



GRUPO
equatorial
ENERGIA



Corporate Presentation

November 2022

EQTL
B3 LISTED NM



Overview

An Integrated Investment Platform in Utilities



Net Revenues

R\$ 24.2 billion
(2021)

EBITDA

R\$ 5.5 billion
(2021)



DISTRIBUTION

6 DisCos

+2.0 mn Km²

27.3 mn of people served

R\$ 15.8 bn¹ on asset base

Performance in complex regions



TRANSMISSION

9 Lines

+3.2 thousand Km of lines

R\$ 1.3 bn revenues



GENERATION

12 Assets

1.2 GW Installed Capacity

1.2 GW Pipeline (ready to build)



SANITATION

1 Concession

900k people served

Presence in 16 cities

Full Concession



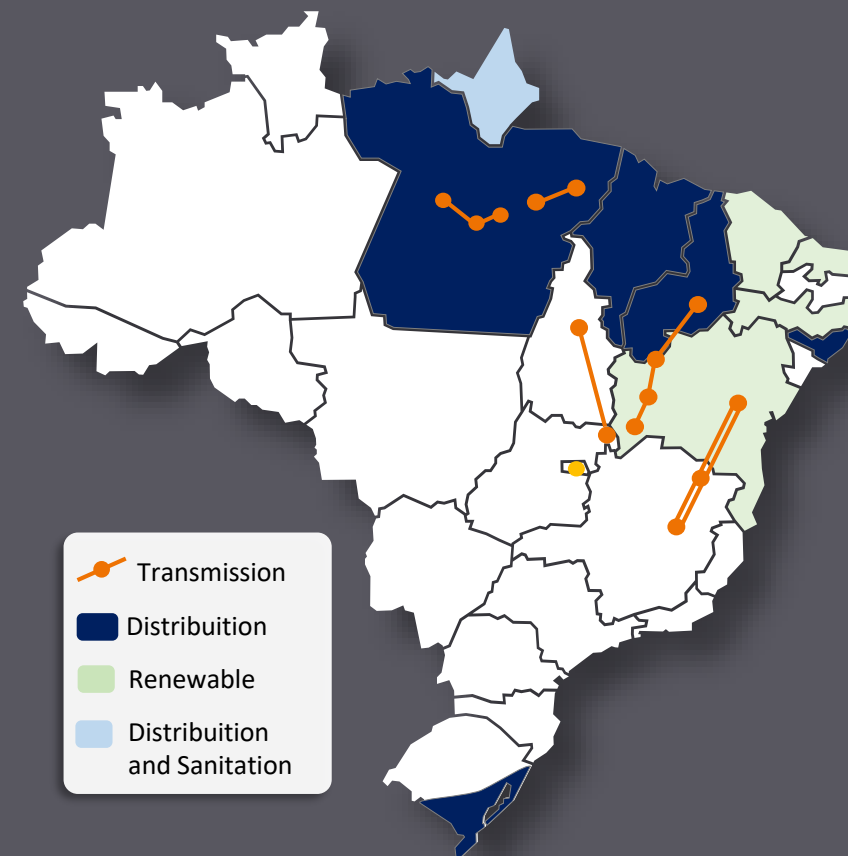
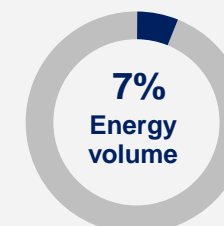
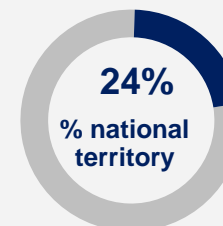
OTHERS

Comercialization

Services

Telecom

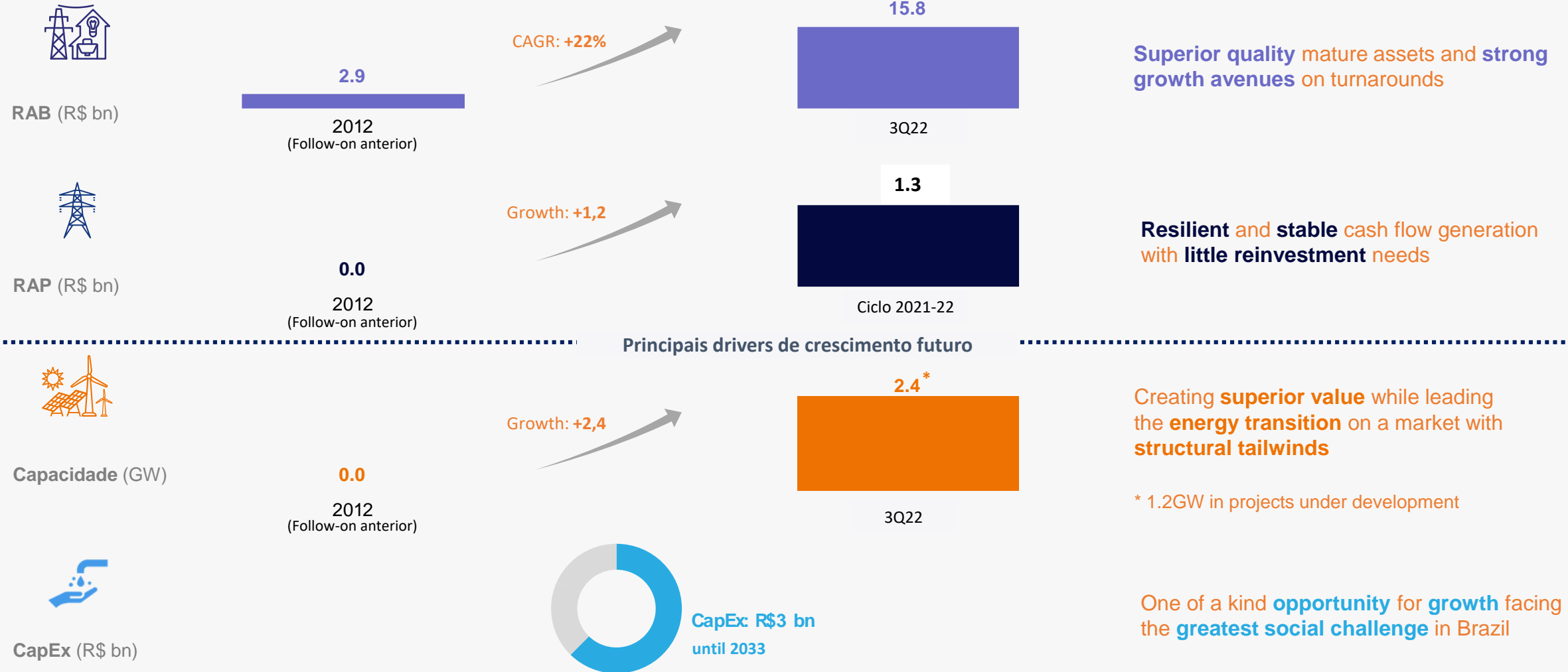
DG - Distributed Generation



¹ – values referring to the last RTPs of each Distributor

Unique Growth Story in the Brazilian Utilities Sector

Long track record of growth in Distribution and Transmission, and ready to grow in Renewables and Sanitation



Value generation

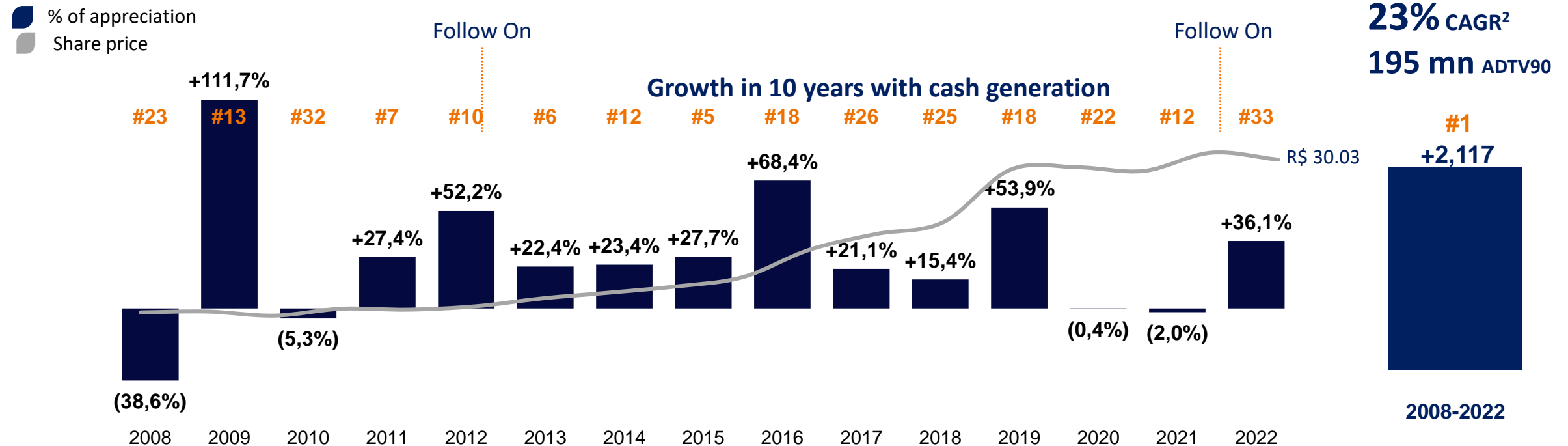
Our focus on the long run and delivering consistent growth translates into a top performing total return in the last decade

Since the IPO

HIGHER IBOVESPA VALUE SINCE WE ENTER THE INDEX¹

5.6x higher than the IBOV

1.9x higher than the IEE

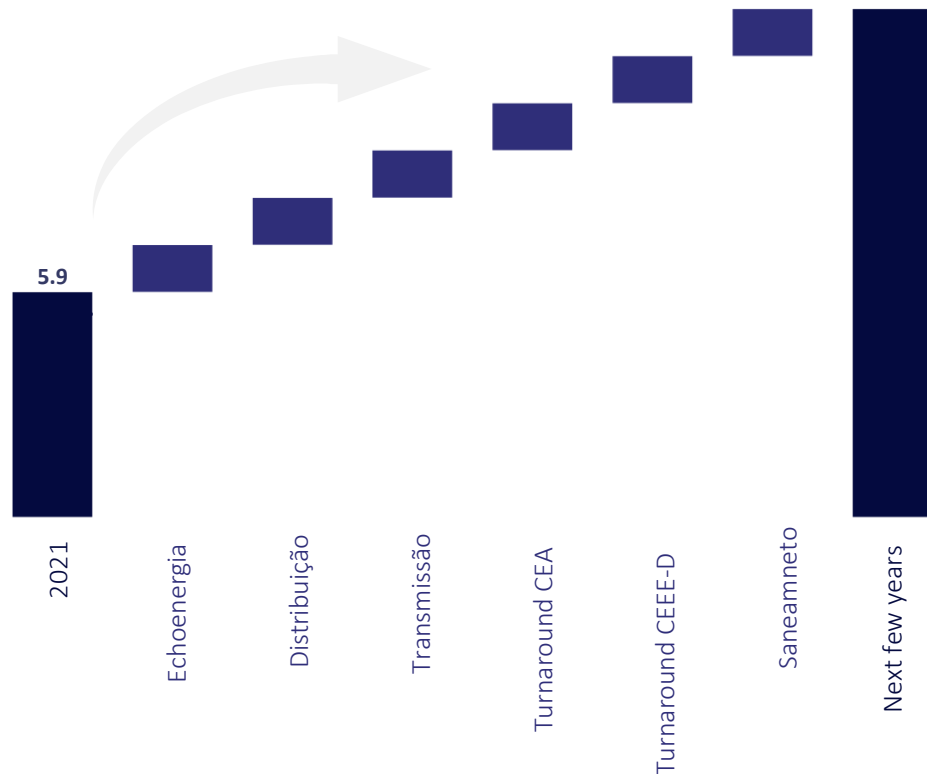


1 – It considers the annual returns of the players that remained in the index throughout the period | 2 - CAGR since the IPO

We Will Continue Delivering Superior Growth Aligned with Our Strategy to Expand on Renewables and Sanitation

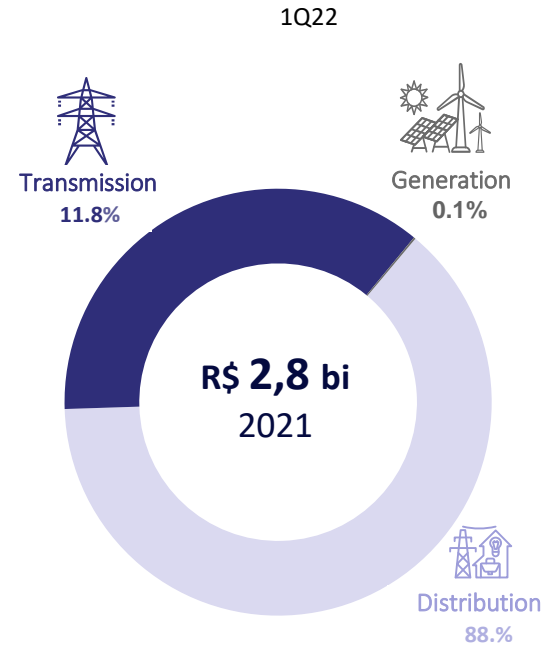
Visible growth with low execution risk...

EBITDA - IFRS (R\$ bn)



...with strong focus on optimizing capital allocation opportunities

Historical CapEx



Future Investments



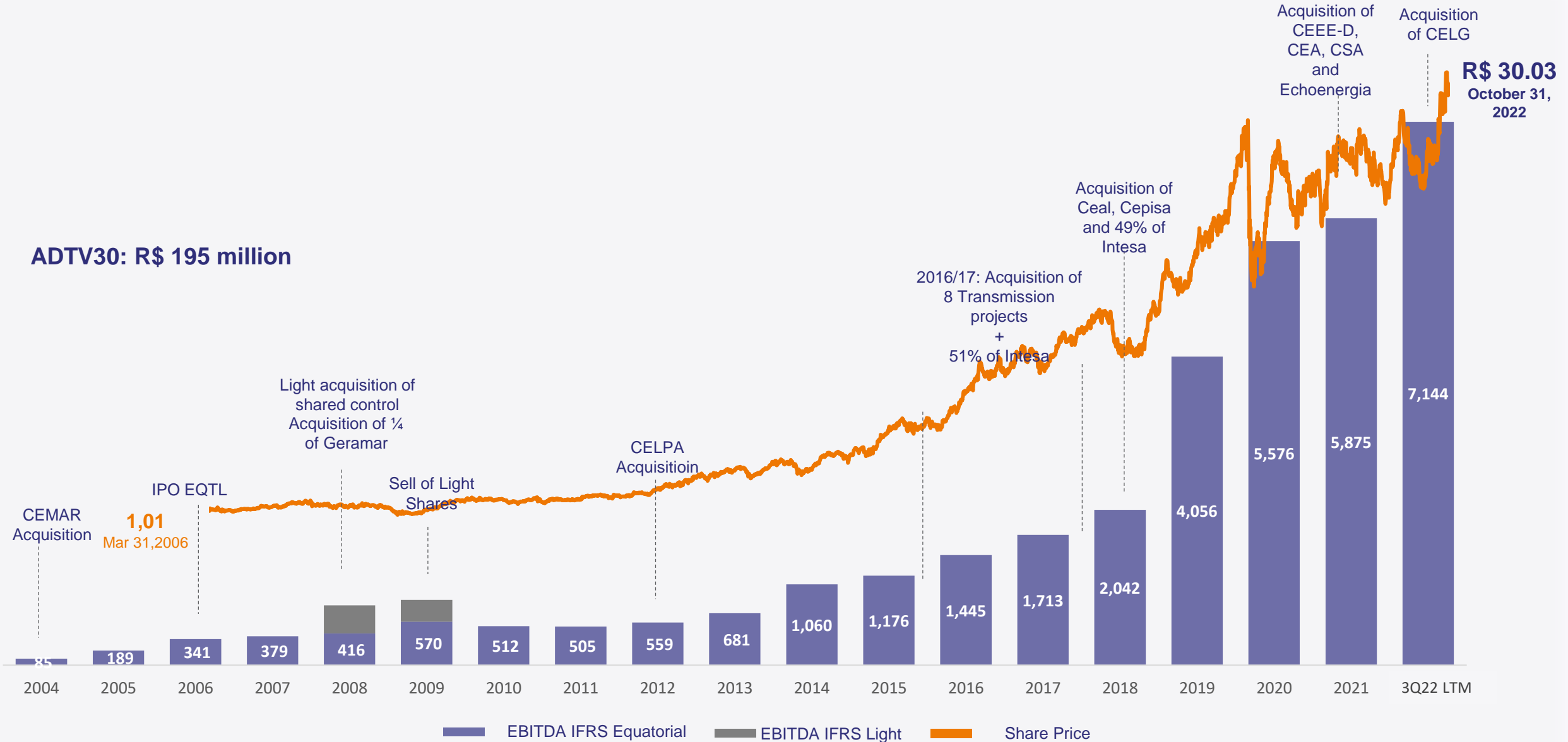
Higher required returns

Higher allocation (filled circle) Lower allocation (empty circle)

Value Generation

On long term through the turnaround of the operations and efficient Capital Allocation

ADTV30: R\$ 195 million



Leader on ESG

with a Portfolio of Sustainable Businesses

ENVIRONMENTAL



Sale of Geramar's stake



Emissions Inventory



CDP Ratio



Submission of projects for the delivery of carbon credits (Echo)



+10,000 Families served with Photovoltaic systems

SOCIAL



Plataforma E+ are several initiatives that drive localization in socio-environmental development

2021

79 supported projects

R\$ 86 million investments



Social Energy Tariff
Discount for low-income families

GOVERNANCE



High level of Governance
100% Free Float



75% of BoD independent



25% of the members are women
Women on Board Seal (WOB)



Committees Audit and Risk Management; People, Governance and Sustainability; and Strategy and New Businesses



Approval of internal regimes, policies and management NM



Census realized and diversity policy approved



SDG supported

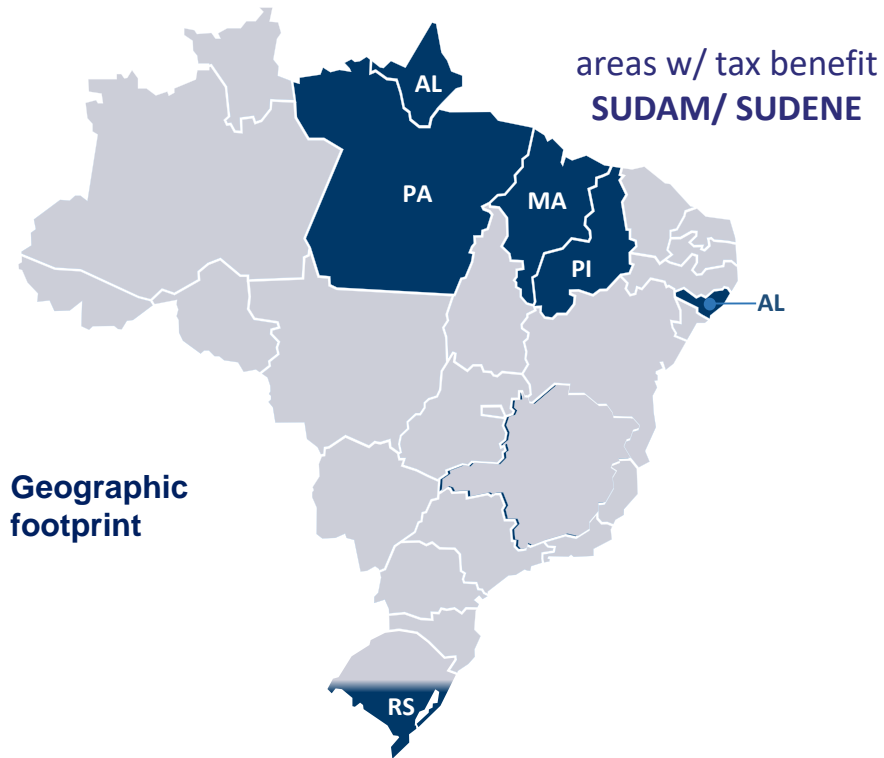


Distribution



Unique Portfolio of Distribution Assets in Brazil

Balanced mix of consolidated assets and recovery opportunities in the distribution segment



Complexity Ranking

Amapá	➔	1º	Alagoas	➔	17º
Pará	➔	2º	Piauí	➔	18º
Maranhão	➔	10º	CEEE-D	➔	20º

3Q22 Date	Consolidated Assets				Turnaround Opportunities		Total
	Maranhão	Pará	Piauí	Alagoas	CEEE	CEA	
Consumers (mil)	2,666	2,915	1,397	1,266	1,837	182	10,262
Network Extension (Km)	111,757	154,881	91,765	47,788	59,800	9,000	474,991
Volume (GWh)	2,644	2,848	1,371	1,206	1,799	187	10,055
Total Losses	18.4%	28.5%	19.4%	22.0%	18.1%	47.3%	23.3%
PMSO Per Consumer (R\$)	214	231	239	209	309	N/A	N/A
Regulatory EBITDA 2021 (R\$ mn)	887	1,412	418	308	425	102	3,552
RAB (R\$ mn)	4,366	5,047	1,671	1,354	2,953	466	15,857

High Growth

39.0%
RAB CAGR 18 - 21

16.8%
Organic Parcela B
CAGR 18 – 3Q22

Strong Profitability

R\$696
EBITDA/Consumer 3Q22 LTM

31%
Exceeding regulatory
EBITDA 3Q22 LTM

Recent Acquisition Overview

CELG-D – The Biggest Asset of Our Portfolio in number of customers

Concession Area



Main characteristics of the concession

Concession area (Km2)	336,871
Counties	237
Distributed energy (GWh) - 12M	14,987
Total Losses (%) - 12M	13.5%
Concession Due	2045

Intangible and Financial Assets of the Concession (2Q22)

Distribution lines (Km)	225,614
Substations	362

R\$ mm	jun/22
Fixed Assets	2.0
Intangible	8.1
(-) Goodwill	3.3
(=) Sub total	6.8
Indemnifiable asset	0.6
Total ¹	7.4

Concession	GO	CEEE-D (RS)	PA	MA	PI	AL	CEA (AP)
Population (mn)	2 ^a 7.2	3.8	8,5	7.0	3.3	3.3	0.86
Consumers (mn)	1 ^a 3.3	1.8	2.8	2.6	1.4	1.2	0.2
GDP per capita (R\$/inhabitant)	2 ^a 23,411	37,371	18,426	12,800	13,937	15,977	19,405
Household Income (R\$/month)	2 ^a 1,258	1,628	883	676	859	796	893
Average Ticket (Kwh/Customer)	2 ^a 373	363	280.2	222.1	241.4	275.9	473.1
Average Residential Ticket (Kwh/Customer)	3 ^a 166.1	168.5	145.9	133.8	146.6	123.2	284.6
HDI	2 ^a 0.74	0.78	0.69	0.68	0.69	0.68	0.70
No. of Low Income / Residential Customers (%)	13.3	7.5	36.1	30.8	41.5	33.0	11.5
Concession Due	2045	2045	2028	2030	2048	2049	2051

¹ –Historical values, w/o correction, excetep for Indemnifiable asset which take into account VNR adjusted for inflation

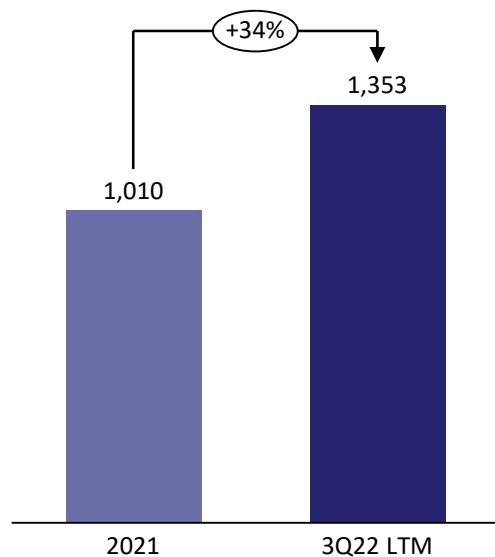


Transmission

Transmission

Transmission EBITDA - Regulatory

R\$ Mn

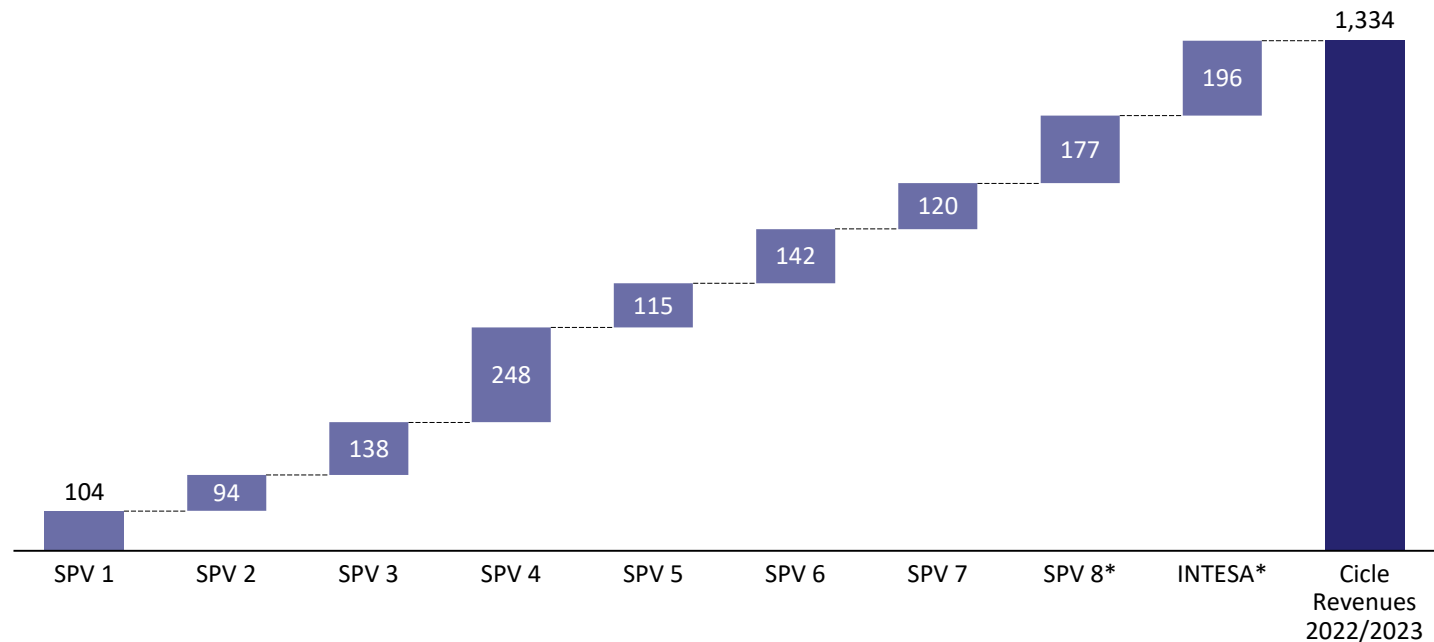


EBITDA Margin

	3Q21	3Q22
EBITDA Margin	91.8%	93.4%
Adjusted EBITDA	92.8%	

Composition of Revenues*

R\$ Mn – Cicle 2022/2023



Reinforcements

SPV 8*	INTESA*
R\$ 12 Million	R\$ 27 Million

Average Cycle Readjustment

9.45%

1 - Regarding the updated RAP for the current cycle, it is worth noting that in June 2023 Intesa will have a 50% reduction in its revenue, as provided for in the concession agreement.

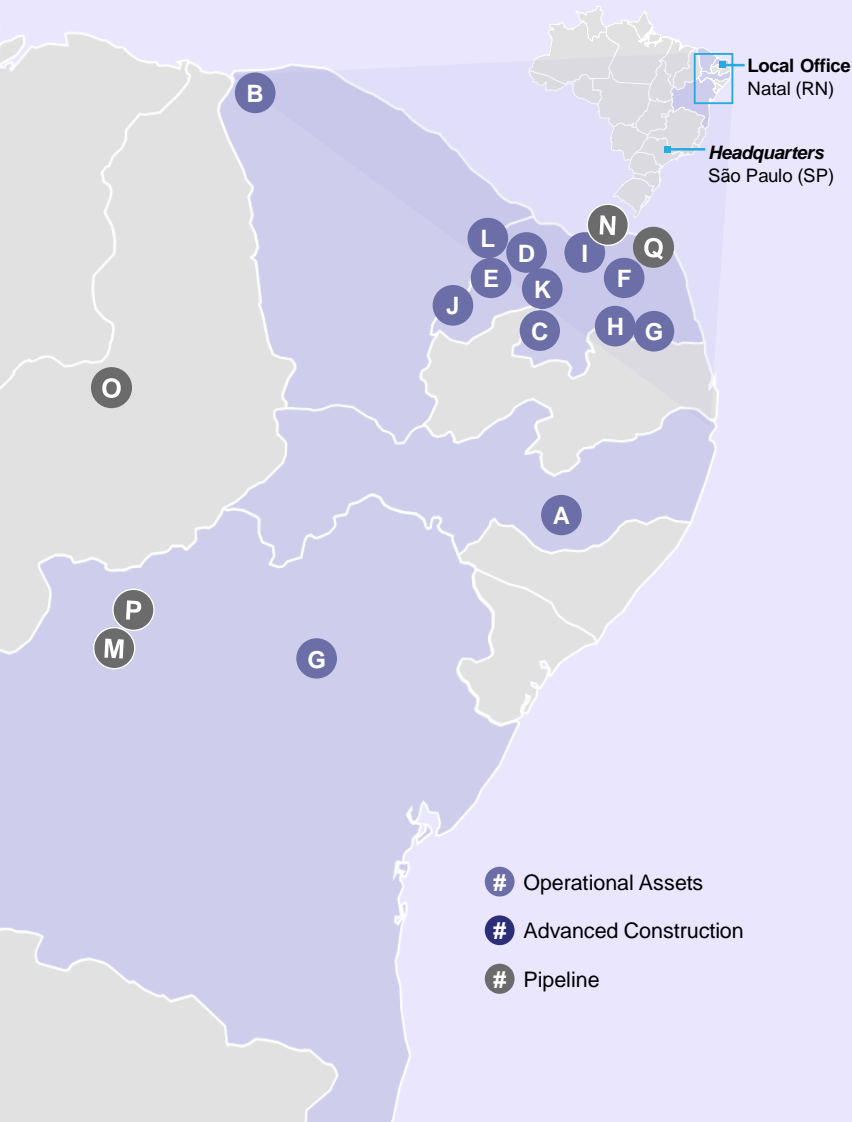
*Revenues already include the value of reinforcements



Renewables



Adição de portfólio de alta qualidade à nossa base de ativos



Operational assets and advanced construction

Project	Date	Capacity (MW)	GF (MWm)
A São Clemente	May/16	232	122
B Tianguá	Sep/16	141	75
C Echo 1	Aug/12	88	33
D Echo 2	Jan/16	132	58
E Echo 3	Apr/20	101	56
F Echo 4	Feb/18	85	45
G Echo 5	Nov/18	53	25
H Echo 6	Jul/20	97	54
I Echo 7	Sep/20	76	42
J Echo 8	Jan/22	92	47
K Echo 9	Jan/22	76	38
L Echo 10	Jan/22	38	20
Total		1,211	615

Highlights

Main O&M
turbines providers



R\$3.3 bn
Net Debt

Among the biggest and best
players in renewable
energy in the country

Fully Funded

~15 years
Weighted average of
PPA contracts

**+ solar energy
pipeline**

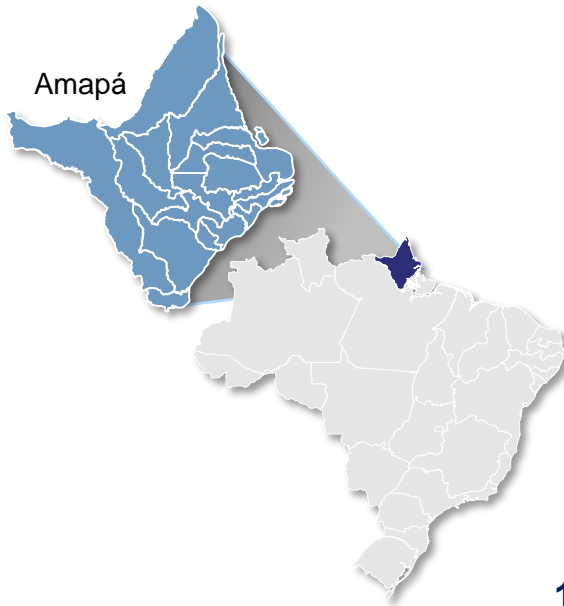
Portfolio with a strong concentration of **tier-one turbines** and technical performance remarkably above the market, backed-up by an O&M with a **protective clause**



Sanitation

Sanitation - Amapá

The Concession



Population

**+800
thousand**

*~80% concentrated
in Macapá and*
Current Sanitation

0% sewage treatment
36% Water supply

Concession Area

**Urban Headquarters of the
16 Municipalities of the State**

*Does not include rural
consumers*

Main Characteristics

**Full
Concession**

**Expansion, Operation and Maintenance of
Water and Sewage Systems and
Commercial Management**

Due

35 years

**Universalizati
on**

17 years (Sewer)
11 years (Water)

Losses¹

30%
in 09 years

**Capex
(Estimate¹)**

**R\$ 3
billion**

Jan/22

Contract
Signature

Assisted operation(6 months)

Jul/22

Operation
Starts

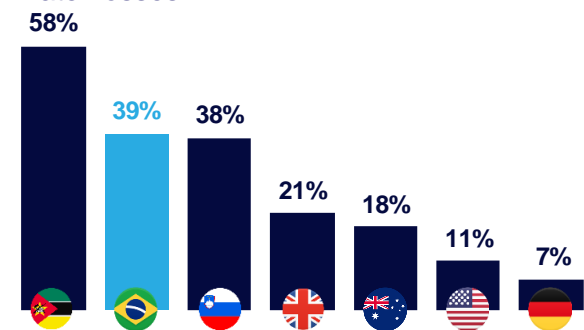
Equatorial is well positioned to play the Brazilian sanitation opportunity

R\$700 bn in investments are needed for the universalization of water and wastewater services

The greatest Social and Environmental challenge

Rolling water and sanitation services whole population

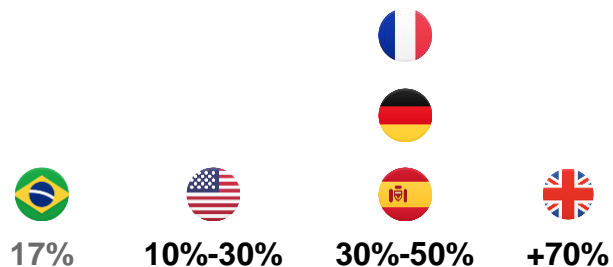
Water losses



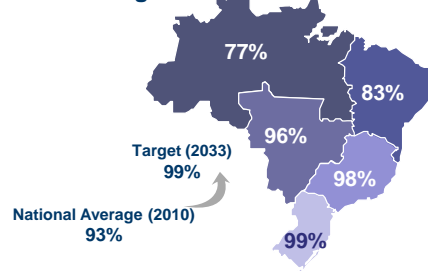
The right time

New regulatory framework triggering privatizations

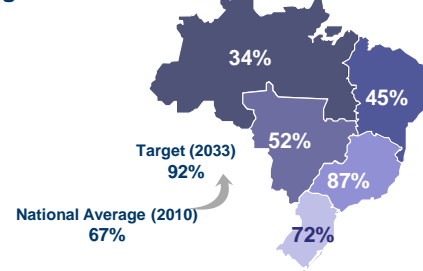
Market share of private sanitation



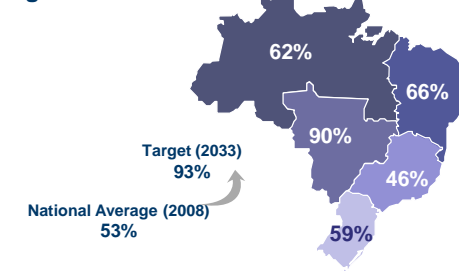
15 million Brazilians without water coverage



70 million Brazilians without sewage collection



100 million Brazilians without sewage treatment



[%] Coverage rate

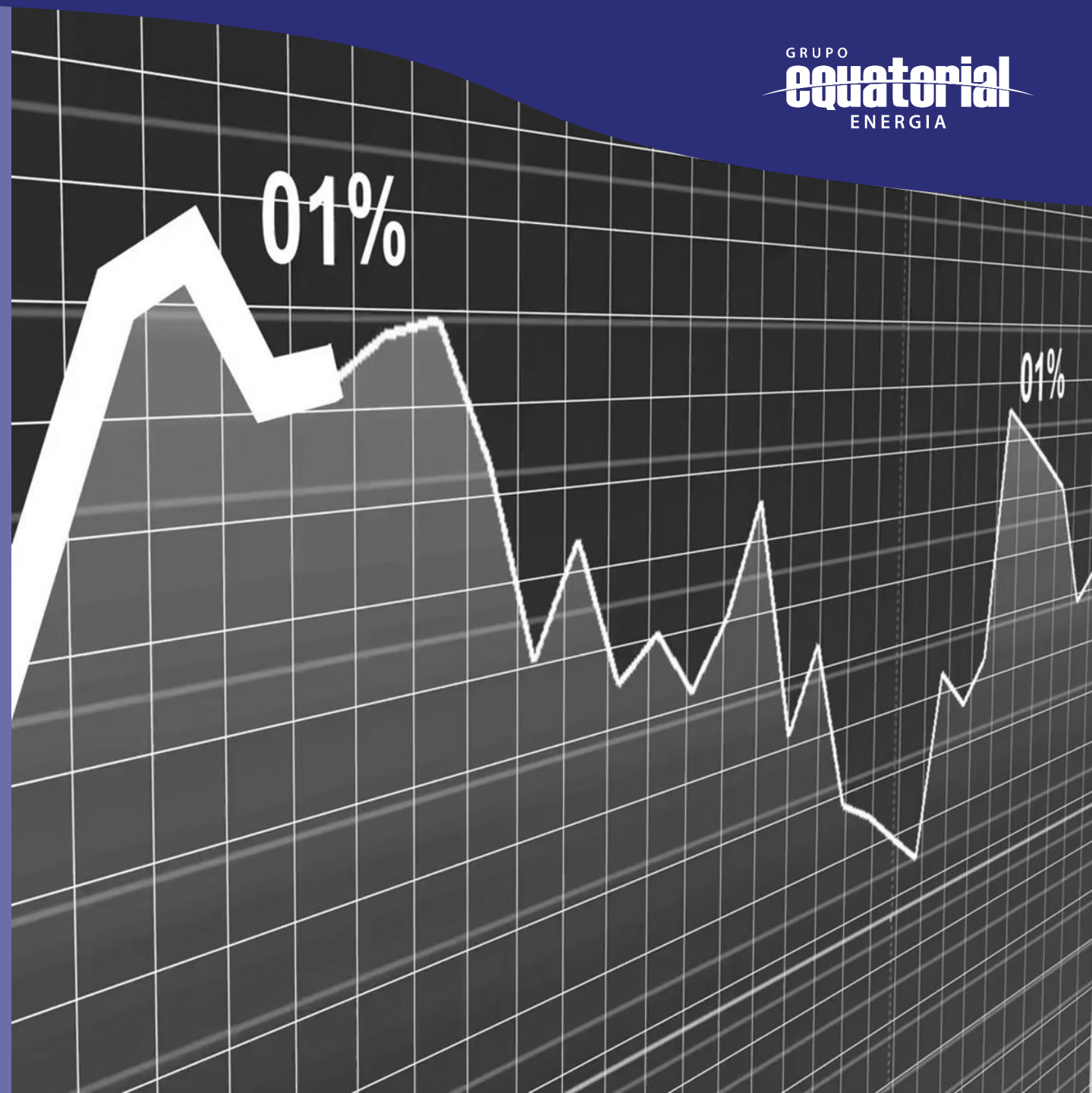
Private-owned companies

Listed companies

State-owned companies



Equatorial is the only large listed private player to play the next era of sanitation in Brazil

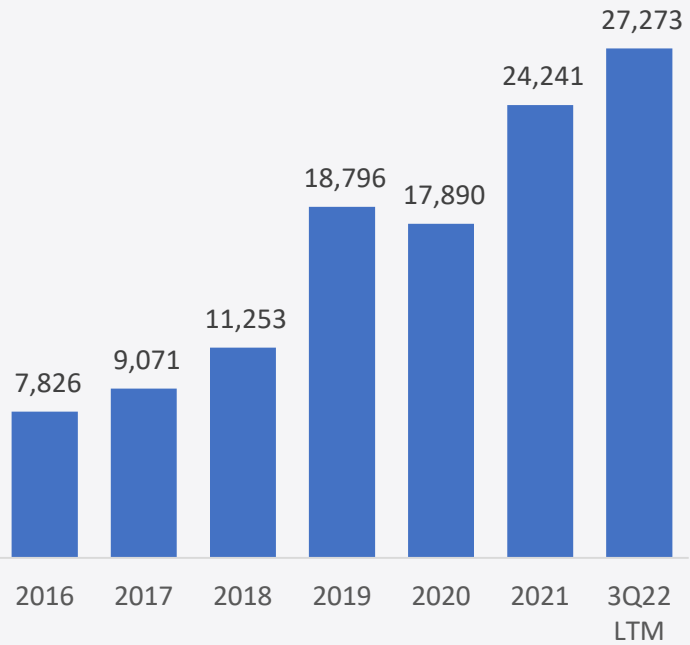


Results

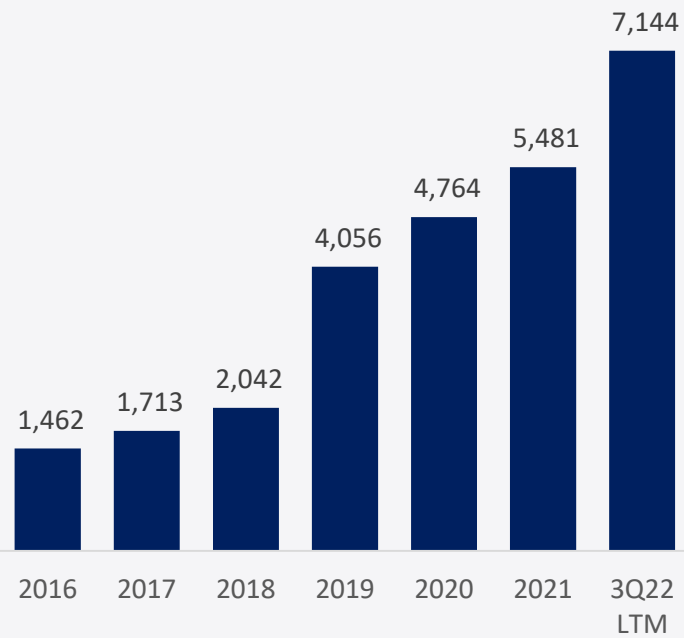
Financial Highlights



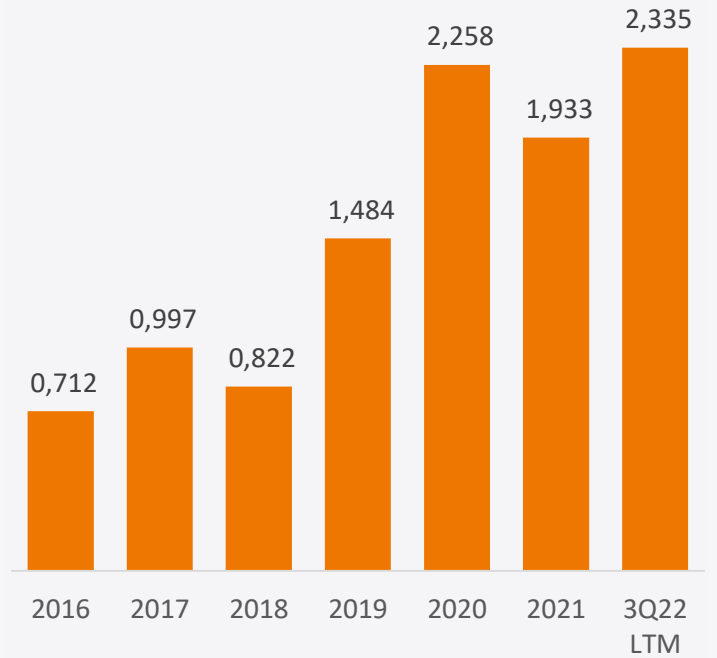
ROL



EBITDA

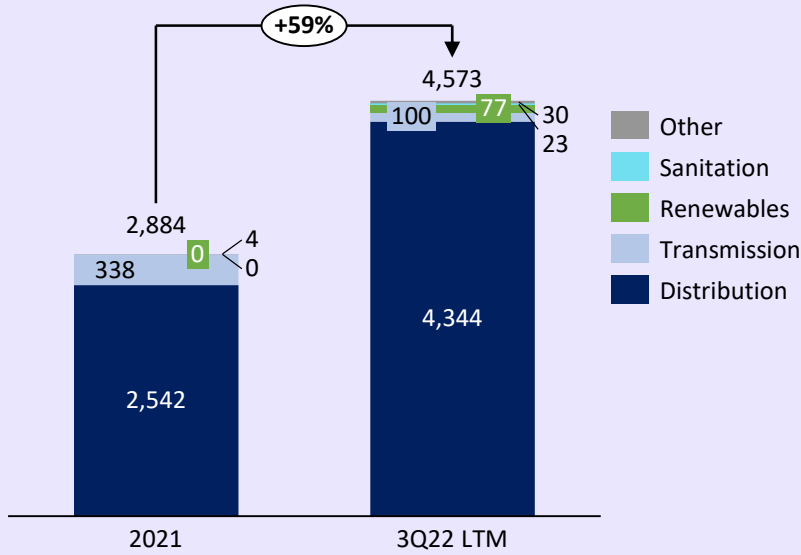


Net Revenues

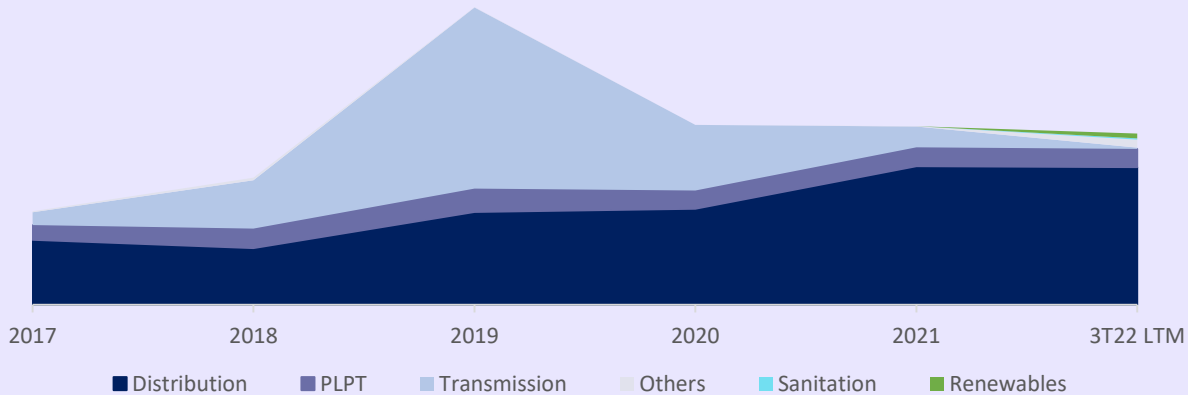


Investments e Debt

Main Investments (R\$ Mn)



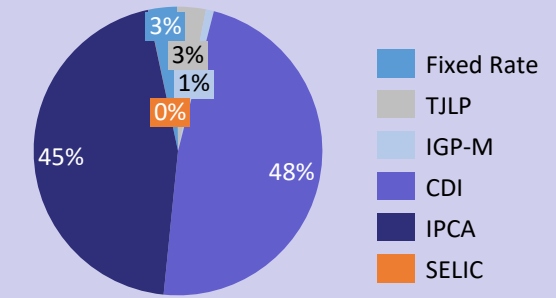
Main Investments (R\$ Mn)



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



Debt per Indicator (%)



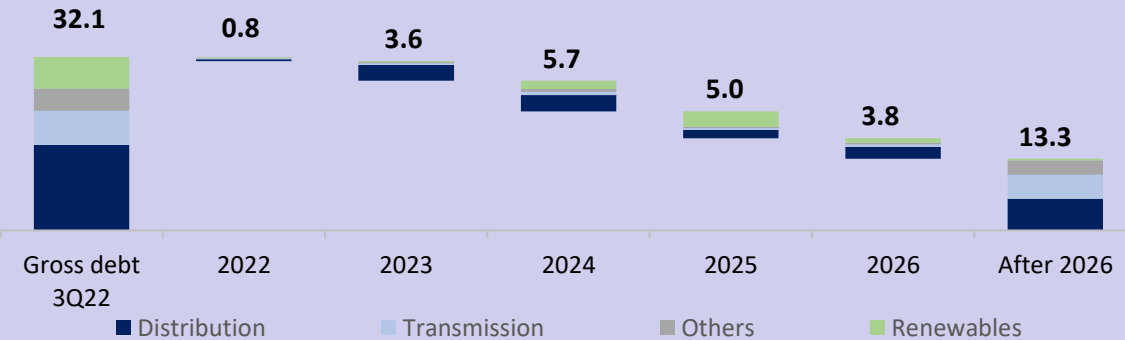
R\$ 8.3 Billion

Consolidated Cash
2.8x short-term debt

Average Term and Cost

5.5 years / 10.59% p.a.

Debt maturity profile (R\$ Bin)



Closing Remarks



Closing Remarks



Distinctive Utilities Platform

Sizeable distribution business, coupled with a distinctive renewable portfolio, a top performer value creator in transmission and a huge opportunity in sanitation



Best Capital Allocator In The Sector

Focus on long term and consistency translated to a 25x share price appreciation since IPO and 20% EBITDA CAGR (2006 – 2020)



Where Are We Going

Strong organic growth in Distribution and inorganic in Renewables and Sanitation



Innate ESG Profile

A business portfolio that faces the key challenges in Brazil by its own nature

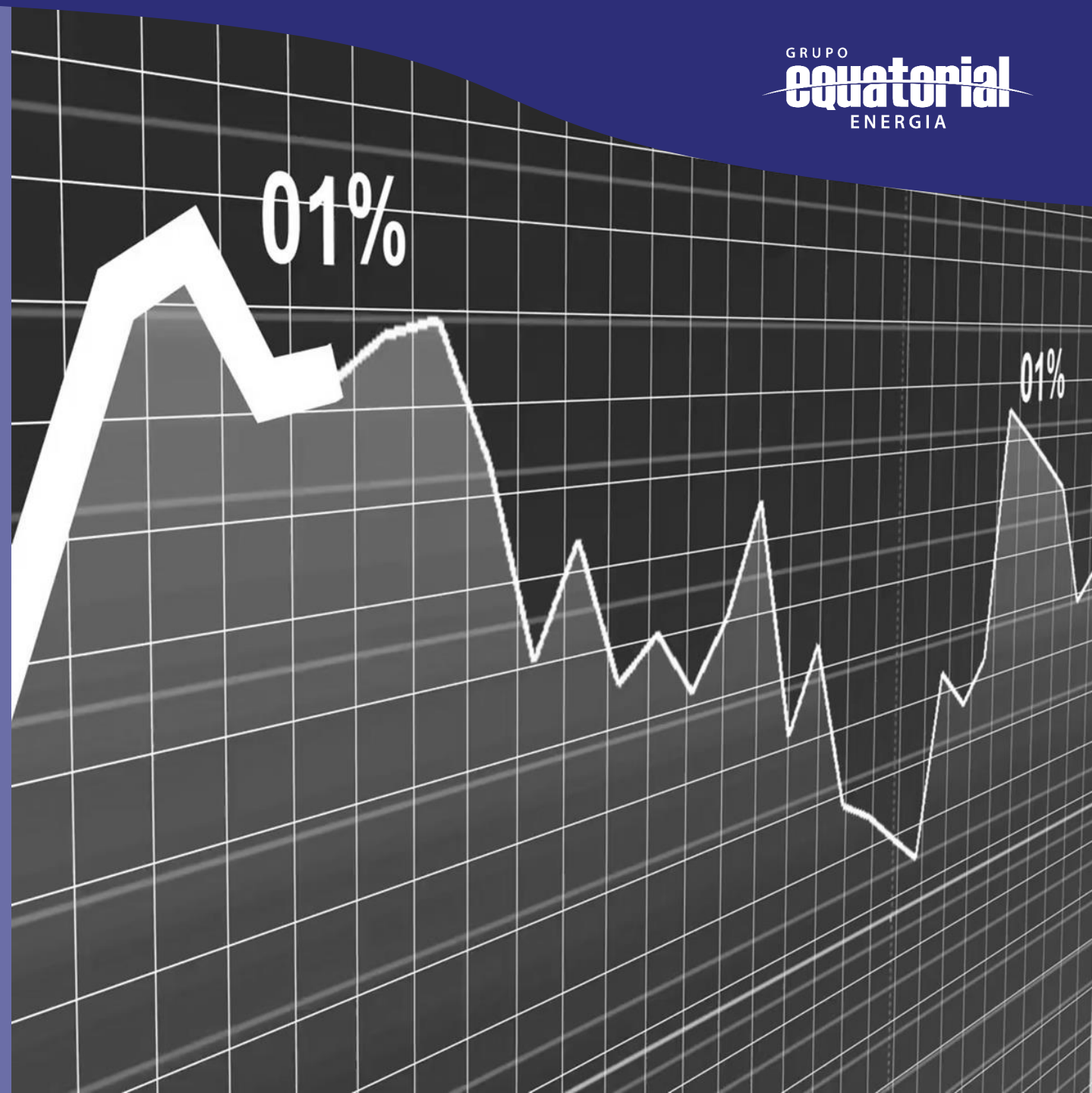
RI Team

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GRUPO
equatorial
ENERGIA

Thank You

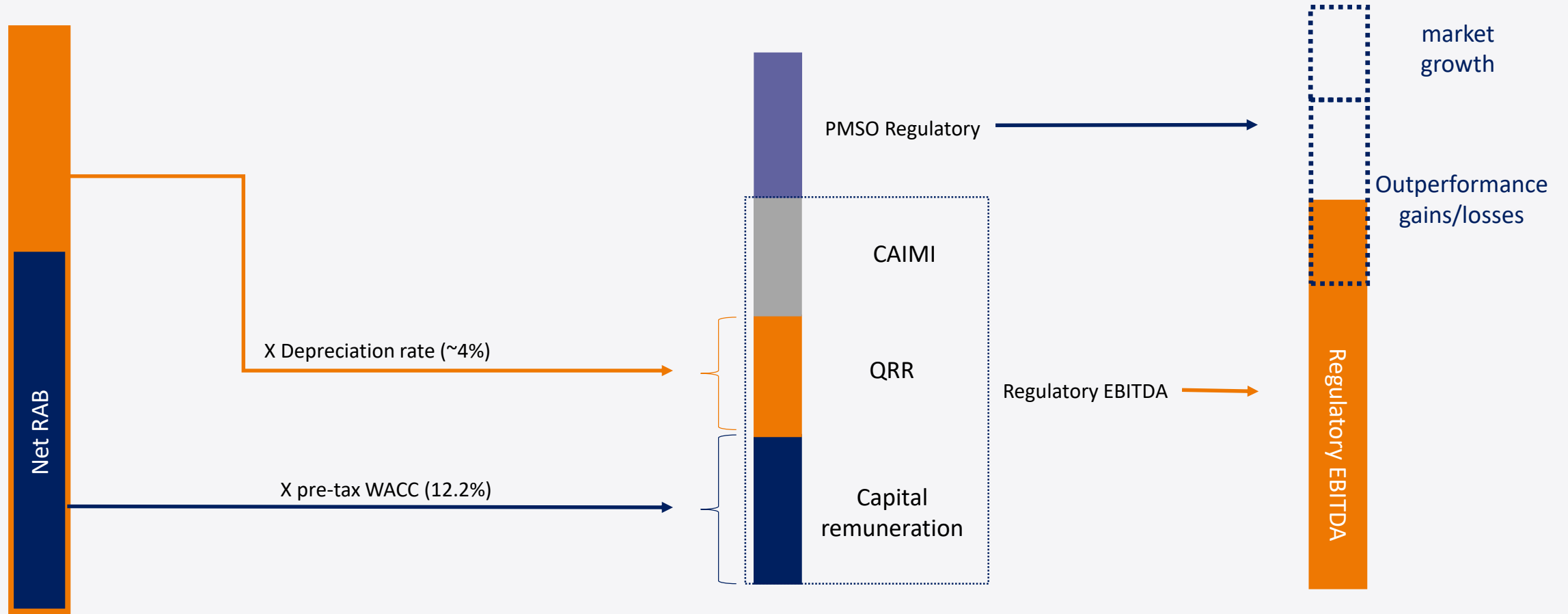
November 2022



Anexo

How we generate cash in distribution

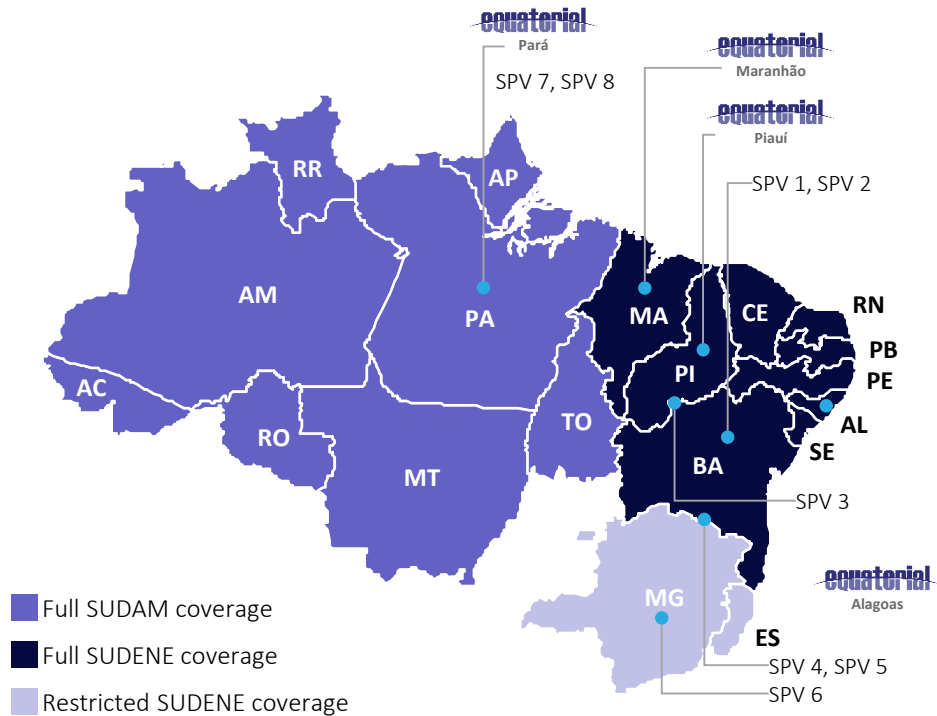
Regulatory Asset Base



Tax Benefits

SUDAM/SUDENE provides 75% reduction on income tax (IRPJ) and the amount of the tax benefit must be reinvested in the SUDAM/SUDENE region

SUDAM and SUDENE Footprint



The activities of the project must be located and in operation in SUDAM/SUDENE areas considered priority for the regional development, as proposed in Decree nº 4,213 of April 26th, 2002

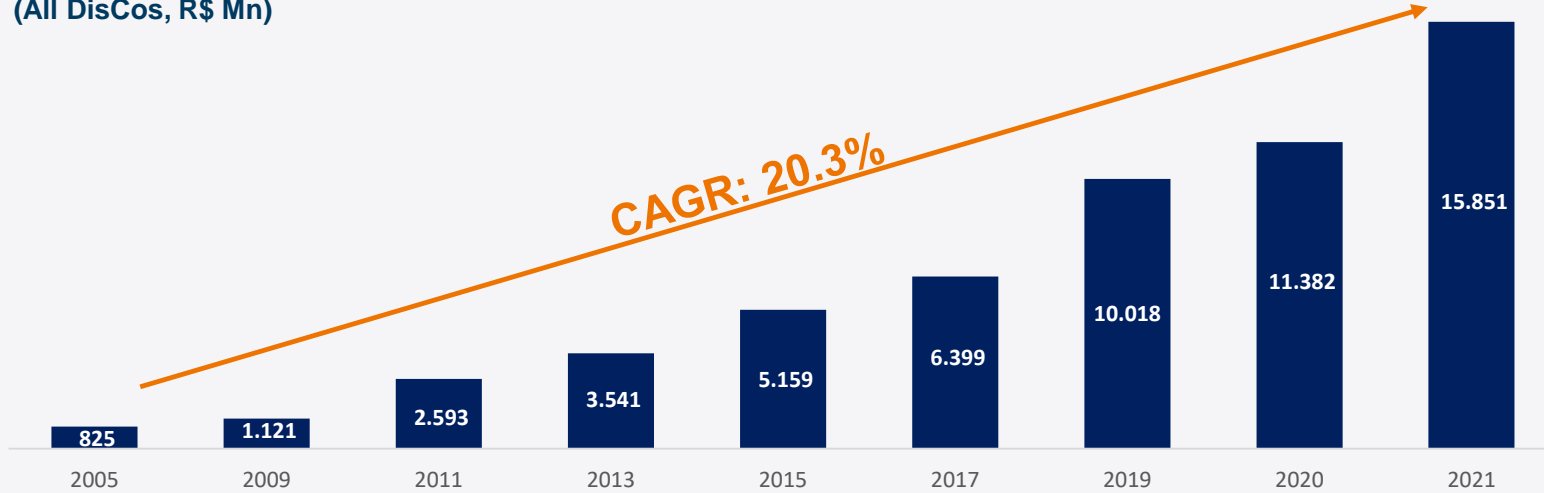
Concession	Applicable?	Regulatory WACC	WACC w/ Tax Benefit
Equatorial Maranhão	Yes	10.64%	12.55%
Equatorial Pará	Yes	12.26%	14.47%
Equatorial Piauí	Yes	11.08%	13.07%
Equatorial Alagoas	Yes	11.08%	13.07%
CEEE-D	No	10.64%	N/A
CEA	Yes	12.26%	14.47%
Amapa Sanitation Company	Yes	N/A	N/A

Concession	Applicable?	Tax benefit
Transmission - SPV1	Yes	75%
Transmission - SPV2	Yes	75%
Transmission - SPV3	Yes	75%
Transmission - SPV4	Yes	45%
Transmission - SPV5	Yes	75%
Transmission - SPV6	Yes	22%
Transmission - SPV7	Yes	75%
Transmission - SPV8	Yes	75%
Intesa	Yes	65%

Growth and Cost Efficiency

Regulatory Asset Base Evolution

(All DisCos, R\$ Mn)



Regulatory WACC

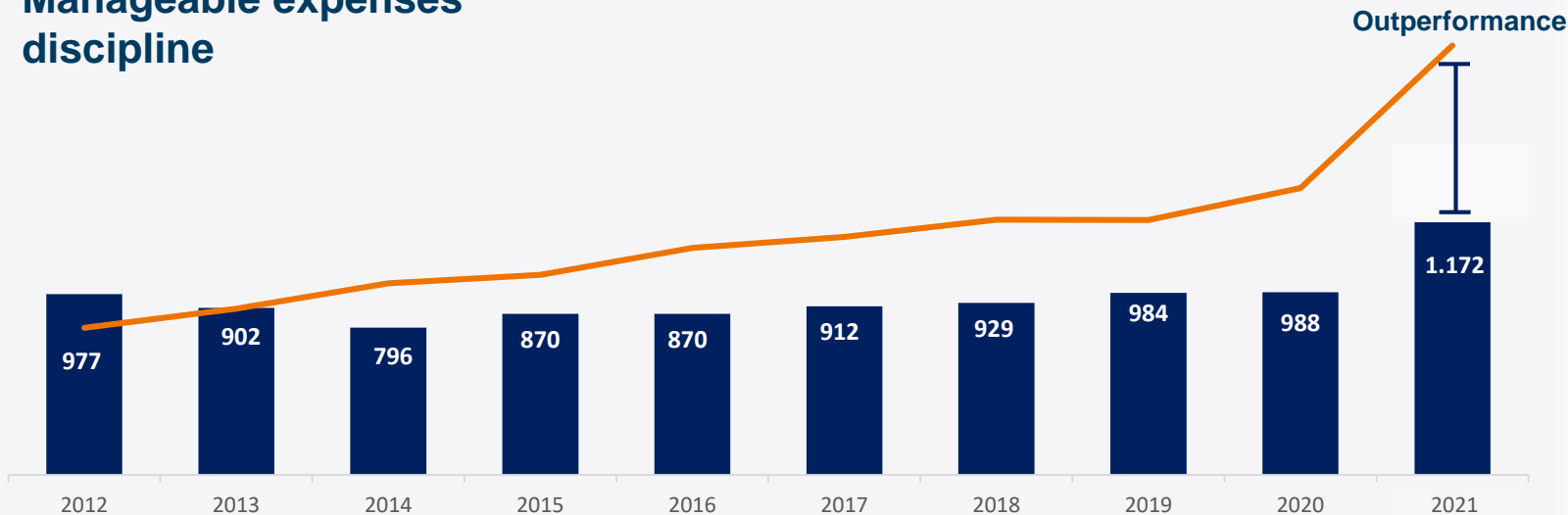
	Before Taxes	After Taxes
2019	12.08%	8.09%
2020	11.09%	7.32%
2021	10.63%	7.02%
2022	10.83%	7.15%

2019 – applicable to Pará

2020 – applicable to Piauí e Alagoas

2021 - applicable to Maranhão and CEEE-D

Manageable expenses discipline



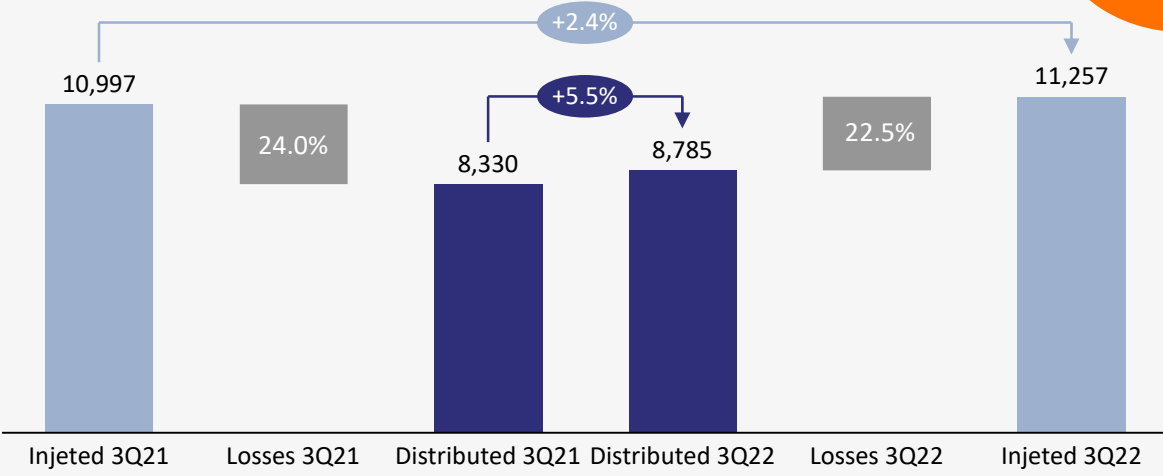
Periodic Tariff Reviews (RTP)

	RTP
Maranhão	2025
Pará	2023
Piauí	2023
Alagoas*	2024
CEEE-D	2026
CEA	2027

Operational and Commercial Performance

Injected and Distributed Evolution

Consolidated (GWh)



PI and AL losses below the regulation.

Delinquency, Collection

Consolidated Collection Index

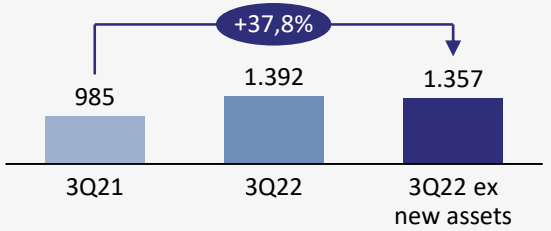
3Q21	3Q22	Var.
0.62%	1.26%	-0,6 p.p

Consolidated PDA

3Q21	3Q22	Var.
98.70%	98.60%	0,1 p.p

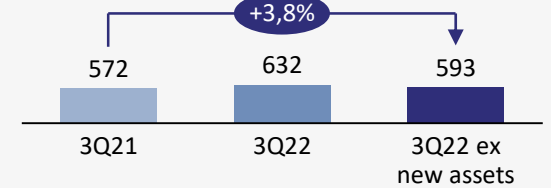
Adjusted EBITDA Ex VNR

(R\$ Mn)



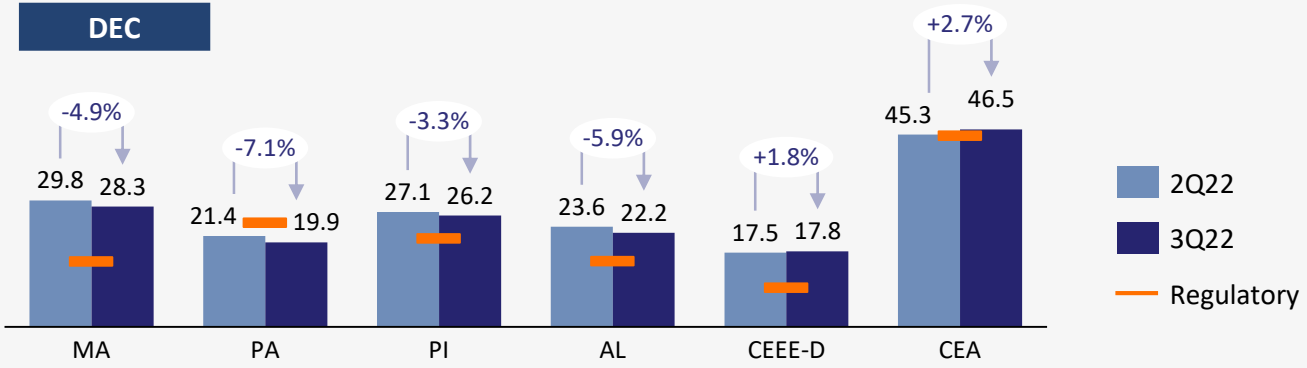
Adjusted PMSO

R\$ Mn

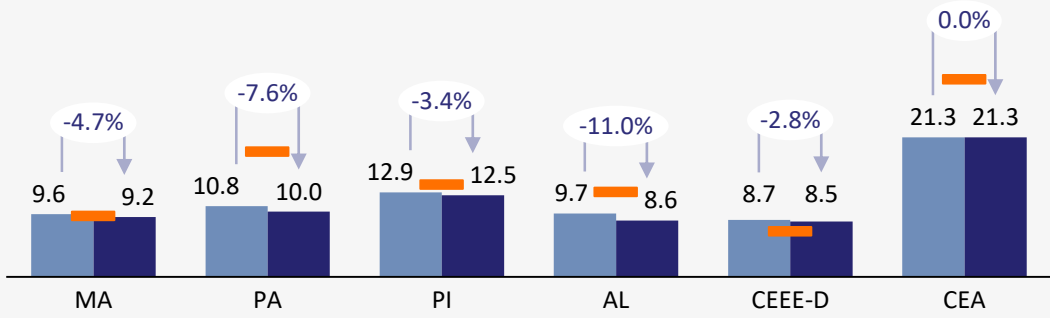


Quality Performance

DEC



FEC

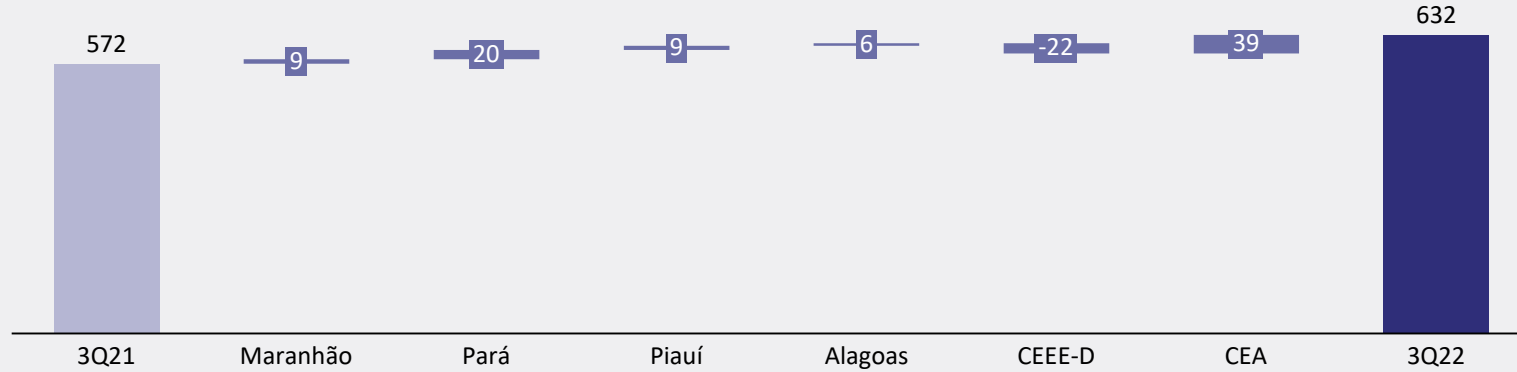


PMSO e EBITDA

DisCos

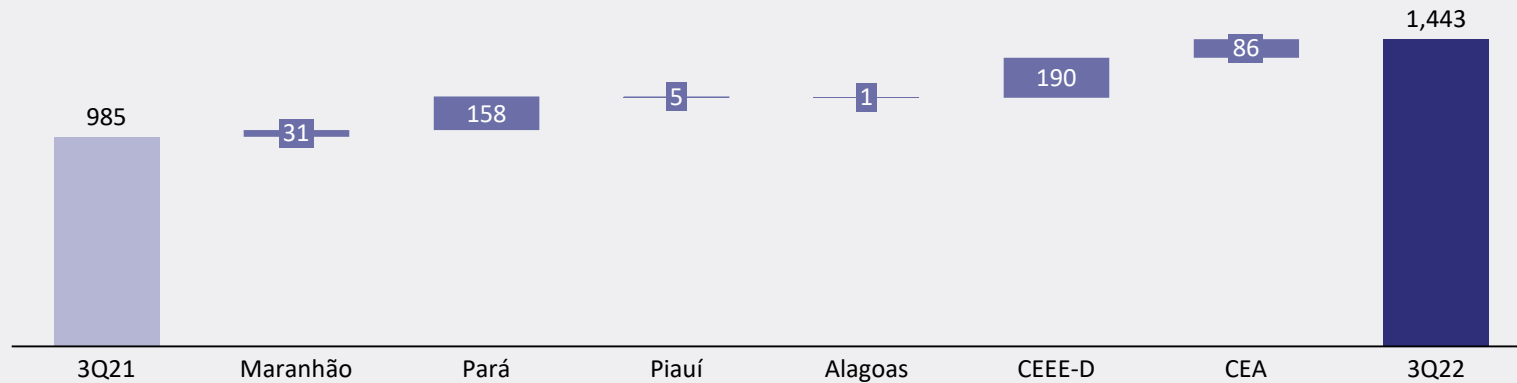
Distribution OPEX on the quarter

(R\$ Mn)



Distribution EBITDA on the Quarter

Adjusted Ex VNR (R\$ Mn)



OPEX per Consumer

R\$ per DisCo 12 months

	3T21	3T22	%
Maranhão	194	214	11%
Pará	214	231	8%
Piauí	211	239	13%
Alagoas	199	209	5%
CEEE-D	355	307	-14%
CEA	N/A	N/A	N/A
Consolidated ¹	202	224	11%

1 – does not consider CEEE-D and CEA

Inflation Indexes

12 months

IPCA

7,17%

IGPM

6,52%