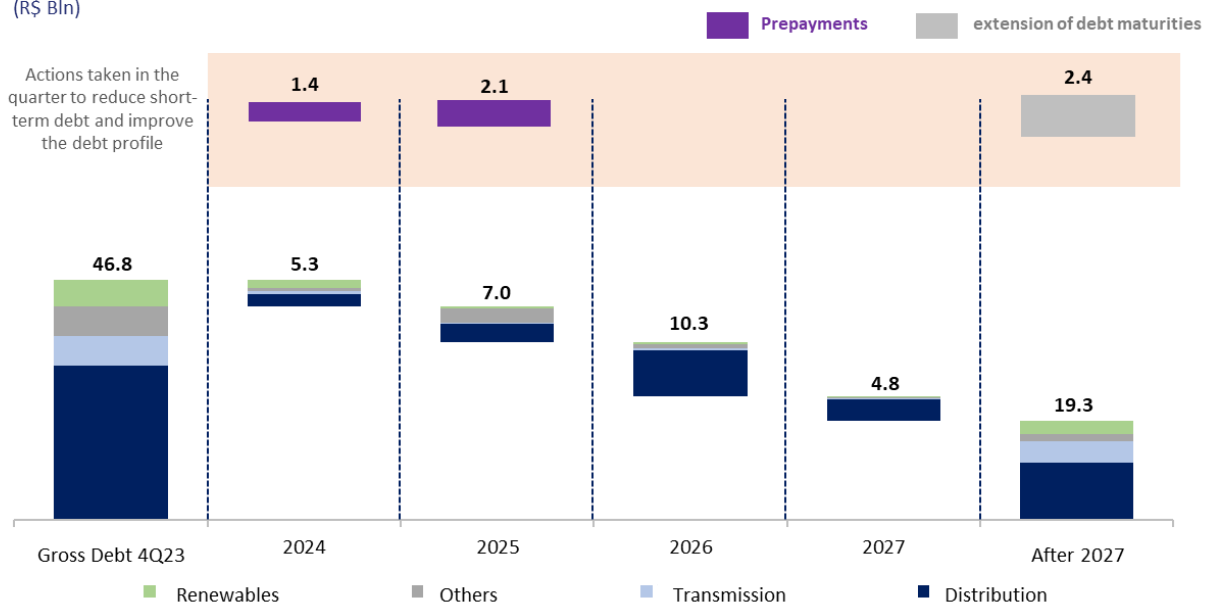
Distribution	Renewables
Prepayment (Former controlling balance – GO) (R\$ 635MM);	Echoenergia prepayment 3rd issue (R\$ 312 MM)
NP CEEE prepayment (R\$ 658 MM);	
Exchange GO (R\$ 1,467 MM)	
subsequent events	
CSA Amortization 1st Issue (R\$ 950 MM)	
Prepayment EQTL 3rd Issue (R\$ 462 MM)	
EQTL prepayment 5th Series of 5th Issue (R\$ 2,119 MM)	

The net debt determined for covenant purposes reached R\$35.3 billion, implying a net debt/EBITDA ratio of 3.3x, a value 0.3x lower than the previous quarter. Reinforcing the organic deleveraging trajectory of the Company and reflecting the actions aimed at deleveraging used in 4Q23, such as the sale of treasury shares (R\$ 991 million), the PN share operation carried out with Itaú (R\$ 1.3 billion) and the deconsolidation of the Intesa debt (R\$321 million), both totaling R\$2,612 billion.

Below we also present the financial movements carried out during 4Q23 to promote the reduction of short-term debt and improve the debt profile.

Prepayments and actions to extend debt

(R\$ Bln)



In relation to the Company's short-term obligations, coverage measured by the group's consolidated cash position was 2.4x.

Investments

The information regarding Investments made considers 100% of Maranhão, Pará, Piauí, Alagoas, CEEE-D, CEA, Goiás, Intesa, Equatorial Transmissão, Echoenergia, CSA and Equatorial Serviços in the reported periods. New assets are considered starting from their respective consolidations.

In 4Q23, the total consolidated investment was R\$2.6 billion, a volume 54% higher than that recorded in 4Q22.

The variation is partially due to investment in the renewable pipeline, which was R\$488 million in 4Q23, with most

Capex disbursement made in this second semester directed to the development of the Ribeiro Gonçalves and Barreiras I clusters. On an accumulated basis, investment in the parks reached R\$943 million for Ribeiro Gonçalves and R\$1,343 million for Barreiras I, totaling R\$2,287 million invested.

In the Distribution segment, investments increased by 25% and, excluding Equatorial Goiás, the increase was 7%, or R\$112 million. It is worth noting that the increase in the line of investments in distribution is aimed at the line of special obligations, due to the increase in the volume of works related to PLPT and MLA connections.

In the transmission segment, the increase in investments refers to the reinforcement of SPE 8, replacing a transformer at the Xingu substation, which will bring an additional RAP of R\$ 5.7 million.

Investments in the sanitation segment reflect the initial stage of CSA's operation, as demonstrated in the Sanitation section.

To return to the Summary, click [here](#).

Investments	4Q22	4Q23	Δ%	Δ
R\$ million				
Distribution	1,624	2,025	25%	402
Electrical Assets	1,295	1,328	3%	33
Special Obligations	175	397	126%	222
Non-Electrical Assets	153	300	95%	146
Transmission	12	25	103%	13
EQTT	10	28	187%	18
Intesa	3	-3	223%	-6
Renewables	26	526	1922%	500
Operational Clusters	13	38	182%	24
Projects	13	488	-	475
Sanitation	39	15	-61%	-24
Others	9	47	433%	38
Total Equatorial	1,710	2,638	54%	928

ESG (Environmental, Social and Governance)

The Equatorial Group ended the year 2023 recording important advances and learnings in its ESG agenda, especially if we consider the complex situation of the year in terms of climate change and environmental challenges. CEEE Equatorial Energia, in Rio Grande do Sul, was one of the most impacted concessions, with heavy rains and flooding that required a prompt response not only from teams in the field but also in emergency assistance to families. In this sense, the Company worked hard on reconfiguring its contingency plans, in order to not only respond quickly to crisis situations, but also work on a preparation and coping plan.

The security agenda was also an important topic for the Company, which began to outline its **Security Journey** in the last quarter of the year, a type of 360° program that will work in an integrated way on the pillars of training, leadership, behavior, suppliers and population, in order to make the management of this value for the Company increasingly robust.

Also in the quarter, Equatorial was listed on the Stock Exchange's Corporate Sustainability Index, ISE Bovespa, which brings together 78 companies from 36 different economic sectors with the best practices in the environmental, social responsibility, economic-financial and corporate governance areas. Contributing in the index helps the Company in the continuous assessment and improvement of its ESG management, as well as playing an important role in assisting investors in their investment decisions. Later in the year, the Company became part of iDiversa B3, which is B3's first Latin American index to bring together companies recognized for gender and ethnic diversity in their workforce. More than 60% of Equatorial employees are black and brown, including leaders and non-leaders.

Finally, it is worth emphasizing that the turnaround processes of Equatorial Goiás, which completed one year under Equatorial management, in addition to CSA, still directly impact the Company's socio-environmental indicators, which has been seeking, amidst challenges and opportunities, to equalize its way of management.

Below are the indicators monitored and made available each quarter.

ESG Indicators	Measure	4Q22	4Q23	Δ%
Environmental				
Installed Renewable Energy Capacity	GW	1,204	1,204	0.0%
Waste Generated	t	1,580	6,200	292.5%
Environmental Sanctions	#	5	10	100.0%
Social				
Number of Employees	#	7,893	11,123	40.9%
Number of Third Party Employees	#	38,160	41,091	7.7%
Turnover Rate	%	7%	8%	12.1%
% of Women in the Equatorial Energia Group	%	37%	35%	-4.1%
% of Women in Leadership Positions x Total Leaders	%	20%	22%	10.7%
Social Investments	R\$ thousand	11,606	20,822	79.4%
TF Own	#	3	4	41.4%
TF Third Party Employees	#	7	7	-3.0%
TG Own	#	34	46	36.5%
TG Third Party Employees	#	48	1,589	3196.1%
Employee death numbers (own + third parties)	#	0	4	N/A
Investment in R&D and Energy Efficiency	R\$ thousand	51,465	83,581	62.4%
Hours of Training per Employee	h	55	60	8.2%
Payroll in states with HDI Below 0.7 ¹	R\$	5,415	5,698	5.2%
Governance				
% of Independent Directors ²	%	75%	100%	33.3%
% of Women on the Board	%	22%	25%	13.6%
Cases Registered in the Ethics Channel	#	116	114	-1.7%

1 - Alagoas, Piauí, Maranhão and Pará | 2 - considers current composition (base March/23)

3 - TF: Company accident frequency rate in the period | 4 - TG: Company accident severity rate in the period

To return to the Summary, click [here](#).

Distribution

Commercial Performance

Operational Data		4Q22								4Q23							
	Measure	MA	PA	PI	AL	RS	AP	GO	Total	MA	PA	PI	AL	RS	AP	GO	Total
SIN Injected Energy	GWh	2,302	3,453	1,284	1,289	2,347	540	4,253	15,469	2,581	3,805	1,431	1,344	2,332	538	4,898	16,928
Isolated Systems	GWh	0	75	0	0	0	13	0	89	0	68	0	0	0	14	0	83
Distributed Generation Injected Energy	GWh	98	110	95	58	89	5	225	680	145	205	151	105	99	12	379	1,098
Energia injetada Total	GWh	2,401	3,638	1,379	1,347	2,436	559	4,478	16,237	2,727	4,078	1,582	1,450	2,431	565	5,277	18,109
Total Var. %	%									13.6%	12.1%	14.7%	7.6%	-0.2%	1.0%	17.9%	11.5%
Residencial - conventional	GWh	690	768	321	293	694	102	1,332	4,200	771	862	351	294	703	105	1,579	4,665
Residencial - low income	GWh	392	402	193	134	83	42	171	1,416	451	486	224	161	104	101	262	1,788
Industrial	GWh	40	97	25	29	61	24	116	392	39	92	21	24	53	8	99	337
Commercial	GWh	167	362	152	160	359	69	473	1,742	171	365	145	135	340	71	493	1,720
Others	GWh	406	391	221	229	274	90	795	2,406	433	443	244	245	234	32	869	2,499
Captive Consumers	GWh	1,695	2,022	912	846	1,470	326	2,886	10,156	1,866	2,248	984	859	1,434	316	3,303	11,009
Industrial	GWh	100	315	30	141	263	1	845	1,695	113	337	34	161	271	2	890	1,807
Commercial	GWh	107	176	45	51	180	3	127	688	125	217	62	72	213	9	179	877
Others	GWh	4	33	17	0	14	0	9	76	5	32	18	2	26	4	37	124
Free Consumers	GWh	211	523	91	192	457	4	982	2,459	244	587	115	234	509	15	1,105	2,808
Connection - Others DisCos	GWh	1	0	41	5	14	0	3	64	2	4	46	5	12	0	3	72
Billed Energy	GWh	1,907	2,545	1,044	1,042	1,941	330	3,870	12,679	2,112	2,838	1,145	1,098	1,955	331	4,411	13,890
Var. %	%									10.7%	11.5%	9.7%	5.3%	0.7%	0.2%	14.0%	9.5%
Energia de Compensação da Geração Distribuída	GWh	85	93	78	41	41	5	188	530	131	178	135	77	76	10	336	942
Distributed Energy	GWh	1,992	2,638	1,122	1,083	1,982	335	4,058	13,209	2,243	3,016	1,280	1,174	2,031	341	4,747	14,832
Var. %	%									12.6%	14.4%	14.1%	8.4%	2.5%	1.7%	17.0%	12.3%
# Of Consumers	MIL	2,677	2,913	1,422	1,325	1,865	199	3,293	13,695	2,739	2,990	1,502	1,350	1,923	217	3,355	14,077
Var. %	%									2.3%	2.6%	5.7%	1.9%	3.1%	9.3%	1.9%	2.8%
Total Losses	GWh	409	1,000	257	264	455	224	420	3,029	484	1,062	302	275	400	223	531	3,277
Total Losses / Total Injected - 12 months	%	17.6%	27.5%	18.2%	20.0%	15.9%	46.0%	12.1%	19.2%	17.9%	27.2%	18.2%	18.5%	12.8%	41.4%	12.4%	18.4%
Regulatory - 12 months	%	16.9%	27.0%	20.3%	21.1%	11.0%	33.5%	11.7%	17.9%	17.3%	28.2%	19.6%	21.3%	11.3%	33.5%	12.3%	18.4%

Losses (12 months)

Total Losses / Injected Energy	4Q22	3Q23	4Q23	Regulatory	Δ 4Q22	Δ 3Q23	Δ Reg.
Consolidated ex GO	22.0%	21.1%	20.9%	20.8%	-1.1%	-0.2%	0.0%
Consolidated	19.2%	18.6%	18.4%	18.4%	-0.7%	-0.1%	0.0%
Equatorial Maranhão	17.6%	17.7%	17.9%	17.3%	0.3%	0.2%	0.7%
Equatorial Pará	27.5%	27.6%	27.2%	28.2%	-0.3%	-0.4%	-1.1%
Equatorial Piauí	18.2%	18.0%	18.2%	19.6%	0.0%	0.1%	-1.4%
Equatorial Alagoas	20.0%	18.6%	18.5%	21.3%	-1.6%	-0.1%	-2.8%
CEEE-D	15.9%	13.4%	12.8%	11.3%	-3.1%	-0.5%	1.6%
CEA	46.0%	41.5%	41.4%	33.5%	-4.6%	-0.1%	7.9%
Equatorial Goiás	12.1%	12.3%	12.4%	12.3%	0.3%	0.1%	0.1%

The operational information was disclosed in the company's operational release. To access the document, [click here](#).

Hiring Percentage (12 months)

Below, we present the expectation of the hiring level of DisCos in 4Q23 in a view with and without adjustments resulting from involuntary overcontracting.

4Q23	MA	PA	PI	AL	RS	AP	GO
Contraction %	97.3%	95.0%	95.5%	108.5%	117.2%	106.5%	96.6%
Involuntary Contraction %	97.3%	95.0%	95.5%	97.3%	109.3%	99.3%	96.6%
2023	MA	PA	PI	AL	RS	AP	GO
Contraction %	99.1%	99.3%	101.6%	105.8%	106.8%	114.4%	104.7%
Involuntary Contraction %	99.1%	99.3%	101.6%	97.0%	100.8%	108.2%	104.7%

PDA and Collection (12 months)

PDA / GOR1 (Quartere)	4Q22	4Q23	4Q23 Adjusted	Var.	Collection Index (quarter)	4Q22	4Q23	Var.
Equatorial Maranhão	-1.78%	5.28%	1.73%	7,1 p.p	Equatorial Maranhão	101.50%	98.00%	-3,5 p.p
Equatorial Pará	-1.33%	1.59%	2.49%	2,9 p.p	Equatorial Pará	100.50%	99.60%	-0,9 p.p
Equatorial Piauí	4.79%	1.64%	1.32%	-3,2 p.p	Equatorial Piauí	103.10%	100.20%	-2,9 p.p
Equatorial Alagoas	1.58%	0.98%	1.31%	-0,6 p.p	Equatorial Alagoas	102.00%	99.20%	-2,8 p.p
CEEE-D	0.34%	-0.14%	1.89%	-0,5 p.p	CEEE-D	103.30%	102.60%	-0,7 p.p
CEA	-6.10%	3.13%	1.98%	9,2 p.p	CEA	102.70%	97.00%	-5,7 p.p
Equatorial Goiás	1.95%	2.30%	0.00%	0,3 p.p	Equatorial Goiás	97.40%	97.00%	-0,4 p.p
Consolidated	0.24%	2.11%	1.39%	1,9 p.p	Consolidated	100.60%	99.10%	-1,5 p.p

¹ Does not consider Construction Revenues.

On a consolidated basis, the group's PDA reached 2.11%. The increase in PDA/GOR is due to the update in the Provision Matrix made annually, which was adjusted this quarter and presented in the "4Q23 Adjusted" column. Disregarding the non-recurring effects that impacted the quarter's provisions, the PDA/GOR is 1.39%.

At CEEE-D, the recurring PDA reflects the acceleration of the program to combat losses and the effect of updating the loss matrix, which brought a reversal in the quarter. In CEA, the PDA/GOR percentage reflects the reconstitution of losses of up to 8 years, a process carried out for the first time in the concession, and in Pará the PDA level reflects the reduction in collection, although the current level of collection is still excellent.

The companies' revenue ended the quarter at a consolidated level of 99.1%, a remarkable level, especially in a scenario of significant increase in volume and the increasing trend in defaults in Brazil. Both CEEE-D and Piauí had collections above 100%, with an effective recovery of outstanding receivables. The level of collection in Goiás was affected by the mathematical effect created by the strong increase in volume, which compares the billed for the month versus collected in the month, while in CEA the effect is explained by the increase in the representation of the low voltage market, because of program to combat losses, where there is a higher default profile. The volume of provisioning could be reversed positively in the next quarters as the current management is reflected in the matrix.

Operational Performance

DEC and FEC (12 months)

DisCos	4Q22	3Q23	4Q23	Regulatory	Δ 4Q22	Δ 3Q23	Δ Regulatory
DEC							
Equatorial Maranhão	24.6	15.5	14.0	14.9	-10.6	-1.4	-0.9
Equatorial Pará	18.8	17.0	16.9	23.1	-1.9	-0.1	-6.2
Equatorial Piauí	24.5	23.6	24.0	20.9	-0.5	0.5	3.2
Equatorial Alagoas	18.8	16.1	16.3	15.5	-2.4	0.2	0.8
CEEE-D	17.8	16.8	17.8	8.7	0.0	1.0	9.0
CEA	44.1	36.4	33.1	45.1	-11.0	-3.3	-12.0
Equatorial Goiás	22.6	20.4	21.6	11.5	-1.0	1.2	10.1
FEC							
Equatorial Maranhão	8.6	6.4	6.0	8.7	-2.6	-0.4	-2.7
Equatorial Pará	9.3	8.5	8.3	17.7	-1.0	-0.2	-9.4
Equatorial Piauí	11.0	9.3	9.1	14.2	-1.8	-0.1	-5.0
Equatorial Alagoas	7.8	7.0	7.1	13.0	-0.7	0.1	-5.9
CEEE-D	8.5	8.1	7.7	6.4	-0.7	-0.4	1.4
CEA	19.7	16.4	15.1	30.4	-4.6	-1.3	-15.3
Equatorial Goiás	10.3	10.6	11.2	7.8	0.8	0.6	3.4

The quality level of the distribution system is measured by the DEC and FEC indices, both over a 12-month period.

The highlight of this quarter is Maranhão's DEC, which once again fell within the regulatory limit and ended 4Q23 with 0.9 hours below the regulatory level, reflecting all the effort and investment put into the company with the help of the DEC Plan. The reduction of 10.6h compared to 4Q22 reflects the success of the plan and the group's operational expertise in operating in complex concession areas.

Another highlight of the quarter is the level of CEA's DEC, which saw a reduction of 11h compared to the same period last year, and today is 12h below the regulatory level.

Currently, three of Equatorial's seven concessions fall within the regulatory limit.

In comparison with 3Q23 there was an increase in the DEC of Piauí, Alagoas, CEEE-D and Goiás. In CEEE-D the increase is due to extreme weather events that damaged the concession's network and hampered the work of field teams. In the northeastern and central-western states, the effect was mainly related to the strong heat wave that affected the region, which occurred simultaneously with heavy rains that made network maintenance actions difficult.

The remaining dealerships were in line with the results of the previous quarter.

To return to the Summary, click [here](#).

Financial Performance

Gross Margin

Operating Revenues	4Q22								4Q23									Δ%	Δ% Ex GO
R\$ million	MA	PA	PI	AL	RS	AP	GO	Total	MA	PA	PI	AL	RS	AP	GO	Total	4Q23 ex GO	Total	Total
Gross Supply Revenues	1,212	1,951	682	696	1,097	209	2,119	5,848	1,533	2,475	965	849	1,165	276	2,567	9,830	7,263	68%	24%
Unbilled Income	(5)	(3)	22	11	56	3	(62)	83	6	(14)	36	13	30	(4)	(38)	28	67	-66%	-20%
(+) Demand Surplus / Reactive Surplus	(3)	(9)	(3)	(3)	5	(1)	4	(14)	(5)	(14)	(4)	(2)	(5)	(1)	(18)	(48)	(30)	244%	114%
Other Revenues (R\$ MM)	268	418	85	107	210	55	397	1,142	370	575	215	196	305	45	531	2,238	1,707	96%	49%
Low Income Subsidy	84	99	41	36	13	4	29	276	93	121	50	46	15	10	41	376	335	36%	21%
CDE Subvention	29	123	8	20	63	48	84	291	33	142	37	32	57	19	86	407	321	40%	10%
Grid Usage	40	109	20	40	93	3	211	304	48	135	37	65	146	7	242	679	438	124%	44%
Financial Asset Update	83	45	1	(1)	5	(0)	10	133	111	64	15	2	11	(0)	(5)	198	202	49%	52%
Financial Asset Write-off	5	7	3	2	5	1	-	25	6	8	3	3	4	1	-	26	26	5%	5%
Fine for late payment	-	-	-	-	-	-	20	-	16	27	9	7	7	3	21	90	69	N/A	N/A
Other Operating Revenues	28	35	13	9	31	(1)	44	114	63	77	64	41	65	5	146	462	316	306%	178%
Mutual Use	12	17	6	4	25	-	26	64	14	19	9	7	27	2	24	102	77	60%	21%
Supply (R\$ MM)	7	7	5	19	52	1	75	91	0	0	5	11	42	4	119	180	61	97%	-33%
Parcel A Revenues (R\$ MM)	116	139	64	24	69	105	17	517	(6)	(107)	(18)	(37)	155	20	253	261	7	-50%	-99%
(+) Construction Revenues	283	564	251	141	257	222	507	1,719	291	773	221	217	37	95	366	2,000	1,634	16%	-5%
Gross Operating Revenues	1,883	3,071	1,084	984	1,691	590	3,119	9,303	2,184	3,703	1,384	1,233	1,699	439	3,818	14,460	10,642	55%	14%
Deductions from Operating Revenues	(420)	(631)	(240)	(255)	(406)	(143)	(1,002)	(2,095)	(541)	(848)	(386)	(361)	(522)	(53)	(1,190)	(3,901)	(2,711)	86%	29%
PIS and COFINS	(331)	(485)	(179)	(185)	(216)	(82)	(606)	(1,479)	(434)	(671)	(317)	(252)	(326)	(24)	(768)	(2,792)	(2,024)	89%	37%
Quality Indicator Compensations	(4)	(9)	(5)	(2)	(5)	(27)	(43)	(53)	(7)	(11)	(8)	(7)	(9)	(1)	(58)	(100)	(43)	90%	-19%
Consumer Charges	(85)	(137)	(55)	(68)	(185)	(33)	(353)	(563)	(100)	(167)	(61)	(103)	(187)	(28)	(364)	(1,009)	(645)	79%	15%
Net Operating Revenues	1,462	2,440	844	729	1,285	448	2,117	7,208	1,642	2,855	998	872	1,177	386	2,628	10,559	7,931	46%	10%
(-) Construction Revenues	(283)	(564)	(251)	(141)	(257)	(222)	(507)	(1,719)	(291)	(773)	(221)	(217)	(37)	(95)	(366)	(2,000)	(1,634)	16%	-5%
Net Operating Revenues w/o Construction Rev	1,179	1,876	593	588	1,028	226	1,611	5,489	1,351	2,082	777	655	1,139	292	2,262	8,559	6,297	56%	15%
Energy Purchase and Transmission	(560)	(846)	(318)	(339)	(717)	(122)	(1,065)	(2,902)	(674)	(1,006)	(415)	(381)	(789)	(137)	(1,491)	(4,893)	(3,402)	69%	17%
(=) Gross Margin	619	1,030	275	248	311	104	546	2,588	678	1,076	362	275	350	154	772	3,666	2,894	42%	12%
(-) Non Recurring Adjustments	-	-	-	-	(8)	(13)	-	(21)	-	13	-	4	(23)	(51)	82	25	(57)	-219%	174%
(-) VNR	(83)	(45)	(1)	1	(5)	0	(10)	(133)	(111)	(64)	(15)	(2)	(11)	0	5	(198)	(202)	49%	52%
(=) Adjusted Gross Margin (ex-VNR)	537	985	274	249	297	92	536	2,434	566	1,024	347	277	317	104	858	3,493	2,635	44%	8%
Δ% Adjusted Gross Margin									5.5%	4.6%	2.6%	11.2%	6.5%	13.3%	60.0%	43.5%			

In 4Q23, the adjusted Gross Margin of ex-VNR DisCos reached R\$3.5 billion, 44% higher than the same period of the previous year, mainly influenced by the consolidation of Equatorial Goiás, which added R\$858 million to the gross margin for the quarter. Disregarding this value, the growth in gross margin would be 8.3%, or R\$ 201 million, demonstrating the gains with greater market volume in all concessions, reduction of losses in our concessions and reclassification of fines for late payment of the financial revenue to the other operating revenue account, which in 4Q23 was R\$90 million. The quarter's growth is lower compared to recent quarters, mainly due to the reduction in the parcel B of Maranhão and Pará, which are more relevant in the composition of the group's results.

It is important to highlight that, despite the Equatorial Goiás column in the 4Q22 table, its result is not being considered in the total sum, which only presents the sum of the assets that were consolidated at the time.

Operational Expenses and OPEX/Consumer

Operating Expenses	4Q22									4Q23										Δ%	Δ% Ex GO
R\$ million	MA	PA	PI	AL	RS	AP	GO	Total		MA	PA	PI	AL	RS	AP	GO	Total	4Q23 ex GO	Total	Total	
Personnel	41	50	27	22	67	9	39	216		45	59	22	12	56	9	29	232	202	7%	-6%	
Material	4	9	5	4	1	1	2	23		11	15	5	4	9	1	21	67	46	188%	97%	
Third-Party Services	60	153	73	75	88	22	297	470		131	126	73	49	96	25	189	689	500	46%	6%	
Others	5	8	3	2	(10)	1	10	8		10	8	6	7	6	0	24	61	37	643%	353%	
OPEX	110	221	108	103	146	32	348	718		197	208	105	71	167	36	263	1,048	785	46%	9%	
Others Adjustments	38	(26)	(23)	(25)	1	-	-	(35)		(25)	(17)	(7)	4	(12)	-	(8)	(64)	(56)	81%	59%	
Adjusted OPEX	147	194	85	78	147	32	348	683		172	191	98	76	156	36	255	985	729	44%	7%	
PDA	(28)	(33)	40	13	5	(22)	51	(26)		100	47	19	10	(2)	11	79	263	184	-1102%	-800%	
% GOR (w/o Construction Revenues)	-1.8%	-1.3%	4.8%	1.6%	0.3%	-6.1%	2.0%	0.2%		5.3%	1.6%	1.6%	1.0%	-0.1%	3.1%	2.3%	2.1%	0.0%			
Provision for Contingencies	2	7	1	3	4	24	45	42		13	1	4	2	48	(2)	39	105	66	151%	57%	
FUNAC Provisions	-	-	-	-	-	-	198	-		-	-	-	-	-	-	40	40	-			
Provisions	(27)	(27)	41	17	9	2	294	16		112	47	23	12	45	9	158	408	250	2518%	1503%	
(+) CCC Subvention	-	(9)	-	-	-	(4)	-	(13)		-	18	-	-	-	4	-	22	22	-275%	-275%	
Other Operating Expenses (Revenues)	(2)	193	4	2	8	9	15	214		38	6	(6)	14	106	17	119	294	175	37%	-18%	
Depreciation and Amortization	62	105	35	25	41	9	115	277		71	116	38	59	40	8	154	487	332	76%	20%	
Manageable Expenses	143	483	188	146	205	48	772	1,212		419	396	161	156	359	74	695	2,259	1,564	86%	29%	
Adjusted OPEX/Consumer (12m)	213	242	237	203	301	623	365	275		240	234	242	207	303	629	330	272	254			
Δ% OPEX by Consumer										12.9% -3.4% 2.3% 1.9% 0.7% 1.1% -9.6% -1.2%									-7.8%		

MARANHÃO

In the comparison between quarters, the Adjusted OPEX/Consumer, in a 12-month view, grew 12.9%, totaling R\$ 240. While the adjusted PMSO for the period totaled R\$ 172 million, with an increase of 17.1% between quarters, or R\$25 million.

The increase in OPEX on adjusted bases is mainly the result of the **Third-Party Services** line, which showed an increase of R\$ 18.5 million, resulting from the increased mobilization of teams and shifts focused on improving quality indicators, allowing the classification of the company's DEC within the regulatory limit.

In 4Q23, Provisions for delinquency (PDA) reached R\$100 million, reflecting the effect of the update of the accounts receivable provision matrix, which impacted R\$67 million in the quarter. Disregarding this effect, the PDA is R\$ 33 million, and would represent 1.73% of the GOR.

Contingencies in the quarter reached R\$13 million in the quarter, an increase of R\$11 million resulting from a non-recurring provision that affected the quarter.

PARÁ

In 4Q23, the Adjusted OPEX/Consumer (12 months) registered R\$234, a reduction of 3.4% compared to 4Q22, while the adjusted PMSO reached R\$191 million, around 1.5% below 4Q22.

In 4Q23, PDA reached R\$47 million, 1.59% of GOR. Adjusting for the effect of the matrix update, the PDA for the quarter reaches R\$ 73 million and represents 2.49% of the GOR, a result of the higher default rates of low-income and rural residential consumers.

PIAUÍ

The Adjusted OPEX/Consumer (12 months) registered R\$242, an increase of 2.3% versus 4Q22. The adjusted OPEX for the quarter increased by 15.5%, or R\$13 million when compared to the same period of the previous year.

The quarter's variation was concentrated in the **Third-Party Services** line, which varied by R\$ 18 million, primarily impacted by electrical service shifts aimed at improving quality (lane cleaning, pruning and maintenance) and actions aimed at combating energy losses, which were more intense in the period due to strong market growth.

In 4Q23, **PDA** recorded a provision of R\$19 million, 1.64% of GOR. Disregarding the effect of the matrix update, the value would be R\$ 15 million, which represents 1.32% of GOR.

ALAGOAS

The Adjusted OPEX/Consumer (12 months) registered R\$ 207, a value 1.9% higher than 4Q22, while the adjusted OPEX presented a reduction of 2.6%, or R\$ 2 million.

PDA recorded a provision of R\$10 million, representing 0.98% of ROB. Adjusting for the non-recurring effect of the matrix update, the PDA is R\$ 13 million, or 1.31% of the GOR.

CEEE-D

The Adjusted OPEX/Consumer (12 months) registered R\$303, an increase of 0.7% versus 4Q22, while the adjusted OPEX totaled R\$156 million, an increase of 5.9% (R\$9 million) compared to the same period of the previous year. The increase occurs mainly in the **Third-Party Services** line, which increased R\$3 million between quarters, partly reflecting the greater number of teams mobilized for emergency assistance. In the **Material** and **Others** lines, R\$5 million and R\$6 million, respectively, reflect the increase in material expenses for network maintenance during emergency service in the Material line, and the increase in expenses with rentals and regularization of properties and taxes in the Others line.

PDA recorded negative R\$2 million, a reversal that had a positive impact on the result, reflecting the program to combat losses, because of negotiations with defaulting customers in the period, in addition to the effect of updating the loss matrix. With this result, PECLD/ROB reached -0.14%. Disregarding the effect of the matrix update, the PECLD is R\$ 31 million, or 1.89% of the ROB.

CEA

The Adjusted OPEX/Consumer (12 months) registered R\$629, 1.1% higher than 4Q22. CEA's Adjusted OPEX in 4Q23 was R\$36 million, R\$4 million higher than that recorded in 4Q22. The increase comes from the Third-Party Services line, which reflects the increase in the mobilization of teams on duty to address the period of heavy rains that occurred throughout the fourth quarter, in addition to the increase in the concession's consumers (an increase of 18 thousand consumers, or 9.3%).

Finally, in 4Q23 PDA reached R\$11 million, impacted by the matrix update and reconstitution of losses of up to 8 years, a process carried out for the first time in the concession. With this result, the PDA/GOR was 3.14%. Disregarding this effect, the PDA for the period is R\$7 million and represents 1.98% of GOR.

GOIÁS

The Adjusted OPEX/Consumer (12 months) was R\$347 in 4Q23, while the Adjusted OPEX was R\$255 million.

It is important to highlight that both this quarter and the next are expected to present volatility in operating expenses due to the process of aligning the company's structures and processes to the group's management model, and that from the next quarter onwards, the result will already be comparable with a period management at Equatorial.

The main variation between quarters is concentrated in the **Third-Party Services** line, which decreased by R\$ 108 million in the adjusted view for the effects listed below:

- I. *Retroactive provisioning of unaccounted service liabilities relating to the former controlling company in the amount of R\$72 million in 4Q22.*
- II. *Reduction of R\$ 12.2 million in cutting and reconnecting services, previously recorded in margin.*
- III. *Reduction of R\$ 11.4 million with IT and Telecom services; and*
- IV. *Reduction of R\$6.8 million in Pruning services, savings on bank fees and legal services.*

The Material line showed an increase of R\$ 19 million in the adjusted view, explained by activation adjustments made with expenses classified as investments in 4Q22 (R\$ 14 million) and the increase in maintenance materials (R\$ 4 million).

PDA recorded R\$79 million, and from this quarter onwards the group's provision matrix was implemented, which impacted the result by R\$79 million. PDA recorded 2.16% of GOR in the quarter, but adjusting the effect of the provision's matrix, this quarter's value would be 0.00% of GOR. In this quarter, provisions for FUNAC contingencies were R\$40 million, relating to the ongoing process of updating and reviewing the company's process matrix. The non-recurring effect on Equatorial Goiás' provisions refers to an infraction notice from Aneel regarding non-compliance with the 2020/2021 Results Plan, where the company was not under the management of the group.

EBITDA

EBITDA	4Q22								4Q23									
R\$ million	MA	PA	PI	AL	CEEE-D	CEA	GO*	Total	MA	PA	PI	AL	CEEE-D	CEA	GO	Total	4Q23 ex GO	Δ%
(+) Net Income	392	488	66	73	(173)	(0)	(491)	847	244	604	90	97	(231)	87	(52)	838	891	-1.0%
(+) Income Tax / Social Contribution	78	(10)	(3)	11	-	(1)	(145)	74	(15)	(2)	9	(24)	-	(24)	(239)	(295)	(56)	-496.9%
(+) Net Financial Result	7	69	24	19	279	57	411	455	30	78	102	46	222	18	368	864	495	89.8%
(+) Depreciation & Amortization	62	105	35	25	41	9	115	277	71	116	38	59	40	8	154	487	332	75.9%
(=) EBITDA IFRS (CVM)*	538	652	122	127	147	65	(111)	1,653	330	796	239	177	32	89	231	1,894	1,662	15%
(+) Other Operating Revenues / Expenses	(2)	193	4	2	8	9	15	214	38	6	(6)	14	106	17	119	294	175	37.3%
(+) Gross Margin Impacts	-	-	-	-	(8)	(13)	-	(21)	-	13	-	4	(23)	(51)	82	25	(57)	-218.9%
(+) OPEX Adjustments	(38)	26	23	25	(1)	-	-	35	25	17	7	(4)	12	-	8	64	56	81.2%
(+) Provisions Adjustments	7	3	23	27	(31)	5	-	34	77	(26)	4	(3)	16	4	125	196	72	469.6%
(+) Provisions Adjustments	(83)	(45)	(1)	1	(5)	0	(10)	(133)	(111)	(64)	(15)	(2)	(11)	0	5	(198)	(202)	48.5%
Adjusted IFRS EBITDA	423	829	171	182	110	67	(106)	1,782	359	741	229	186	132	59	569	2,275	1,706	28%
Δ%									-15.3%	-10.7%	33.8%	2.0%	20.4%	-11.3%	-637.0%	27.6%	375.7%	-4%

MARANHÃO

In 4Q23, EBITDA adjusted by VNR and non-recurring effects reached R\$359 million, 15.3% lower than 4Q22, or R\$65 million.

The quarter's adjusted gross margin grew by R\$30 million, with the main positive effects being positive market growth of R\$53 million and Unbilled Income of R\$11 million, partially offset by the drop in parcel-B tariff which negatively impacted the quarter by R\$35 million.

The negative variation in EBITDA in the quarter is mainly due to variations in the Adjusted OPEX (R\$ -25.2 million) and the variation in adjusted provisions and contingencies for the period (R\$ -69.2 million).

PARÁ

Adjusted EBITDA by VNR and non-recurring effects reached R\$741 million, a reduction of 10.7%.

Gross Margin for the quarter grew by R\$39 million, largely influenced by the positive effects of the market (R\$110 million) and losses outperformance (R\$24 million), and partially offset by the negative effect of the reduction in the parcel-b tariff (-R\$96 million).

The OPEX for the period remained in line with 4Q22, but the variation of R\$ -103 million in PDA and the variation of R\$ -27 million in isolated systems impacted the quarter's EBITDA with a combined impact of negative R\$ 130 million.

PIAUÍ

In PiauÍ, EBITDA adjusted for non-recurring and non-cash effects reached R\$229 million, 33.8% higher, or R\$58 million, when compared to the same period of the previous year.

The impacts of the Gross Margin, which grew by R\$73 million, were market growth (R\$28.0 million), the tariff effect (R\$17 million), Unbilled Income (R\$14 million) and Other effects (R\$ 14 million) that include energy sales and other revenues.

The strong margin growth was slightly reduced by the increase in OPEX of R\$13 million, which is related to the strong increment of consumers (+80 thousand vs 4Q22), and the variation in PDA of R\$2 million between quarters.

ALAGOAS

Adjusted EBITDA by VNR and non-recurring effects from Alagoas reached R\$ 186 million, an increase of R\$ 4 million, 2.0% higher than the result of 4Q22.

Alagoas' gross margin grew by R\$28 million, mainly due to market growth (R\$12 million), the tariff effect (R\$7 million), and other smaller effects, such as Unbilled Income and Other Revenues.

The adjusted OPEX contributed to the result with R\$2 million, and the adjusted provisions for the period (PDA and contingencies) harmed the result by R\$26.1 million.

CEEE-D

EBITDA adjusted for non-recurring effects and VNR in Rio Grande do Sul reached R\$132 million in the quarter, R\$22 million higher than in 4Q22, or 20.4% higher.

CEEE-D's gross margin grew by R\$19 million because of the parcel-B tariff effect, which added R\$22 million in the quarter but was partially offset by the effect of the quality indicator compensation, which reduced the margin growth by R\$4 million.

OPEX for the period increased by R\$9 million while the adjusted PDA and contingencies were reduced by R\$12 million between quarters.

CEA

CEA's Adjusted EBITDA reached R\$59 million, a reduction of R\$8 million between quarters.

CEA's gross margin increased by R\$12 million in the quarter, mainly impacted by the variation in the quality indicator compensation, which had a positive impact in the quarter.

The increase in margin was offset by the growth in OPEX (R\$4 million) and the increase in PDA and contingencies (R\$8 million), as well as the effects of expenses from the operation of isolated systems (R\$7 million).

GOIÁS

EBITDA adjusted for non-recurring effects and VNR of Equatorial Goiás reached R\$569 million. The main impact on the increase in EBITDA is the growth in gross margin, which in this quarter was R\$ 322 million higher than the same period of the previous year due to market growth and the increase in the parcel-B tariff as a result of the tariff review, in addition to the contribution of the decrease of OPEX and PDA, which were reduced by R\$ 92.6 million and R\$ 260.5 million, respectively.

It is important to highlight that both this quarter and the next are expected to present volatility in results due to the turnaround process.

Non-Recurring Effects - EBITDA

Non Recurring	MA	PA	PI	AL	RS	AP	GO	4Q23 Total
Revenue - Previous Entries	-	13	-	-	(35)	-	47	25
MUST Gloss	-	-	-	-	12	-	-	12
Operating Revenue	-	13	-	-	(23)	-	47	37
Neutrality Adjustments in Tax Accounts and Parcel A	-	-	-	-	-	(51)	39	(12)
Compensation, Fines, and Penalties: REN 878/20	-	-	-	4	-	-	-	4
Deductions from Operating Revenue	-	-	-	4	-	(51)	39	(8)
Net Operating Revenue	-	13	-	4	(23)	(51)	87	29
Adjustments - RTA and RTP	-	-	-	-	-	-	(21)	(21)
Parcel A without corresponding CVA	-	-	-	-	-	-	16	16
Cost of Electricity Service	-	-	-	-	-	-	(5)	(5)
Gross Margin	-	13	-	4	(23)	(51)	82	25
Operating Costs and Expenses	25	17	7	(4)	12	-	8	64
Personnel - Reversal and Regularization of PLR Provision and Sharing	-	14	-	-	-	-	(5)	9
Personnel - Reclassification of Actuarial Interest	-	-	-	(7)	-	-	-	(7)
Material - Expenses related to Weather Events and Others	-	3	-	-	3	-	-	6
Services - Extraordinary Payments to Third Parties and Consultancies	20	-	4	-	9	-	-	33
Others - Further Effects	4	-	3	3	-	-	13	23
Provisions	77	(26)	4	(3)	16	4	125	196
PDD - Matrix Update and Others	67	(26)	4	(3)	(34)	4	79	91
Contingencies - Fines, administrative notices, and provisions	10	-	-	-	50	-	45	105
Costs and Expenses	102	(10)	11	(8)	28	4	132	260
Other Operating Income/Expenses	38	6	(6)	14	106	17	119	294
VNR	(111)	(64)	(15)	(2)	(11)	0	5	(198)
EBITDA Adjustments	29	(55)	(10)	8	100	(29)	338	381

Financial Results

The distribution segment ended 4Q23 with a net financial result of negative R\$864 million.

Financial Result, net	4Q22								4Q23								4Q23 ex GO	Δ%	Δ% Ex GO
R\$ million	MA	PA	PI	AL	CEEE-D	CEA	GO*	Total	MA	PA	PI	AL	CEEE-D	CEA	GO*	Total	4Q23 ex GO	Total	Total
(+) Financial Income	27	65	46	30	29	7	170	203	60	59	10	10	23	7	5	173	168	-14.7%	-17%
(+) Fines and Interest on Overdue Bills	30	50	15	9	10	7	12	121	19	37	10	11	15	2	9	104	95	-14.6%	-22%
(+) Swap Operations	(23)	(49)	(31)	(8)	(28)	(31)	(115)	(170)	(28)	(63)	(43)	(32)	(63)	(49)	(1)	(279)	(278)	63.7%	63%
(+) Foreign Exchange on Debt	11	42	14	4	12	16	(190)	99	16	41	29	22	41	31	(14)	166	180	66.9%	81%
(+) Interest and Fees on Debt	(38)	(98)	(73)	(53)	(87)	(23)	(181)	(370)	(53)	(110)	(66)	(34)	(92)	(39)	(278)	(670)	(393)	81.2%	6%
(+) CVA Charges	4	24	5	9	(7)	5	20	39	(7)	1	(16)	(3)	(36)	(1)	(51)	(112)	(61)	-383.6%	-255%
(+) Interest on Debt	-	(15)	-	-	-	-	-	(15)	-	(20)	-	-	-	-	-	(20)	(20)	37.4%	37%
(+) Interest on Debt - Jud Recovery	-	(5)	-	-	-	-	-	(5)	-	(5)	-	-	-	-	-	(5)	(5)	0.0%	0%
(+) Present Value Adjustment on Debt	(18)	(68)	(4)	(0)	(108)	(5)	-	(203)	1	8	(5)	6	10	1	-	21	21	-110.3%	-110%
(+) Contingencies	(1)	(6)	(4)	(3)	(19)	(19)	(20)	(52)	(16)	(2)	(6)	(3)	(45)	(4)	(24)	(100)	(76)	93.5%	47%
(+) Other Revenues	8	14	6	0	1	2	5	33	3	11	2	1	7	47	1	70	69	115.9%	113%
(+) Other Expenses	(8)	(24)	1	(7)	(82)	(16)	(113)	(135)	(24)	(34)	(18)	(25)	(81)	(13)	(16)	(211)	(196)	56.1%	44%
(=) Net Financial Result	(7)	(69)	(24)	(19)	(279)	(57)	(411)	(455)	(30)	(78)	(102)	(46)	(222)	(18)	(368)	(864)	(495)	90%	9%
Non Recurring	15	76	(15)	-	132	12	-	220	(11)	-	-	-	25	(46)	(32)	(64)	(32)	-129.2%	-115%
(=) Adjusted Net Financial Result	8	7	(40)	(19)	(146)	(45)	(411)	(235)	(41)	(78)	(102)	(46)	(197)	(64)	(401)	(928)	(527)	294%	124%
Δ%									-614.9%	-1245.2%	157.2%	143.3%	34.5%	41.2%	-2.4%	294.0%			

The adjusted financial result reached negative R\$928 million in the quarter. Disregarding the adjusted value added by Equatorial Goiás of R\$401 million, the result would be negative R\$527 million, with a growth of 123.9% compared to 4Q22, mainly impacted by the increase in gross distribution debt that increased by R\$4,554 million and by reclassifying revenue from late payment fines from the financial result to revenue in the amount of R\$90 million.

Net Profit

Net Income	4Q22								4Q23								4Q23 ex GO	Δ%	Δ% Ex GO
R\$ million	MA	PA	PI	AL	CEEE-D	CEA	GO	Total	MA	PA	PI	AL	CEEE-D	CEA	GO	Total	4Q23 ex GO	Total	Total
(+) Net Income	392	488	66	73	(173)	(0)	(491)	847	244	604	90	97	(231)	87	(52)	838	891	-1%	5%
(+) EBITDA Adjustments (Net of Taxes)	(30)	29	46	52	(41)	(7)	-	49	102	3	11	(4)	5	(47)	214	285	70	483.9%	44%
(+) IR and CSLL Effect	(3)	(28)	(10)	14	-	(1)	-	(28)	12	17	(4)	13	(44)	(24)	(61)	(91)	(29)	221.9%	4%
(+) Financial Results Adjustments	15	76	(15)	-	132	12	-	220	(11)	-	-	-	25	(46)	(32)	(64)	(32)	-129.2%	-115%
(+) Other Non Operational Revenues/Expenses	-	-	-	-	-	-	-	-	-	-	-	-	100	-	112	212	100	N/A	N/A
(+) Net VRN from IR and CSLL	(55)	(30)	(1)	0	(3)	0	(6)	(88)	(73)	(42)	(10)	(1)	(7)	0	3	(130)	(134)		
(=) Adjusted Net Income	319	536	86	140	(85)	3	(498)	999	273	582	88	105	(152)	(30)	183	1,050	867	5%	-13%
Δ%									-14.3%	8.6%	2.3%	-24.6%	79.6%	-1213.1%	-136.7%	5.1%			

Investments

Investment on DisCos	4Q22								4Q23								4Q23 ex GO	Δ%	Δ% Ex GO
R\$ million	MA	PA	PI	AL	RS	AP	GO	Total	MA	PA	PI	AL	RS	AP	GO	Total	4Q23 ex GO	Total	Total
Electrical Assets	225	412	197	151	231	79	-	1,295	338	399	163	190	4	22	219	1,328	1,109	2.6%	-14%
Special Obligations	21	116	36	-	1	2	-	175	4	329	27	2	2	58	26	397	423	126.5%	141%
Non-Electrical Assets	38	68	17	9	25	14	-	153	49	46	31	25	39	15	96	300	204	95.5%	33%
Total	283	596	251	141	257	95	-	1,624	391	775	221	217	37	95	290	2,025	1,736	25%	7%
Δ%									38.2%	29.9%	-12.0%	53.1%	-85.5%	0.1%	N/A	24.7%			

In 4Q23, investments in distribution totaled R\$2,092 million, a volume 28.9% higher than that made in the same period in 2022. Excluding the effects of the consolidation of Equatorial Goiás, investments in Distribution would have an increase of 6.9%, attributed to special obligation projects.

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TransmissionFinancial Performance

Transmission Consolidated (INTESA + SPVs)

Financial Statement - Regulatory - R\$ million	4Q22	4Q23	Δ%
Net Revenues	328	317	-3.3%
OPEX	(27)	(26)	-3.8%
Infrastructure Costs	-	-	N/A
Regulatory EBITDA	300	291	-3.2%
EBITDA Margin	92%	92%	0.0%
Depreciation / Amortization	(117)	(116)	-0.8%
EBIT	184	175	-4.8%
Financial Results	(82)	(95)	15.8%
Taxes	(19)	(8)	-56.6%
Net Revenues	82	71	-13.2%
Debt	4Q22	4Q23	Δ%
Net Debt	5,165	4,114	-20.4%
Debt Volume (Loans + Debentures)	6,287	5,743	-8.7%
Cash and Cash Equivalents	1,122	1,629	45.2%

*Subtracted from Construction Revenues

EQUATORIAL TRANSMISSÃO – SPVs 01 to 08

The regulatory result for 4Q23 brought a net revenue of R\$292.3 million, an increase of 3.2% compared to 4Q22, resulted from the Revenues readjustment for the 23/24 cycle of 3.94% for SPVs 1 to 8, and the anticipation of revenue received in the quarter.

Operating costs and expenses totaled R\$18.5 million, R\$4.2 million lower than 4Q22. Regulatory EBITDA reached R\$273.8 million, with a margin of 93.7%.

In the table below, we present the income statement for the transmission segment, from corporate to regulatory, of the SPVs consolidated by Equatorial Transmissão.

Income Statement (R\$ '000)	4Q22 Regulatory	Adjustments	4Q22 IFRS	4Q23 Regulatory	Adjustments	4Q23 IFRS
Operating Revenues	315,194	38,723	353,917	326,418	(262,627)	438,202
Energy Transmission	315,066	-	315,066	326,417	-	326,417
Maintenance and Operation Revenues	-	29,360	29,360	-	35,515	35,515
Construction Revenues	-	-	-	-	28,276	28,276
Contract Asset Update	-	-	-	-	-	374,412
Contract Asset Revenues	-	1,290,592	1,290,592	-	-	-
Contract Asset - Realization Gains	-	966,162	966,162	-	-	-
Other Revenues	127	0	127	1	1	-
Deductions from Operating Revenues	(31,956)	9,971	(21,984)	(34,128)	(36,678)	(70,806)
Net Operating Revenues	283,238	48,695	331,933	292,290	75,106	367,396
ELECTRICITY COSTS	-	0	0	-	0	0
Other Non-Manageable Costs	-	0	0	-	0	0
Operational Gross Margin	283,238	48,695	331,933	292,290	75,106	367,396
Operating Expenses	(22,709)	(9,892)	(32,601)	(18,492)	(28,223)	(46,715)
Personnel	(10,527)	(0)	(10,527)	(7,382)	0	(7,381)
Material	(993)	(0)	(993)	(364)	(0)	(364)
Third Party Services	(9,105)	11,074	1,969	(8,393)	0	(8,393)
Provisions	-	(20,965)	(20,965)	-	(28,224)	(28,224)
Other	(2,084)	(1)	(2,085)	(2,354)	(0)	(2,354)
	-	-	-	-	-	-
EBITDA	260,529	38,803	299,332	273,798	46,883	320,681
Depreciation and Amortization	(110,819)	38,106	(72,713)	(109,887)	38,551	(71,336)
Operating Income	149,710	76,909	226,619	163,912	85,434	249,345
Net Financial Results	(69,674)	(0)	(69,674)	(78,640)	(0)	(78,641)
Financial Revenues	34,472	0	34,472	39,689	(0)	39,689
Financial Expenses	(104,146)	(0)	(104,146)	(118,330)	0	(118,330)
Income Before Taxes	80,036	76,909	156,945	85,271	85,433	170,705
Social Contribution	58,596	(111,082)	(52,486)	(5,497)	(41,788)	(47,285)
Income Tax	(72,882)	111,083	38,201	-	43,467	43,467
Deferred Taxes	-	(31,935)	(31,935)	-	(36,583)	(36,583)
Net Income	65,750	44,975	110,725	79,774	50,530	130,304

INTESA

Intesa's regulatory net revenue was R\$24.6 million in 4Q23, 44.6% lower than that reported in 4Q22, resulting from the Revenues readjustment for the 23/24 cycle where INTESA's original revenue was reduced by 50%, which generated an average adjustment effect of -37.9%.

Operating costs and expenses reached R\$7.7 million, 70% above than that observed in 4Q22, due to the increase in personnel expenses and the provisioning of revenue from delinquent generators. The provisioning effect is the result of the collection of debts from generators that did not adhere to the forgiveness day and are in default with the transmission companies, which are acting as collection agents. EBITDA reached R\$16.9 million in 4Q23, with an EBITDA margin of 68.7%.

Income Statement (R\$ '000)	4Q22 Regulatory	Adjustments	4Q22 IFRS	4Q23 Regulatory	Adjustments	4Q23 IFRS
Operating Revenues	50,747	(50,230)	31,019	29,341	(3,918)	25,423
Energy Transmission	49,912	-	49,912	29,055	-	29,055
Maintenance and Operation Revenues	-	6,614	6,614	-	4,336	4,336
Construction Revenues	-	0	0	-	0	0
Contract Asset Update	-	-	30,502	-	-	-
Contract Asset Revenues	-	-	-	-	28,853	28,853
Contract Asset - Realization Gains	835	-	6,097	-	-	-
Other Revenues	-	-	-	286	619	905
Deductions from Operating Revenues	(6,358)	1,382	(4,976)	(4,764)	1,763	(3,001)
Net Operating Revenues	44,389	(18,346)	26,044	24,577	(2,155)	22,421
Operational Gross Margin	44,389	(18,346)	26,044	24,577	(2,155)	22,421
Operating Expenses	(4,517)	(2,514)	(7,031)	(7,700)	3,093	(4,607)
Personnel	(842)	(0)	(842)	(2,929)	(0)	(2,930)
Material	(392)	(0)	(392)	(275)	(0)	(275)
Third Party Services	(3,172)	3,113	(59)	(2,461)	(0)	(2,461)
Provisions	-	(5,626)	(5,626)	-	3,094	3,094
Other	(112)	(0)	(112)	23	0	23
	-	-	-	(2,057)	(0)	(2,057)
EBITDA	39,872	(20,860)	19,013	16,877	938	17,814
Depreciation and Amortization	(5,914)	5,698	(216)	(5,911)	5,910	(1)
Operating Income	33,958	(15,162)	18,796	10,965	6,848	17,813
Net Financial Results	(12,651)	(0)	(12,651)	(16,714)	(1)	(16,715)
Financial Revenues	4,787	(0)	4,787	6,421	(0)	6,421
Financial Expenses	(17,438)	(0)	(17,438)	(23,135)	(0)	(23,135)
Income Before Taxes	21,307	(15,162)	6,145	(5,749)	6,847	1,098
Social Contribution	(826)	5,460	(6,286)	(2,933)	17	(2,916)
Income Tax	(4,313)	(5,460)	1,147	-	(950)	(950)
Fiscal Incentives	-	(6,265)	6,265	-	(4,175)	(4,175)
Net Income	16,168	(8,897)	7,271	(8,682)	1,739	(6,943)

To return to the Summary, click [here](#).

Renewables

Operational Performance

Operational Data	4Q22	4Q23	Δ%
Wind Speed (m/s)	7.99	8.42	5.4%
Net Generated Energy (GWh)*	1,359.9	1,221.1	-10.2%
Net Generated Energy (GWh)* - 12 months	4,569.0	4,405.3	-3.6%
Adjusted Technical Availability - 12m	96.1%	95.7%	-0.5%

*Values measured at the connection point

*An adjustment is applied to the indicator because the periods of unavailability that are under the effects of penalties from O&M contracts are considered as available periods.

Wind Generation

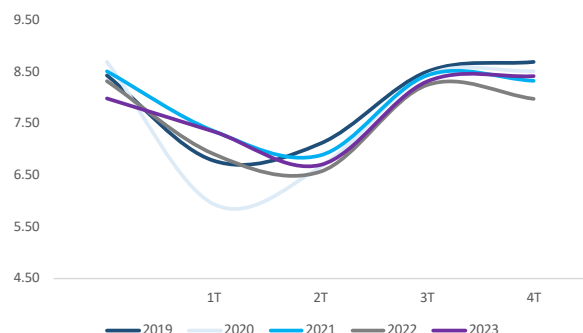
In 4Q23, net wind generation was 1,221.1 GWh, a drop of 10.2% when compared to the same period of the previous year (1,359.9 GWh in 4Q22), still with the impact of the curtailment in the quarter, even though to a lesser extent when compared to the previous quarter. Disregarding the effects of curtailment in the period (194.7 GWh), generation would be 4.1% higher compared to 4Q22.

Below, we highlight the main variations between periods:

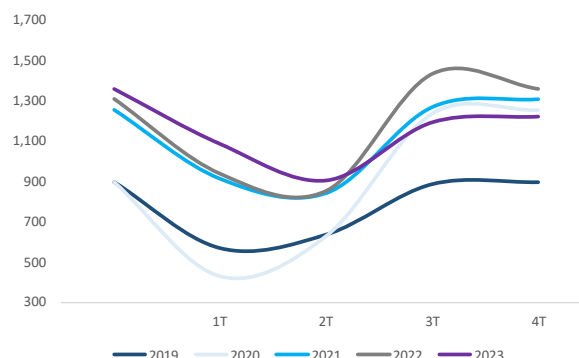
Complexes	Generation (GWh)				Wind (m/s)			
	4Q22	4Q23	Δ%	Δ	4Q22	4Q23	Δ%	Δ
Ventos de Tianguá	165.2	179.5	8.6%	14.2	8.22	9.22	12.1%	1.0
Serra do Mel 1 e 2	594.1	435.1	-26.8%	-159.0	8.47	8.80	3.9%	0.3
Echo 1, 2, 4 e 5	345.6	360.0	4.1%	14.3	7.85	8.31	5.9%	0.5
Ventos de São Clemente	252.6	246.6	-2.4%	-6.0	7.55	7.72	2.2%	0.2
Portfolio	1,357.5	1,221.1	-10.0%	-136.4	7.99	8.42	5.4%	0.4

Operational Indicators

AVERAGE WIND SPEED - PORTFOLIO (m/s)

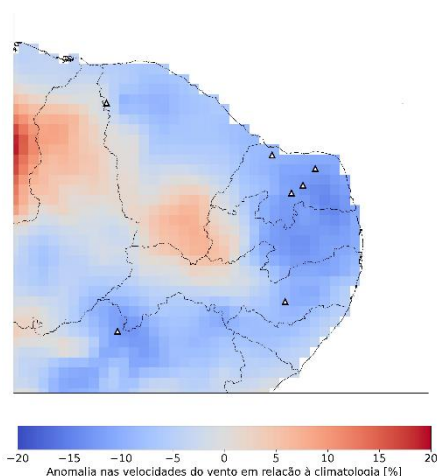


TOTAL GENERATION – PORTFÓLIO (GWh)

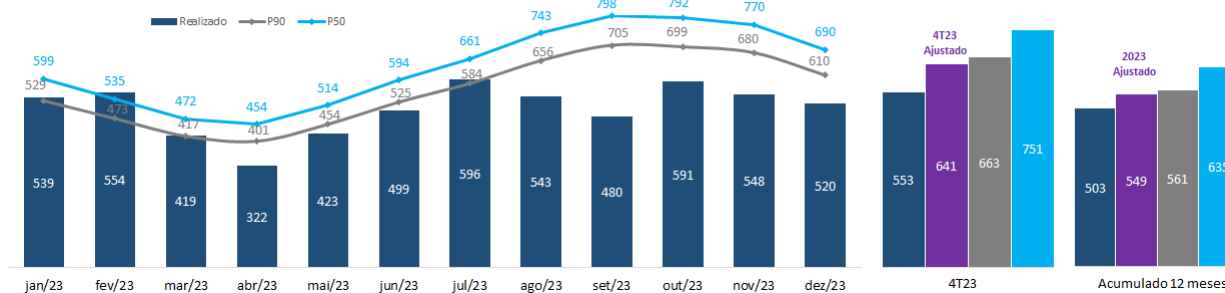


Although 4Q23 was marked by several passages of cold fronts and the advance of low pressure systems across the ocean that moved the South Atlantic Subtropical High (ASAS) to the east, reducing the intensity of the trade winds in Echoenergia's wind farms, wind speed was still 5.4% higher than the same period from 2022, reaching 8.42 m/s, compared to 7.99 m/s from 4Q22. The figure on the side shows the 4Q23 wind anomaly compared to the long-term climatology. As can be seen, there is a positive anomaly (stronger wind speed) in the Tianguá Winds region.

In the graph below, we compare the year's generation with the P50 and P90 parameters recently recalculated by Echoenergia, considering the last 12 months and the view of 4Q23. It is worth highlighting that these estimates are robust, considering that the studies were revalidated with the 100% operational parks.



Portfólio Echoenergia - Geração realizada e variabilidade do recurso em 12 meses para P50 e P90 (em MWm)



In the graph, we present the generation, in MWm, adjusted by the effects of Constrained-off (column in purple).

Constrained-Off

After the occurrence on August 15, 2023, that resulted in the partial shutdown of the National Interconnected System (SIN), the National System Operator (ONS) implemented changes in the system's operating mode that caused significant generation restrictions (known as "constrained-off") for renewable energy generation agents in the Northeast

region. Among the changes, a notable point is the limit reduction of energy exports from the Northeast to the South-east/Central-West and the North.

Historically, up until the date of the occurrence, Echoenergia had experienced limited and therefore negligible impacts from these effects. However, after the date of the occurrence, the company was mainly affected in its Serra do Mel and Tianguá projects, where, in 4Q23, energy losses totaled 171.2 GWh and 8.5 GWh, respectively, and represented 92.3% of the consolidated portfolio (194.7 GWh for 4Q23).

It is important to highlight that the ONS has gradually reduced restrictions, with a smaller impact being observed in 4Q23 compared to 3Q23, especially in the Tianguá complex. Furthermore, Echoenergia has been actively working in collaboration with industry associations to minimize the impact of constrained-offs on its portfolio.

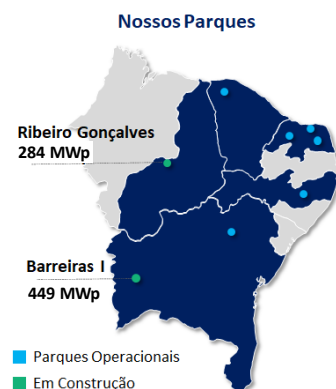
Renewables Projects

Projects under construction

Echoenergia, through its subholding Echo Crescimento, began developing its project pipeline with the construction of two solar complexes: the Ribeiro Gonçalves complex, located in Piauí, and the Barreiras I complex located in Bahia, which will possess an installed capacity of 283.7 MWp, and 449.2 MWp, respectively.

This stage is an important milestone in Echoenergia's value generation process, in line with the Company's long-term strategic planning, allowing not only the diversification of the generation asset portfolio, now at the forefront of solar project development, but also advance its marketing strategy.

More information about the projects under development is shown in the following table.



Technical Data

Projects Under Construction	Ribeiro Gonçalves	Barreiras I
General Data		
Source	Solar	Solar
Location (State)	PI	BA
Installed Capacity (MWac)	223.2	351.1
Installed Capacity (MWp)	283.7	449.2
Assured Energy P50 (Aneel)	68.0	117.5
Capacity Factor P50 (%)	30.5%	33.4%
Authorization Deadline	Aug/2055	May/2056
Technical Data		
Number of Panels	468,376.0	725,760.0
Substation	SE Ribeiro Gonçalves	SE Barreiras II
Regulatory Data		
Wire Discount	Yes, 50%	Yes, 50%
Signed CUST/CCT	04/14/2021 - 06/30/2022	11/26/2021 - 06/03/2022
Estimated Schedule		
UFV Construction	1Q24	3Q24
SE Construction	1Q24	2Q24
LT Construction	1Q24	2Q24
COD ¹	Date Limit: Not Applicable	Date Limit: Abr/25
Physical Progress	88.3%	79.9%
Financial Data		
Hard Capex ² (R\$ million)	961.1	1,490.1
Capex (R\$ million)/MWp	3.4	3.3
Total Investido (R\$ million)	943.0	1,342.8

1 - Ribeiro Gonçalves had the concession granted before Law 14,120/21, therefore, it does not fit within the 48-month period counted from its issuance for the maintenance of the benefit of the discount on TUSD/TUST.

2 - Hard CAPEX: modules, trackers, inverters, and engineering; does not include contingencies, inflation, and hedge.

Long Term Funding

Projects in Development	Funding Source	Signed (R\$ million)	Disbursed (R\$ million)	% Disbursed	Cost of Debt	Avg. Term
Ribeiro Gonçalves	BNDES - Subcredit A	510.0	347.0	68.0%	IPCA + 7,45	24 years
	BNDES - Subcredit B	195.0	0.0	0.0%	IPCA + 8,37	15 years
	BNB	200.0	0.0	0.0%	IPCA + 4.54%	24 years
	Total	905.0	347.0	38.3%	N/A	N/A

Subcredit B was contracted only as insurance, but the company's intention is to replace it with lower-cost long-term lines.

Financial Performance

We present Echoenergia's economic-financial performance for 4Q23 and, for a better view of the generation and commercialization business, we bring a pro forma vision combining the results of Solenergias, the group's commercialization vehicle, which is currently consolidated, in corporate vision, under Equatorial Serviços.

R\$ Milhões	4T22				4T23			
DRE Proforma - Echoenergia + Solenergias	Echo Participações	Solenergias	Solenergias divulgado	Proforma	Echo Participações	Echo Crescimento	Solenergias	Proforma
(+) Receita Líquida	278,8	86,9	115,0	393,8	304,2	4,4	62,8	371,3
(-) Compra de Energia	4,3	-70,9	-99,0	-94,7	-2,6	-4,4	-52,4	-59,5
(+/-) Efeito MtM (Ganhos e Perdas)	-0,3	-42,0	0,0	-0,3	0,0	0,0	-175,8	-175,8
Lucro Bruto de Energia	282,7	-26,0	16,0	298,7	301,6	-0,1	-165,5	136,0
(-) Custo de Operação e Produção de Energia	-64,8	0,0	-0,4	-65,2	-56,7	0,0	0,0	-56,7
(-) Despesas Operacionais e Administrativas	-23,6	-4,8	0,0	-23,6	-28,0	-0,6	-4,6	-33,2
EBITDA	194,3	-30,8	15,6	209,9	216,9	-0,7	-170,1	46,1
Margem EBITDA (%)	68,7%	118,5%	97,3%	70,3%	71,9%	731,0%	102,8%	33,9%
(-/+) Efeitos Não-Recorrentes	0,0	0,0	0,0	0,0	10,6	0,1	0,0	10,7
(-/+) Efeito MtM (Ganhos e Perdas)	0,3	42,0	0,0	0,3	0,0	0,0	175,8	175,8
EBITDA Ajustado	194,6	11,2	15,6	210,2	227,5	-0,6	5,8	232,7
Margem EBITDA Ajustada (%)	68,8%	69,9%	97,3%	70,3%	75,4%	674,8%	55,7%	74,6%
(-) Depreciação/Amortização	-78,7	0,0	0,0	-78,7	-30,1	-0,2	0,0	-30,3
(+/-) Resultado Financeiro	-62,3	1,4	1,4	-60,9	-68,8	-8,3	0,1	-76,9
(-) Impostos	-17,7	7,7	-7,1	-24,8	-16,9	1,7	58,5	43,3
Lucro (Prejuízo) Líquido Reportado	35,6	-21,7	9,9	45,5	101,0	-7,4	-111,4	-17,8
Margem Líquida (%)	12,6%	83,6%	61,9%	15,2%	33,5%	7890,3%	67,3%	-13,1%

Gross Energy Profit - Echoenergia

Net revenue totaled R\$304.2 million in 4Q23, an increase of 9.1% when compared to the same period last year, or R\$25.4 million. This variation is explained by the increase in the average price of contracts and backing swap operations, despite the lower generation of wind assets, impacted by the effect of the constrained off that affected the Serra do Mel parks.

The impact of the adjustment to fair value (MtM) in 4Q23 stands out, reflecting the review of the way in which future energy purchase and sale contracts are measured. This review consisted of separating the portfolio of contracts, considering the individual nature of each one, and classifying them as 'trading' or 'non-trading'. As a result of reviewing of the methodology, only contracts maintained in the 'trading' portfolio remain measured at fair value via profit or loss, in accordance with the requirements of CPC 48 – Financial Instruments (IFRS 09). On the other hand, contracts classified in the 'non-trading' portfolio will only be recognized when the energy is effectively delivered, being measured as an executory contract from the perspective of CPC 00 - Conceptual Framework for the Preparation and Disclosure of Accounting-Financial Reports. The result of segregation in the measurement of contracts reflects a reversal of R\$175.8 million in the 4Q23 result.

Since 3Q23, we have started to present the results of Echo Crescimento, a vehicle that consolidates the operations of projects under construction, and is consolidated by Equatorial Transmissão.

Operational Costs and Expenses - Echoenergia

Operating costs and expenses (excluding depreciation and amortization and energy purchases) totaled R\$85.0 million in the period, a reduction of 3.8%, or R\$3.4 million, compared to 4Q22. This effect is mainly explained by the factors below:

- (i) Reduction in O&M costs by R\$ 11.1 million, mainly due to the reversal effects of writing off assets for accounting movements in other expenses;
- (ii) Increase in transmission charges by R\$1.6 million, mainly due to the RAP adjustment of transmitters and greater use of the transmission network; and
- (iii) Increase in the Others line, whose variation was R\$ 16.1 million, mainly (i) the write-off of Echo 2 assets in the amount of R\$ 10.8 million (referring to the replacement of Gamesa turbine blades) and (ii) R\$ 5.3 million with anticipation of preventive and corrective maintenance for the third quarter of 2023.

These effects were partially offset by reductions with:

- (i) Third-Party Services, in the amount of R\$6.9 million, explained by the process of internalizing corporate support departments, such as legal, accounting and tax, until then partially outsourced, and
- (ii) Personnel, by R\$ 3,6 million due to variations in the PLR provision between the two periods.

EBITDA - Echoenergia

EBITDA of R\$216.6 million in 4Q23 increased by 11.5% when compared to 4Q22, reflecting the impacts mentioned above. Disregarding the non-recurring effect of R\$10.6 million related to the write-off of Echo 2 assets.

Analyzing the pro forma result, the net non-cash effect of marking to market future contracts worth R\$ 175.8 million at Solenergias was recognized, as explained in the previous chapter.

Analyzing the pro forma result combined with Solenergias and Echo Crescimento, the Adjusted EBITDA for the period was R\$ 232.7 million, an increase of R\$ 22.4 million, or 10.7%.

Financial Results – Echoenergia

The net financial result recorded in the period was negative R\$68.8 million, a value R\$6.5 million higher when compared to the negative result of R\$62.3 million in 4Q22. This effect mainly reflects higher interest costs on leases.

To return to the Summary, click [here](#).

Sanitation

Commercial and Operational Performance

4Q23 ended with approximately 82 thousand active savings in the water distribution service, of which 9.7 thousand savings are also covered by the sewage collection and treatment service.

Operational Indicators - Water	4Q22	3Q23	4Q23	Δ% vs 4Q22	Δ% vs 3Q23
Active Economies (thousand)	88.8	82.6	81.5	-8.2%	-1.3%
Billed Volume (thousand m3)	5,264.6	5,507.5	5,450.4	3.5%	-1.0%
Coverage Index (%)	40.6%	42.0%	42.0%	3.5%	0.0%
Losses (%)	65.3%	59.4%	58.5%	-10.4%	-1.5%
Operational Indicators - Sewage	4Q22	3Q23	4Q23	Δ% vs 4Q22	Δ% vs 3Q23
Active Economies (thousand)	12.1	10.1	9.7	-19.8%	-3.5%
Billed Volume (thousand m3)	786.1	764.1	638.7	-18.7%	-16.4%
Coverage Index (%)	7.0%	8.0%	8.0%	14.3%	0.0%

The reduction in the number of savings invoiced is the result of the ongoing update of records conducted over the previous quarters, nearing completion. . This process has identified the need for adjustments due to the existence of invalid registrations.

The highlight of the quarter is the improvement in the concession's loss rate, which decreased by 6.8 p.p. when compared to the fourth quarter of 2022.

Financial Performance

Financial Statement	4Q22	4Q23	Δ%	Δ
R\$ million				
Gross Operating Revenue	51.6	33.9	-34%	-17.7
Water and Sewage Services	20.7	17.7	-14%	-3.0
Construction Revenue	30.6	15.2	-51%	-15.5
Other revenue	0.3	1.0	284%	0.7
Deductions	(2.6)	(3.4)	30%	-0.8
Net Operating Revenue	49.0	30.5	-38%	-18.5
Construction Costs	(30.6)	(15.2)	-51%	15.5
Operating Costs	(10.3)	(29.1)	183%	-18.8
Personnel	(4.6)	(7.5)	64%	-2.9
Material	(0.9)	(3.0)	228%	-2.1
Third Party Services	(0.5)	(11.8)	2084%	-11.3
PDA	(0.0)	(3.8)	19095%	-3.8
Others	(4.3)	(3.0)	-29%	1.3
EBITDA	8.0	(13.8)	-272%	-21.8
Depreciation and Amortization	(6.8)	(8.4)	23%	-1.6
Financial Result	(38.8)	(40.8)	5%	-1.9
Financial Revenues	1.7	7.9	378%	6.3
Financial Expenses	(40.5)	(48.7)	20%	-8.2
Taxes	-	-	N/A	0.0
Net Income	(37.6)	(63.0)	67%	-25.3

Net Operating Revenues

In 4Q23, CSA's net operating revenue reached R\$30.5 million, a 38% reduction compared to 4Q22.

The variation in performance between quarters is mainly due to (i) the variation in construction revenue in the period resulted from the volume of investments carried out, and (ii) a decrease in water supply revenue of R\$ 2.1 million,

or 12.3%. This reduction is the result of the registration adjustment process, which previously had the effect of duplicating registrations in the database or invalid registrations that were billed for minimum consumption.

Operational Costs and Expenses

Operating costs and expenses (excluding depreciation and amortization) totaled R\$29.1 million, an increase of R\$18.8 million when compared to 4Q22, justified by:

Personnel and Third-Party Services: Adequacy of headcount and third-party teams (R\$ 14.2 million).

Material: Purchase of supplies for the chlorine generator (R\$ 2.1 million).

Others: Increase in electricity costs (R\$ 1.3 million).

Regarding the increase in the constitution of PDA, in 4Q22, it was still not possible to account for it due to the Company's provision policy, which uses as a criterion the provisioning of invoices overdue for more than 180 days.

Financial Results

In 4Q23, the net financial result was negative R\$40.8 million, R\$1.9 million higher than 4Q22 due to the increase of R\$ 298 million in gross debt.

To return to the Summary, click [here](#).

Equatorial Serviços

Financial Performance

Financial Statement	4Q22	4Q23	Δ%	Δ
R\$ million				
Operational Revenues	128	(49)	-138.0%	-176.5
Deductions	(33)	(5)	-84.9%	27.8
Net Operational Revenues	95	(54)	-156.3%	-148.7
Energy Costs	(72)	(63)	-11.8%	8.5
Operation Costs	(29)	(39)	32.9%	-9.6
Expenses	(24)	(19)	-22.4%	5.4
Other Revenues/Expenses	(4)	(2)	-48.3%	2.0
EBITDA	(34)	(177)	414.9%	-142.4
<i>EBITDA Margin</i>	-26.8%	363.6%	-1455.6%	
(-/+) MtM (Gains and Losses)	-	176	N/A	175.9
Adjusted EBITDA	(34)	(1)	-97.6%	33.5
D&A	(1)	(3)	97.4%	-1.4
EBIT	(36)	(180)	402.5%	-143.8
Financial Results	(0)	(4)	754.6%	-3.1
Taxes	7	56	732.2%	49.5
Net Profits	(29)	(127)	331.5%	-97.4

Gross operating revenue showed a reduction of R\$176.5 million between quarters. The variation between periods is due to the following effects:

- (i) The mark-to-market effect of R\$ 175.8 million, mainly due to the new pricing methodology for the volume of contracts for future delivery negotiated by Solenergias in the period; and
- (ii) Lower revenue from Enova, the Group's Distributed Generation arm, in the amount of R\$ 24.2 million, reflecting the adequacy of the revenue accounting method, in which revenue started to be recorded only when the product is delivered to the customer.

These effects were partially offset by:

- (i) Increase in revenue at Equatorial Telecom of R\$29.5 million, primarily explained by negotiations with sales of materials and services with the group's DisCos; and
- (ii) Increase in revenue from Call Center services, which grew by R\$19.7 million due to the new consent contract and the start of billing for digital services in RS, AP and GO.

The company's EBITDA was negative at R\$176.6 million in the quarter, due to the mark-to-market effect of energy future contracts. While Adjusted EBITDA grew by R\$33.5 million.

Services Provided by the Independent Auditor

The Company did not hire Ernst & Young Auditores Independientes S/S Ltda., its external auditor, for services other than the independent audit and services required by ANEEL. The hiring policy adopted by the Company complies with the principles that preserve the independence of the auditor, in accordance with current regulations, which mainly determine that the auditor must not audit his own work, nor exercise managerial functions in his client or promote his interests.

The following information was not reviewed by the independent auditors: i) operational data; ii) pro forma financial information, as well as the comparison of this information with the corporate results for the period; and iii) management's expectations regarding the future performance of the companies.

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