

Results Presentation 3Q21

November, 2021

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Highlights

3Q21



FINANCIAL AND ECONOMIC

R\$ 1.5 bln
Adjusted EBITDA

R\$ 816 mm
Investments

2.1x
Net Debt/EBITDA

R\$ 9.7 bln
Cash and Cash
Equivalents



DISTRIBUTION

+ 3.3% / 3,2%
Sales / Injected

Maranhão
Tariff Review
approved (Aug/21)

R\$ 1.1 bln
Deferred Fiscal Asset

Pará
Tariff Adjustment
approved (Aug/21)

EQTL Piauí
Losses below
regulatory level

CEEE-D
Operation
Starts



VALUE GENERATION

Amapá Sanitation
Expanding Operations to
Sanitation

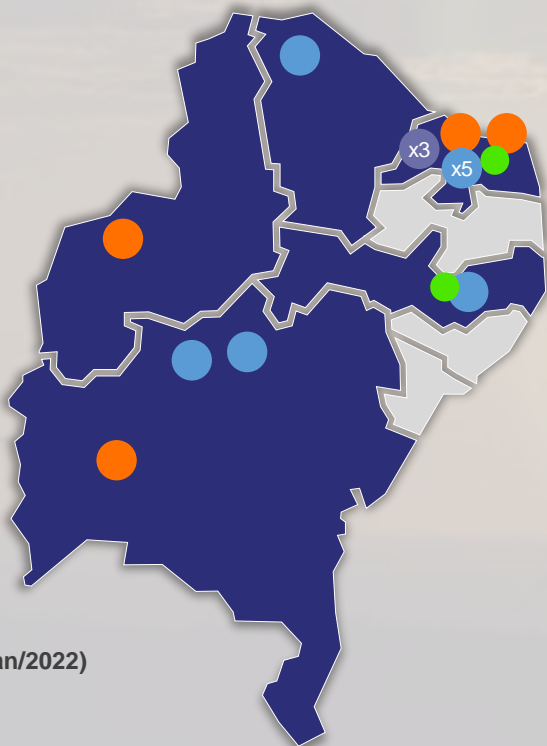
Sol Energias
Acquisition of 100% of
commercialization company

Echoenergia
Consolidating presence on
Renewables

Echoenergia | The Greatest Acquisition in Our History

Subtitles:

- 9 Assets in operation
- 3 Advanced construction (operation starts in Jan/2022)
- 4 Advanced stage of development
- Potential expansion in hybrid projects without connection and transmission costs



R\$ 9.6 bi
Enterprise Value



1.2 GW
Capacidade instalada



~97%
technical availability



~15 years
Weighted average term of PPAs



R\$ 830mn
EBITDA 22⁽¹⁾



1.1 GW
Pipeline in development



+55%
Capacity factor from 2022



Know-how
High expertise of the Company

Key Words:

- Marketing strategy based on contracts with higher margin (2 to 3 years). Support of long PPAs for projects with Sol Energia to enable financing
- Equatorial now has an i50 energy portfolio, a product with stagnant supply as of 2025.
- Echo's Leverage and Acquisition Leverage

Upsides

- Opening of the Low Voltage Market
- self-production
- Direct access to the consumer
- Business synergies

Portfolio Growth Driver

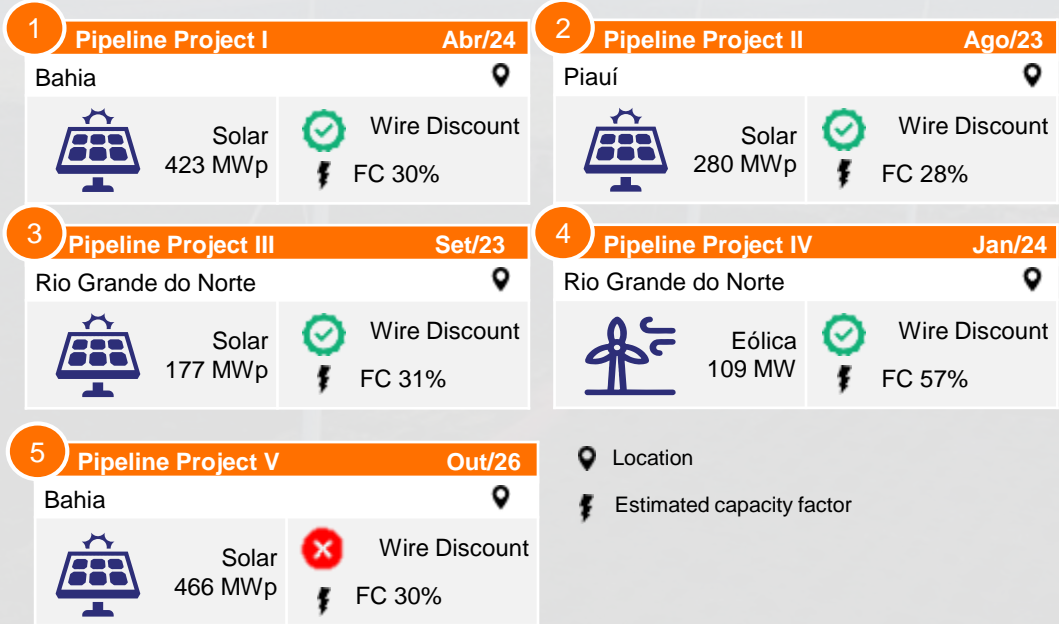
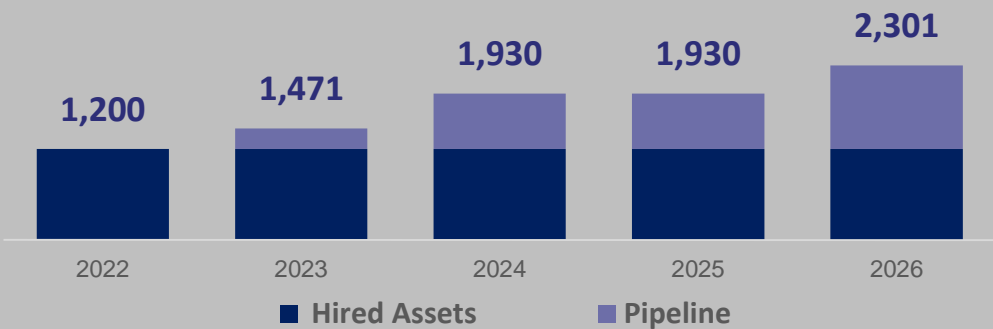


Value Levers

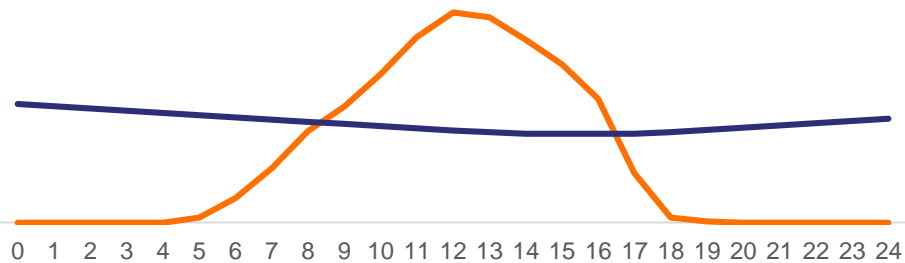
- 80% of parks have wire-discount
- Agility for project implementation
- Capex estimated in line with current market (high exchange and commodities)
- Best projects are accessed only by Generation Platforms



installed Potency added (MW)

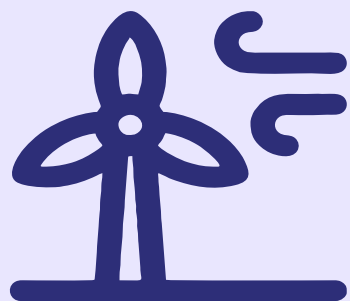


High intraday complementarity Solar + Wind sources



Generation

Generation parameters



1

Source availability

generation depends on the wind

2

Machine availability

generation depends on the machines being available

+97% verified technical availability

Operational Parks

O&M BoP with availability above

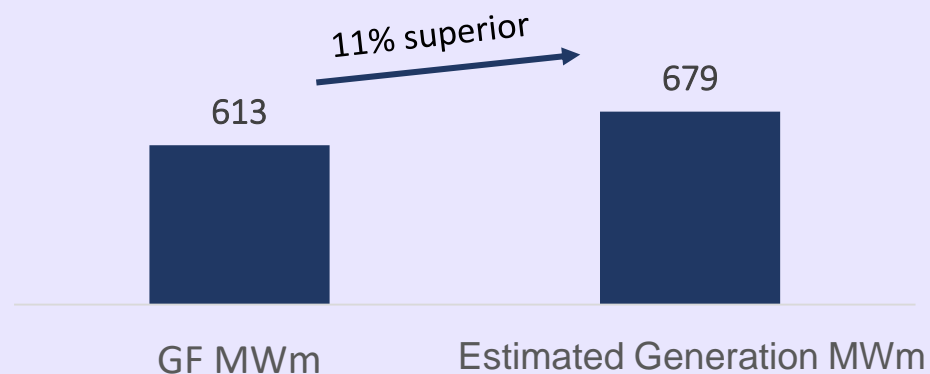
98%

+55% Capacity factor combined

portfolio high level of technical management and availability of natural resources in the region (assets in operation)

O&M WTGs assured by global tier-one suppliers for the next 7~15 years with guaranteed availability

Estimated Generation for 2022 Seller



PPA Strategy

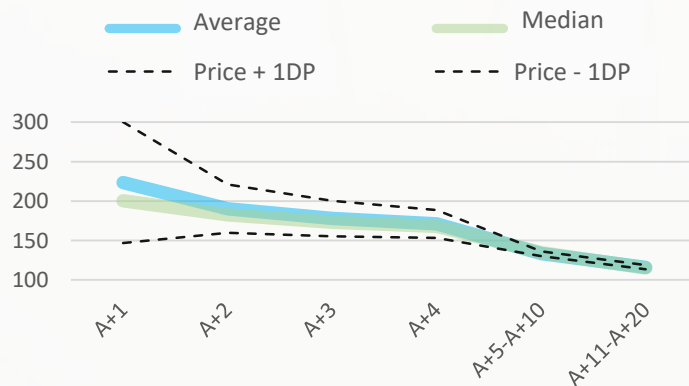
PPA's

- **PPA's with a term of up to 4 years**
- **Focus on Middle Market consumers,** aiming to capture a higher market price than 10 to 15 year contracts with Large Corporates

Energy Price

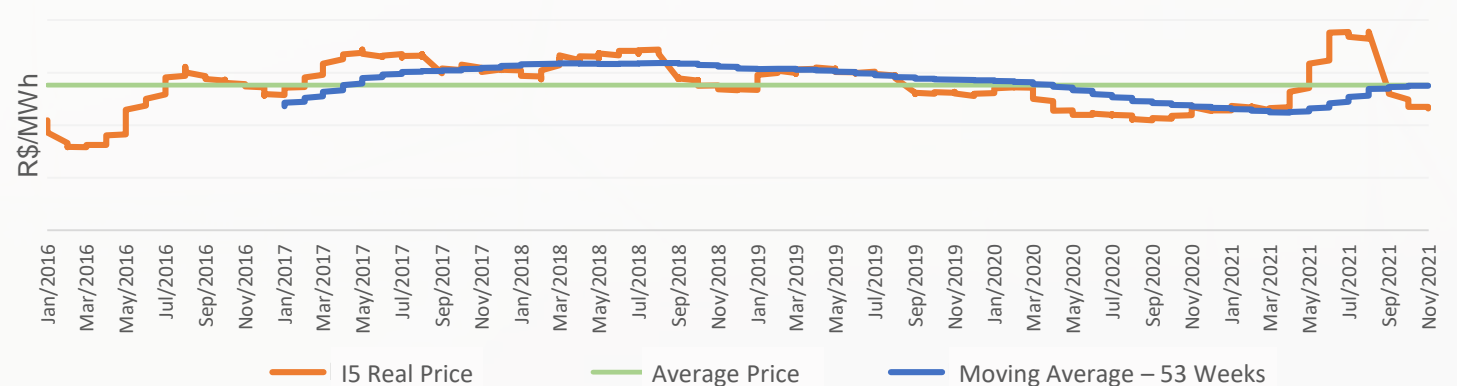
- **Price of Incentive Energy** will be even more **pressured by the increase in demand from new consumers**
- **50% Encouraged Energy Consumption** by final consumers in the ACL **was 3.9 GWm** in Aug/21. **With 5 GWm of new consumers** able to buy on the Free Market. (Source: CCEE)
- There are **4 GWm of consumption by High Voltage customers** with a demand of less than 500 kW, who from **2025 will be able to migrate to the Free Market** (Source: Thymos)
- With the opening of the BT market, expect around **24GWm** from 2030

Historic average conventional energy prices by contract maturity



Fonte Dcide

Market prices for 50% Incentive Energy



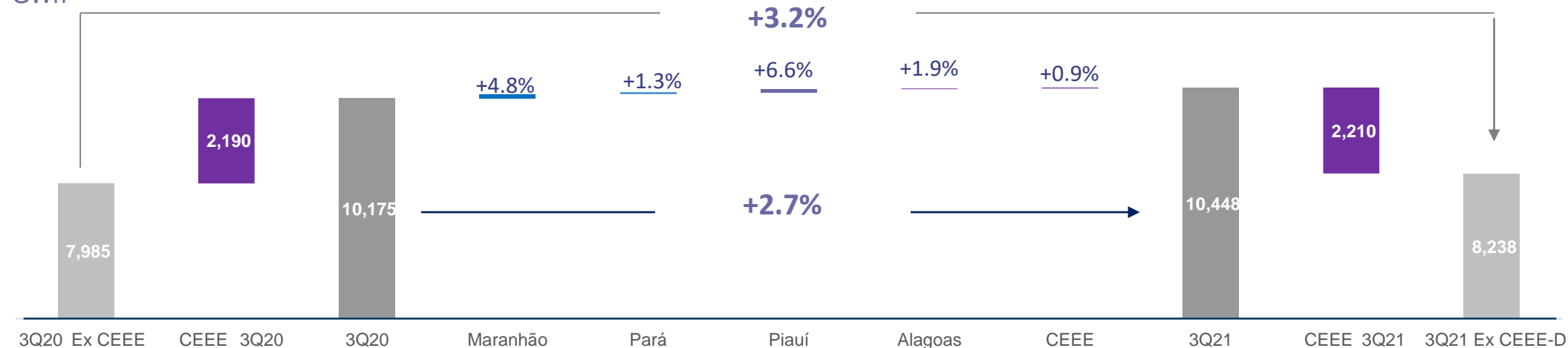
Operational Performance



Energy Markets

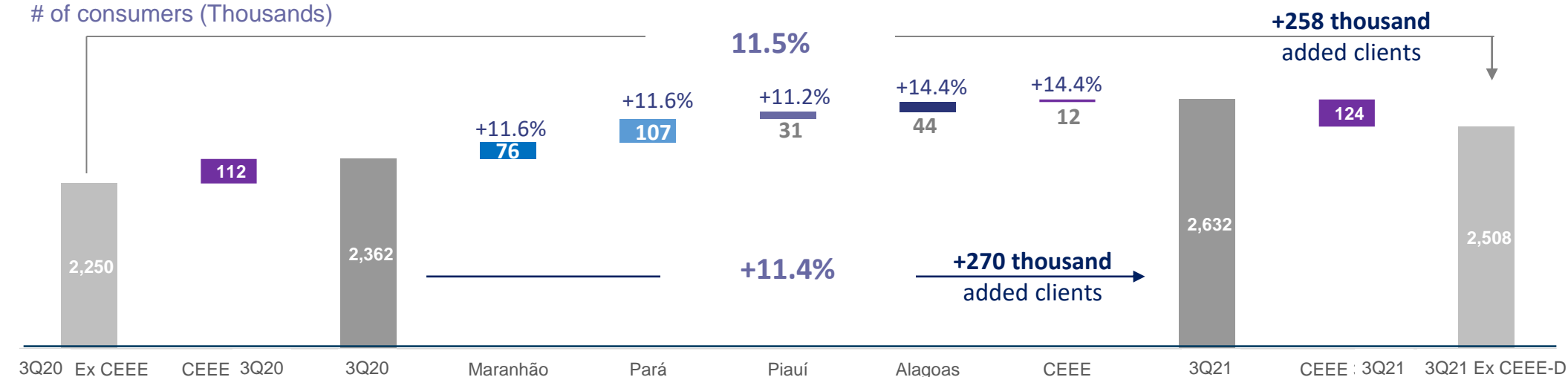
Injected Energy evolution per DisCo

GWh



Low income evolution

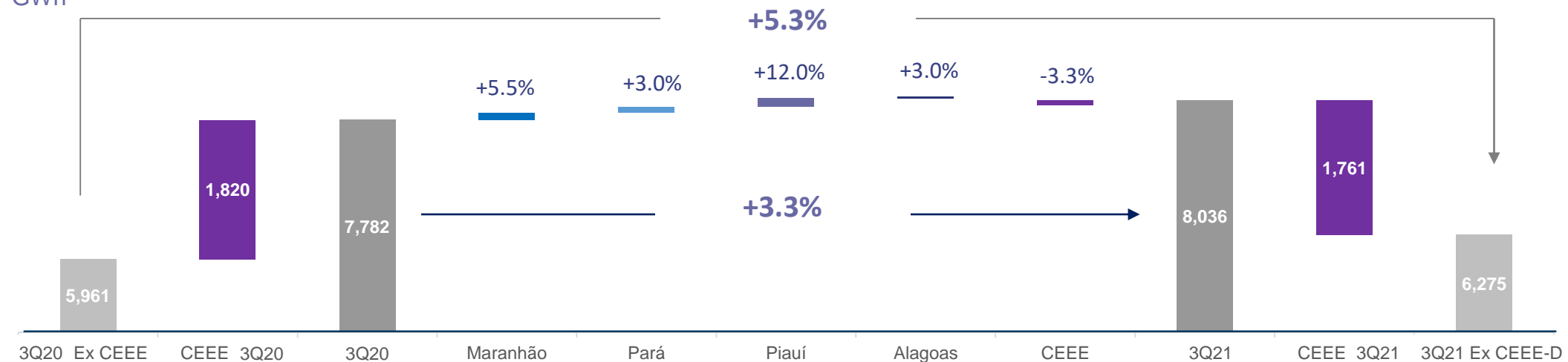
of consumers (Thousands)



Energy Markets

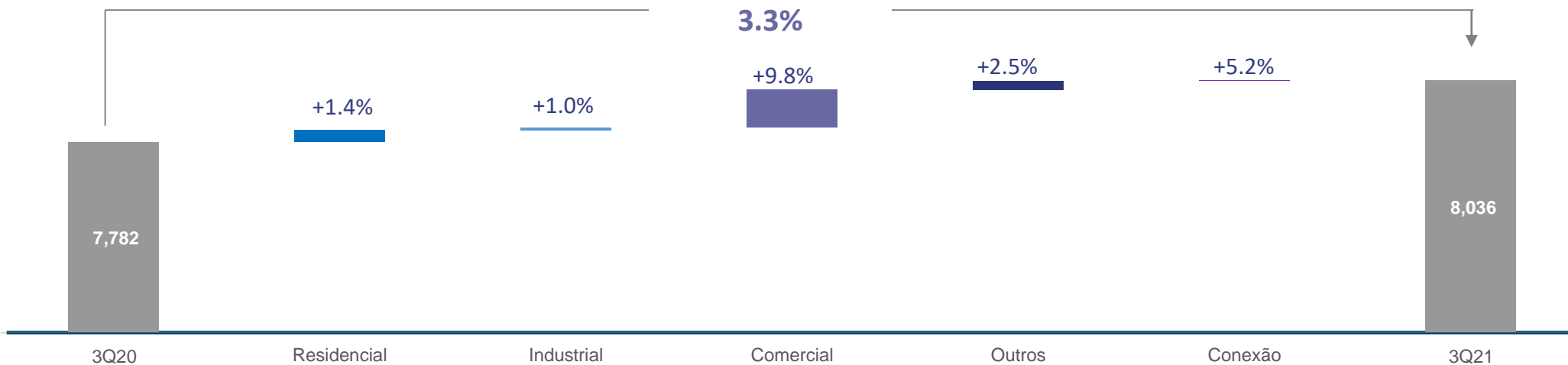
Sales evolution by DisCo (captive + free)

GWh



Sales evolution by segment (captive + free)

GWh



Default and Collection

Collection Index¹

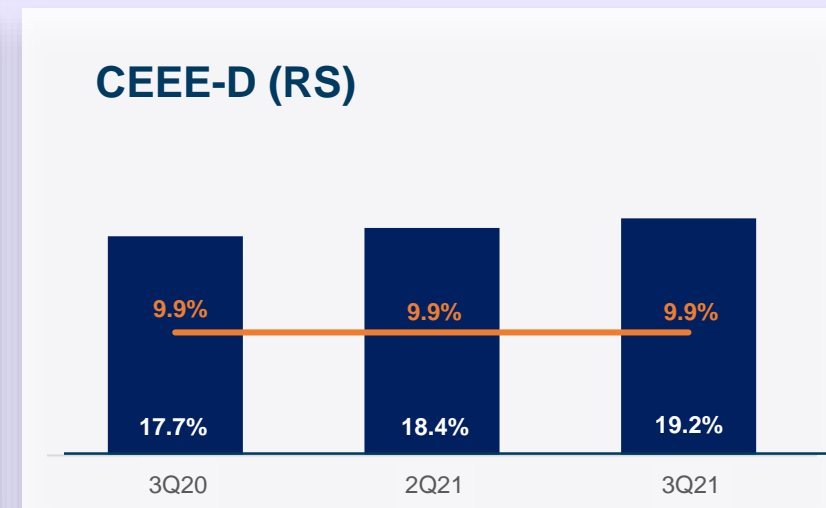
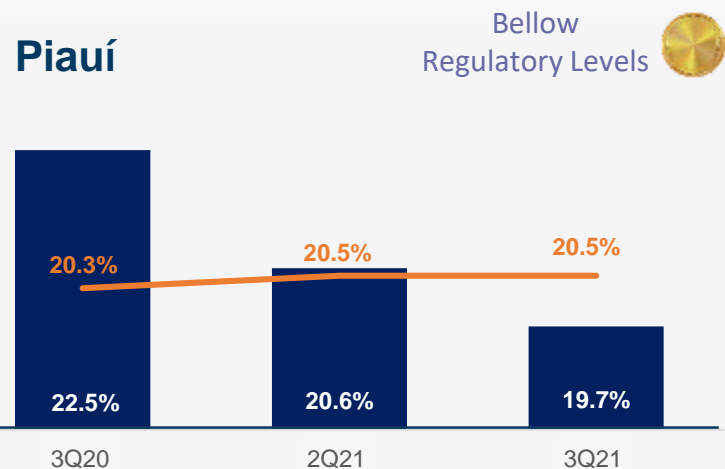
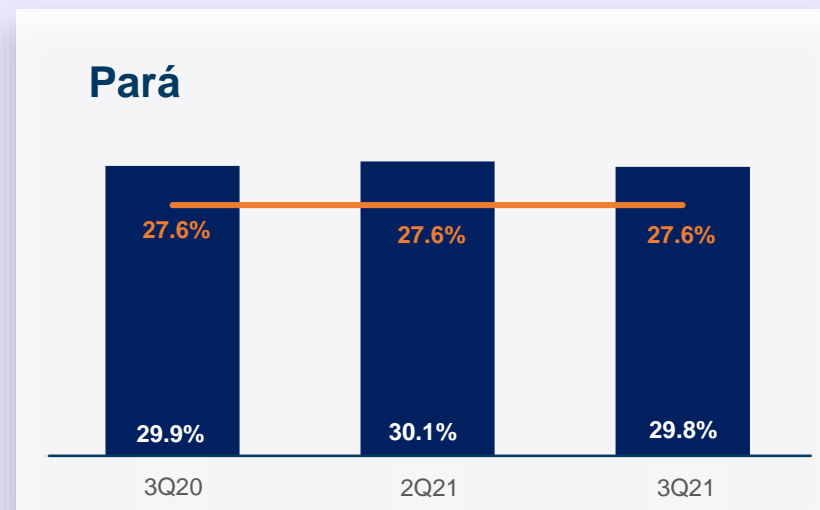
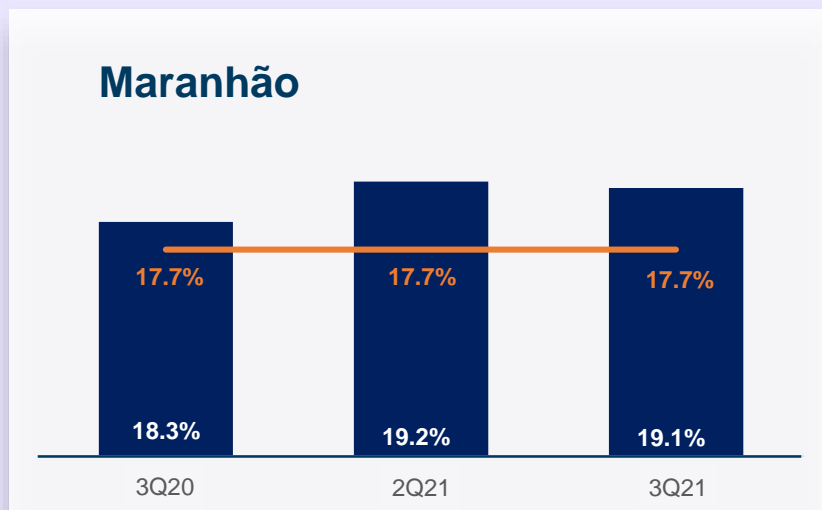
| | 3Q20 | 2Q21 | 3Q21 |
|---------------------|---------------|--------------|---------------|
| MA | 101.0% | 98.1% | 96.7% |
| PA | 101.1% | 97.8% | 98.1% |
| PI | 106.2% | 101.9% | 99.8% |
| AL | 106.4% | 101.8% | 101.8% |
| Consolidated | 102.5% | 99.2% | 98.5% |
| CEEE-D | 98.8% | 100.0% | 98.7% |

PDA¹

| | 3Q20 | 2Q21 | 3Q21 |
|---------------------|-------------|-------------|--------------|
| MA | 0.9% | 0.9% | 1.1% |
| PA | 1.1% | 2.1% | 1.6% |
| PI | -1.4% | 0.3% | 0.5% |
| AL | 1.7% | 1.1% | -2.2% |
| Consolidated | 0.8% | 1.3% | 1.3% |
| CEEE-D | 3.1% | 4.3% | 0.0% |

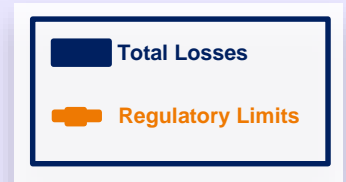
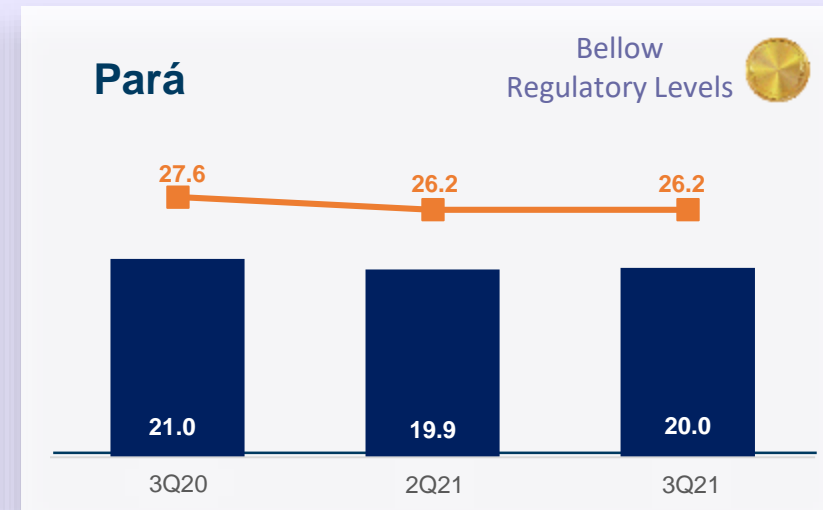
Total losses over injected energy

Losses in Piauí bellow regulatory limits only 3 years after the Acquisition.

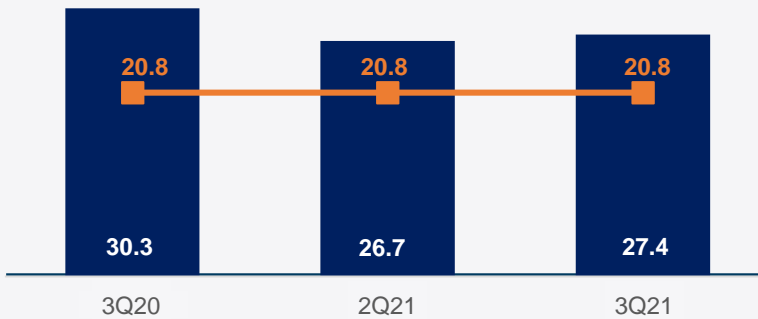


DEC

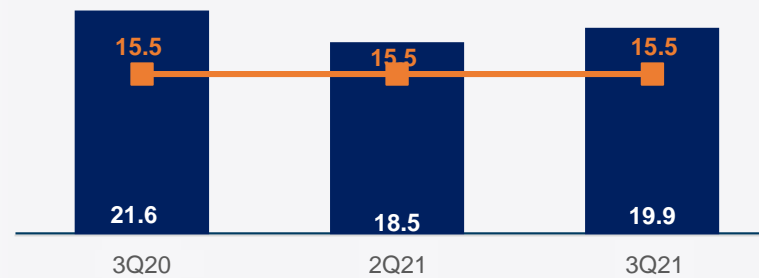
Beginning of the Turnaround process at CEEE-D already brings a reduction in the indicator.



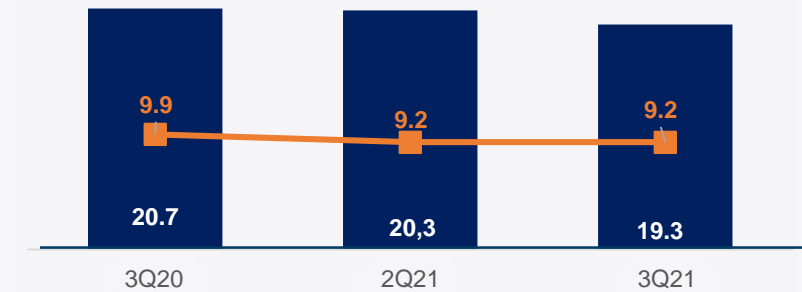
Piauí



Alagoas

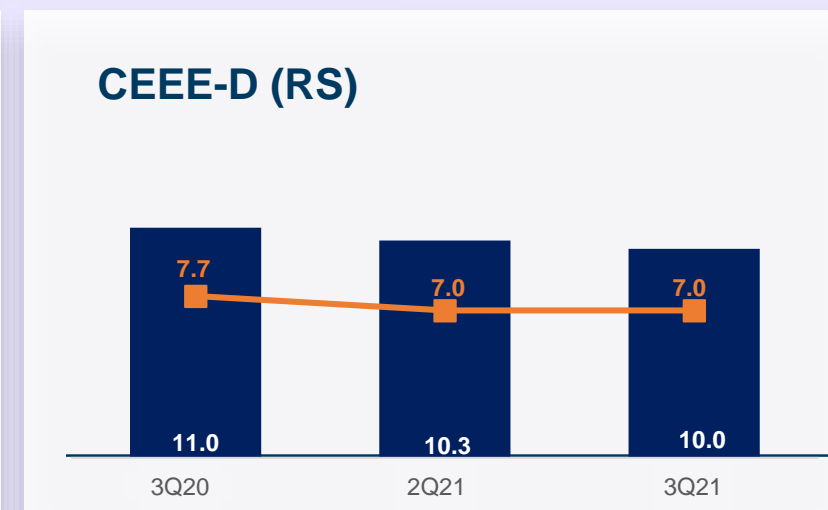
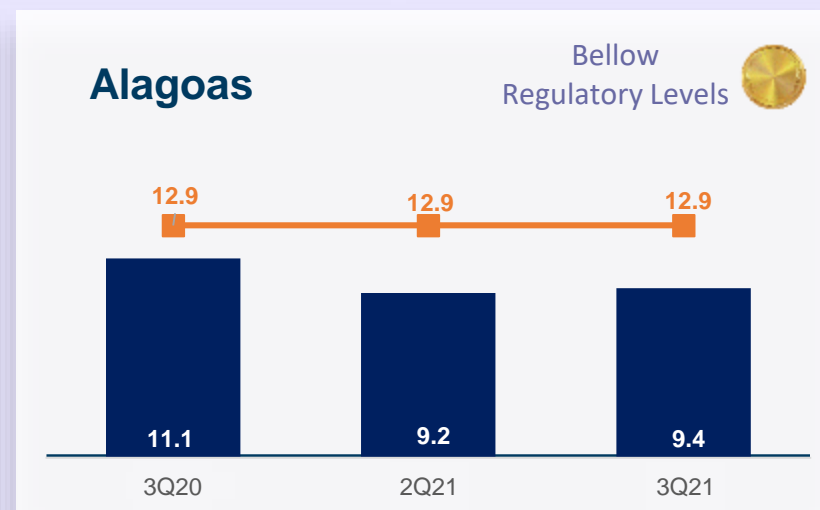
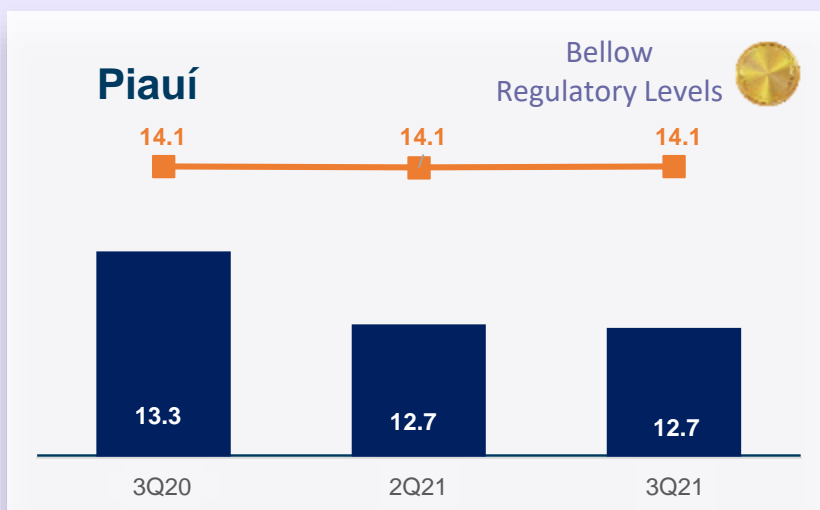
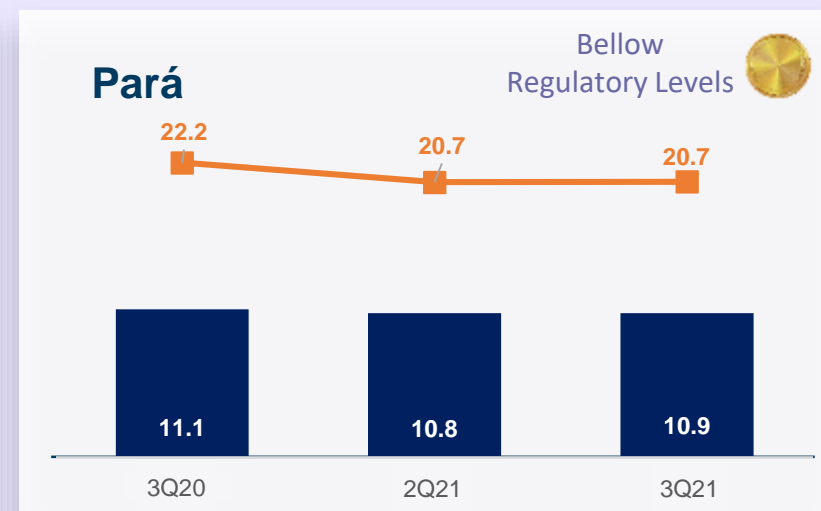
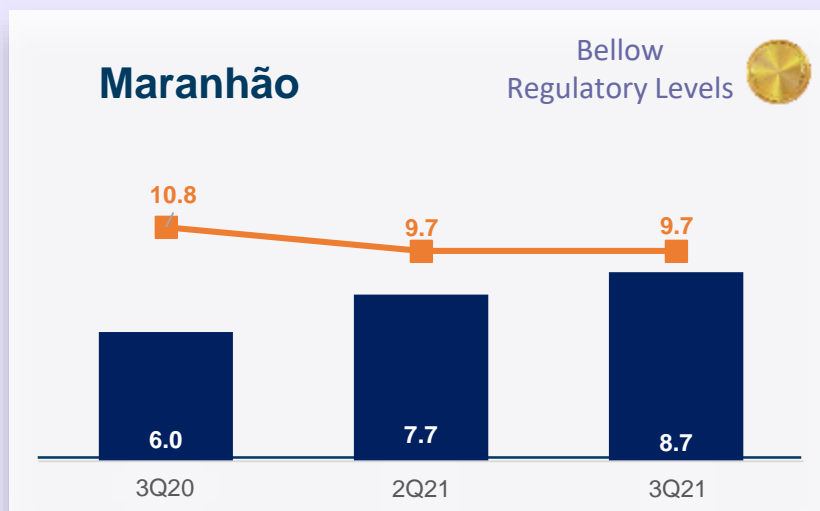


CEEE-D (RS)



FEC

All DisCos below regulatory level, except CEEE-D (turnaround)



Economic and Financial Performance

Manageable Expenses

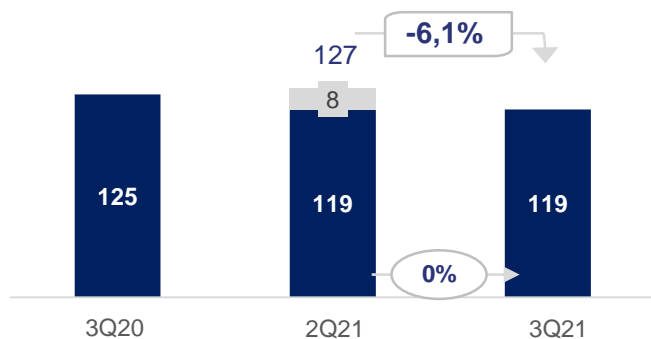
CEEE-D already shows reduction.

Adjusted OPEX

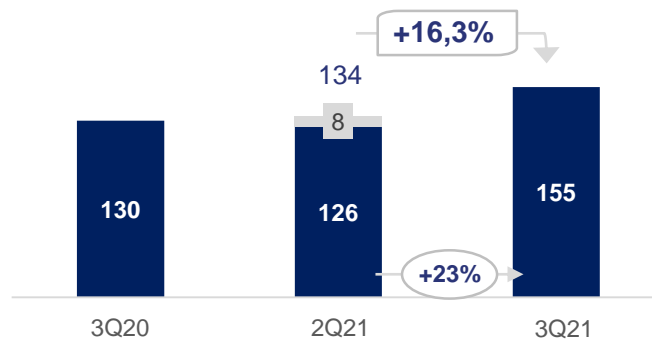
(R\$ Mn)

■ PMSO Adjust. ■ Pandemic Savings(3Q20)

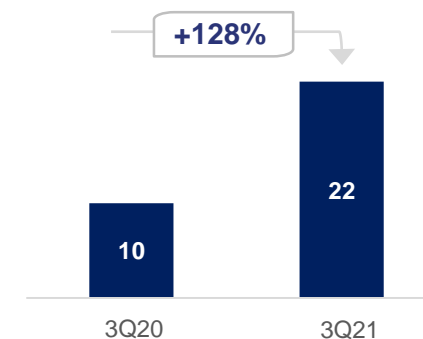
MA



PA



Transmissão



IPCA –12 months

10.25%

OPEX by Consumer¹

Maranhão
R\$ 194

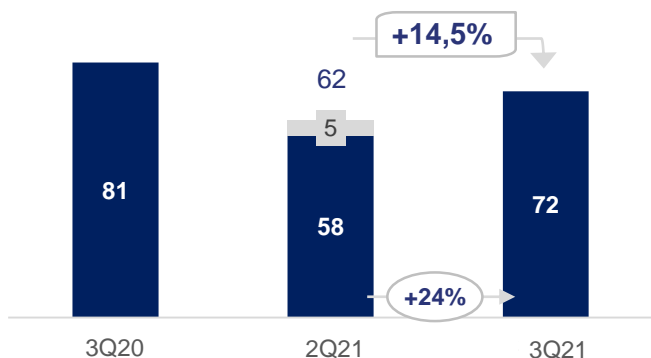
Pará
R\$ 214

Piauí
R\$ 211

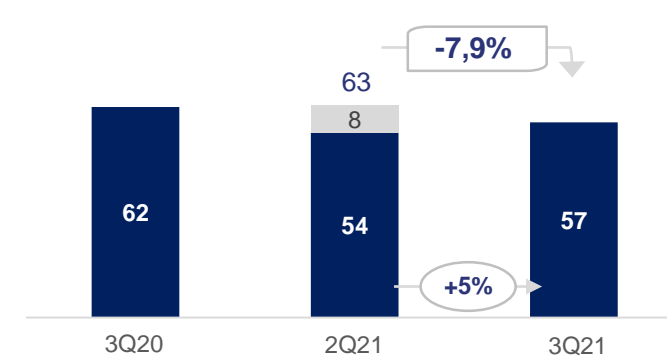
Alagoas
R\$ 199

CEEE-D
R\$ 355

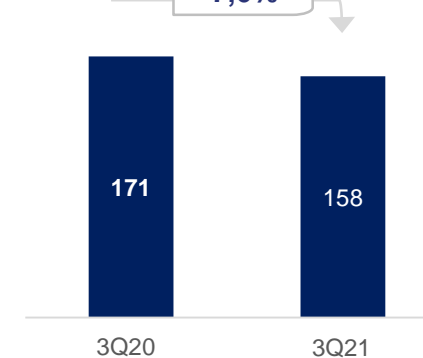
PI



AL



RS

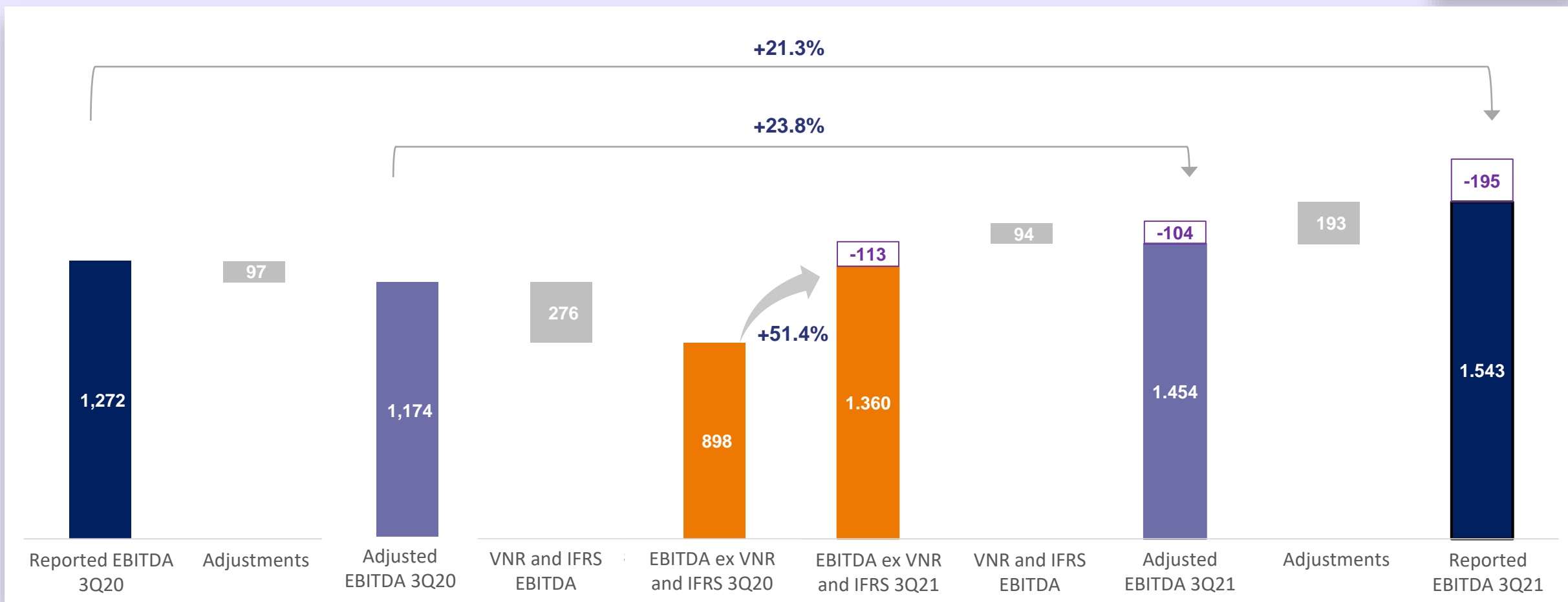


Equatorial Consolidated

Adjusted EBITDA on the quarter (ex-new assets)

(R\$ Mn)

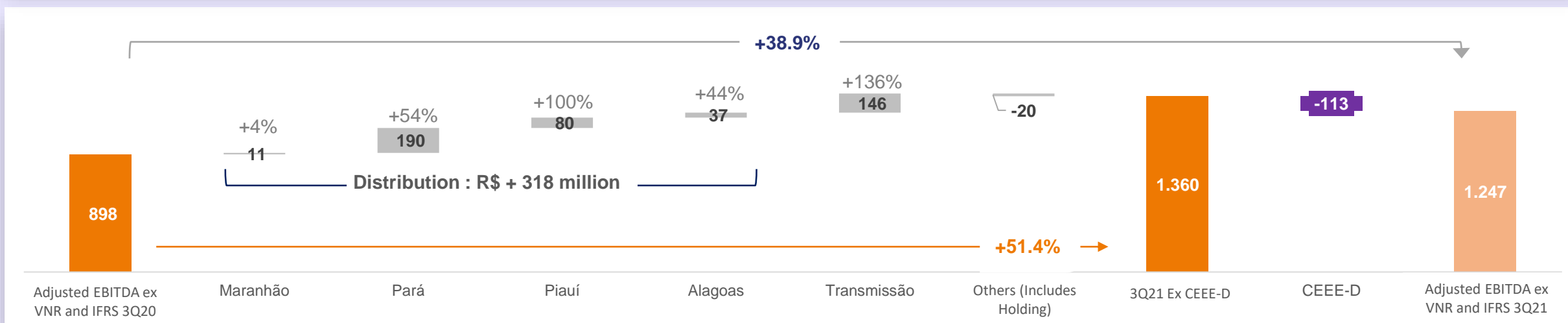
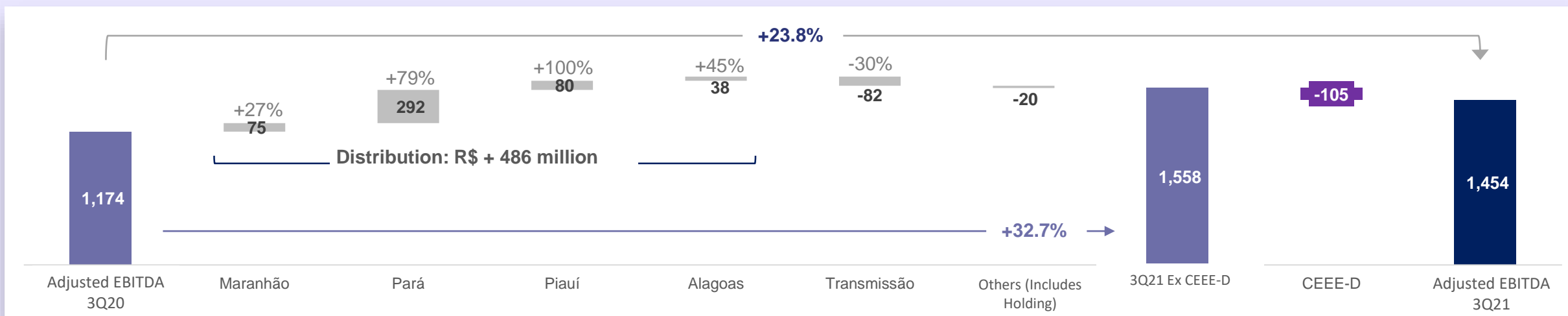
CEEE-D



Equatorial Consolidated – Contribution per Asset

Adjusted EBITDA on the quarter

(R\$ Mn)

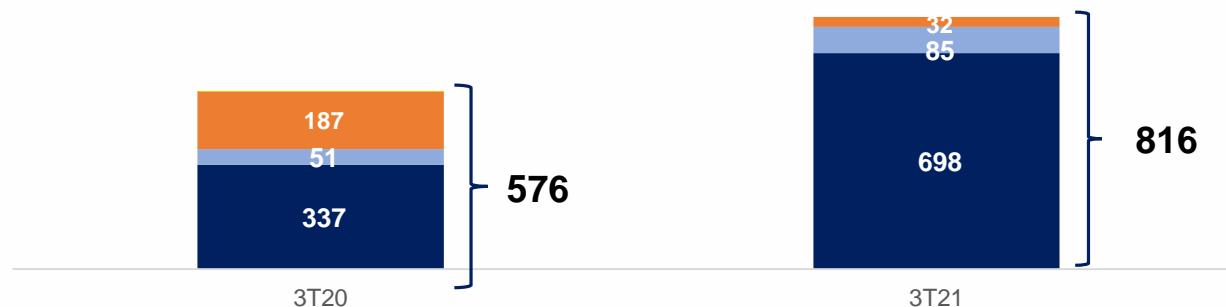


Investments

Main Investments - Quarter

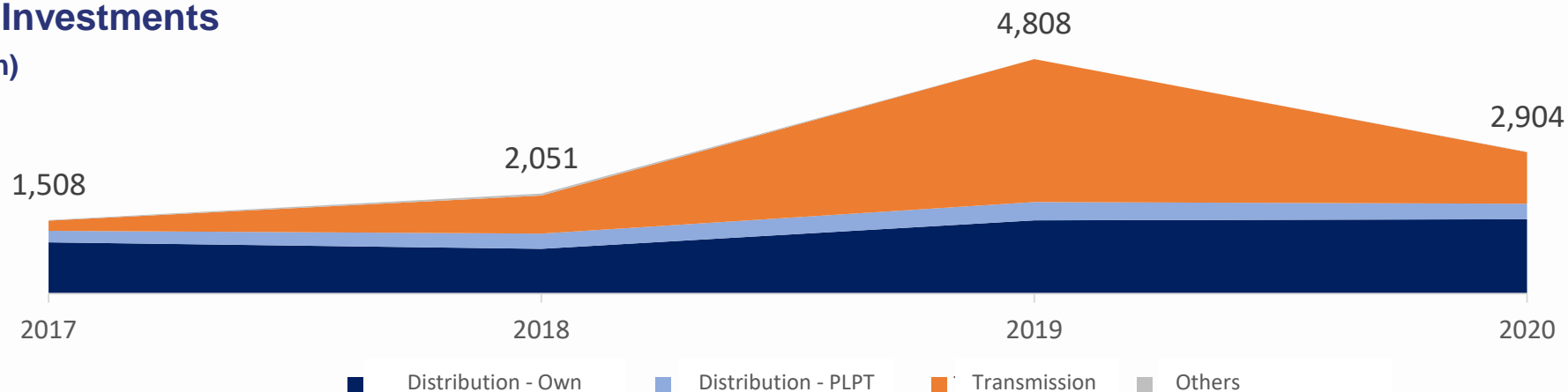
(R\$ Mn)

- Distribution - Own
- Distribution - PLPT
- Transmission
- Others



Main Investments

(R\$ Mn)



Increase in Invested Volume, reflecting a new growth trajectory.



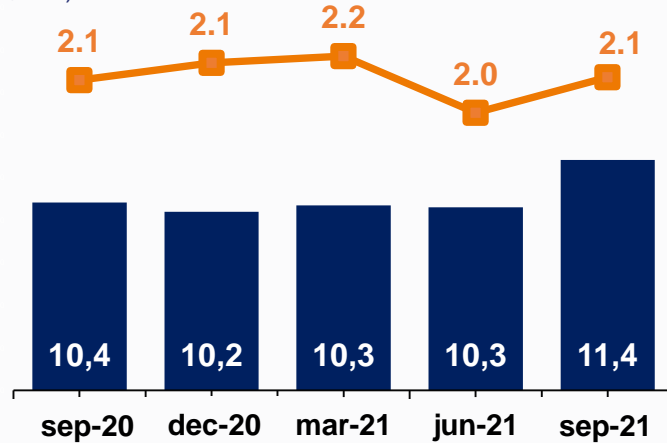
R\$ 698 million invested in Distribution, in 2Q21
102% higher YoY



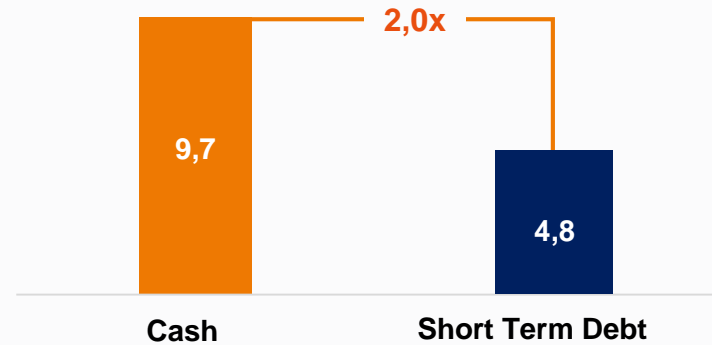
New investment cycle starting with entry into the **Sanitation sector**

Debt

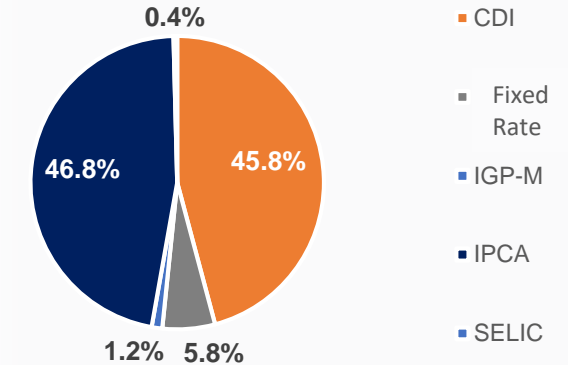
Cons. Net Debt and Net Debt/EBITDA LTM
(R\$ Bln)



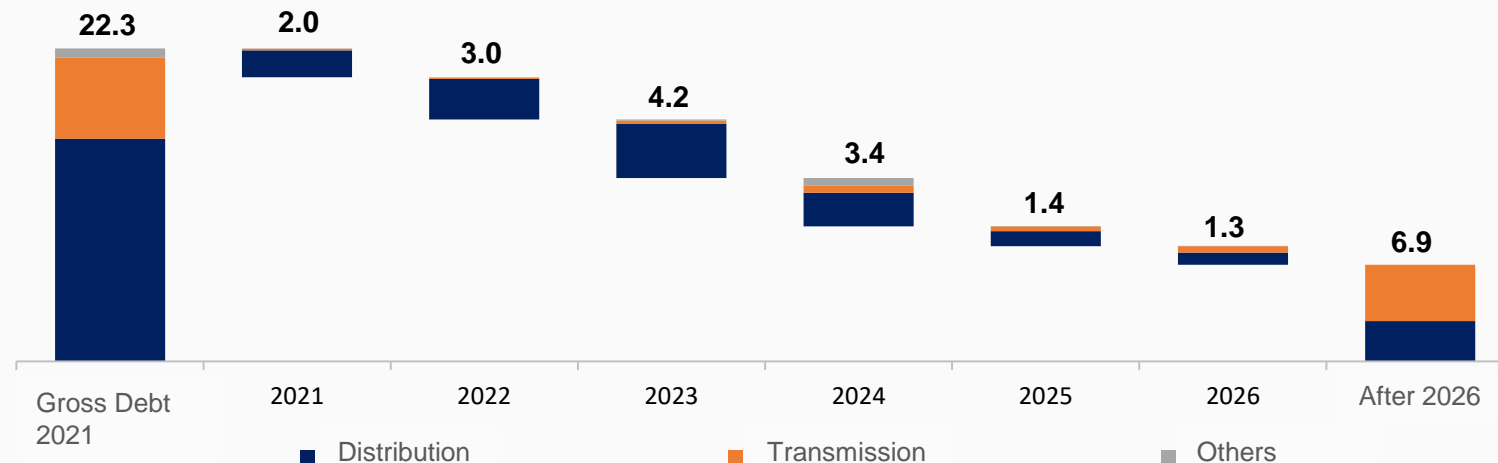
Cash and Short Term Debt



Debt per indicator
(%)



Debt maturity profile



Consolidated Cash

Sep. 30, 2021

R\$9,7 Billion

*Cash is enough for more than 2 years of expected amortizations

Average Term

5.02 anos

Average Cost

9.69% p.a.

Final Considerations



Final Considerations

RECENT ACHIEVEMENTS



- Echoenergia Acquisition reinforcing value generation trajectory
- Maranhão Tariff Review and Pará Tariff Adjustment
- Amapá Sanitation
- expanding operations to the Sanitation sector
- CEEE-D Turnaround Process (Voluntary Layoff Program and Liability Management)

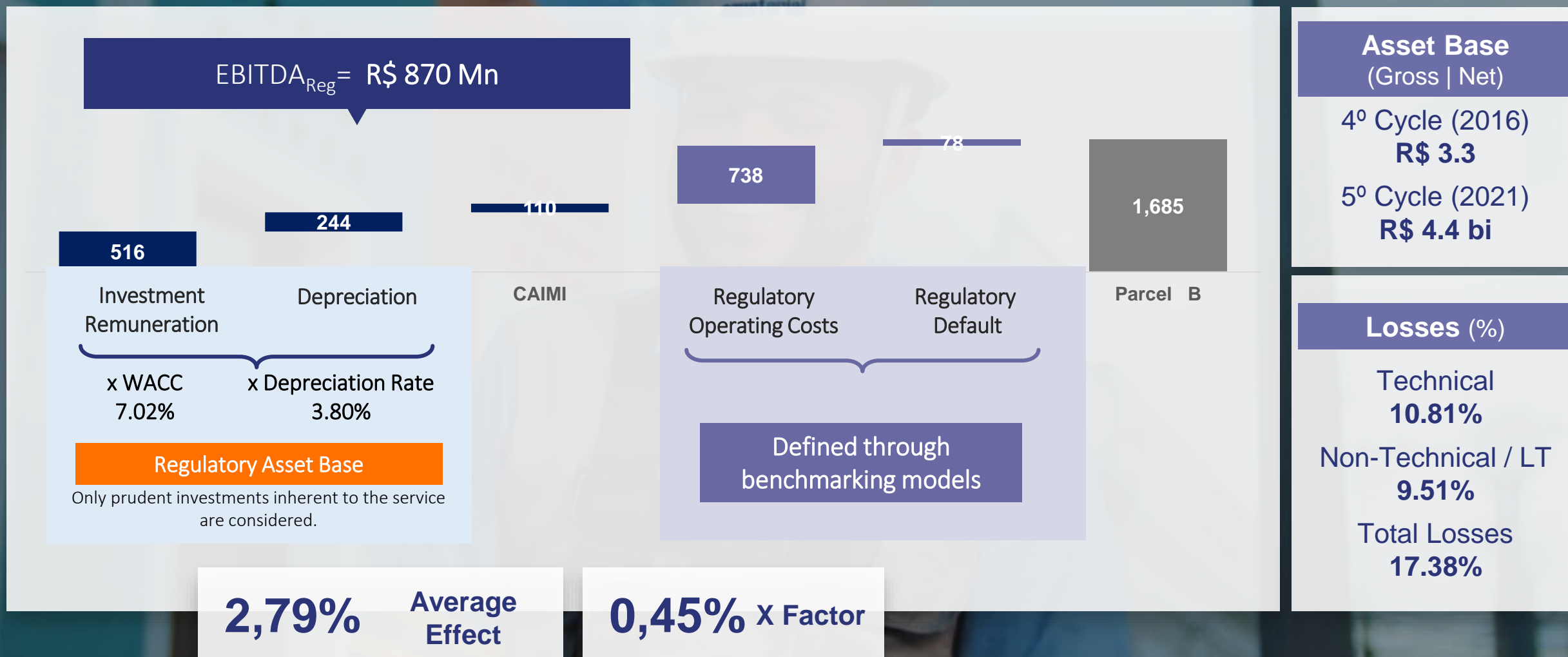
2021 PERSPECTIVES



- Distribution: CEEE-D Tariff Review (november)
- Conclusion of CEA Acquisition
- Evaluation of M&A Opportunities

Thank You!

Maranhão 2021 Tariff Review



CEEE-D | Important Turnaround Steps

VOLUNTARY LAYOFF PROGRAM

- Launched in September
- **Record Adhesion (46% of the effective | 998 workers)**
- R\$ ~145 million in accounting impact (mostly already recognized in 3Q21)
- R\$ ~15 million in monthly savings

LIABILITIES RESTRUCTURING

- **R\$ 2.5 billion raised** on the 3Q21
- **1st issue of Debentures** (BRL 1.5 billion)
- **Term extension and cost reduction**
- **Payment of main financial liabilities** and with suppliers (Itaipu, IDB)

OTHER INITIATIVES

- Contract renegotiations: **Contracting of Commercial Anchor**
- **Restructuring of Loss teams** (reduction by 1/3 of the cost per team)
- Improved **collection actions**
- **Tariff Review**