

Q3 2020 Earnings Call

Company Participants

- Augusto Miranda da Paz Junior, Chief Executive Officer
- Leonardo da Silva Lucas Tavares de Lima, Chief Financial Officer and Investor Relations Officer
- Unidentified Speaker

Other Participants

- Analyst
- Andre Sampaio
- Marcelo Sa

Presentation

Operator

Good morning, and thank you for waiting. Welcome to Equatorial Energia SA Third Quarter of 2020 Results Conference Call. Today with us, we have Mr. Augusto Miranda, our Chief Executive Officer; and Mr. Leonardo Lucas, Chief Financial Officer and Investor Relations Officer. This event is being recorded. And all participants will be in a listen-only mode during the company's presentation. After Equatorial Energia SA remarks there will be a question-and-answer session. At that time further instructions will be given. (Operator Instructions) This event is also being broadcast live via webcast and may be accessed through Equatorial Energia SA website at www.equatorialenergia.com.br, where the presentation is also available.

Participants may view the slides in any order they wish. The replay will be available shortly after the event. Those following the presentation via the webcast may post their questions on our website. They will be answered by the IR team after the conference is finished.

Before proceeding, let me mention that any forward-looking statements are based on the beliefs and assumptions of Equatorial Energia SA and on information currently available to the company. They also involve risks and uncertainties. These forward-looking statements are not a guarantee, because they relate to future events and therefore depend on circumstances that may or may not occur. Investors and analysts should understand that conditions related to macroeconomic conditions, industry and other factors could also cause results to differ materially from those expressed in such forward-looking statements.

Now, I will turn the conference over to Mr. Augusto Miranda. Mr. Miranda, you may begin your presentation.

Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Good morning, everyone. It is with great pleasure that we present the results of the third quarter of 2020. I would like to say that among so many challenges by the pandemic that significantly affected our daily lives, I am pleased to say that we started operating fully in the third quarter of 2020 with the reopening of branches and the return of few teams following all bio safety protocols, although some office activities continue to happen under the mixed presence of in-person work and working from home.

We had exceptional results among so much adversity showing our team's ability to react and execute. We had a quarter marked by excellent performance in tax collection and renegotiations along with strong growth in billing. We aim at controlling operating costs and we have a very fast turnaround in the new DisCos, even during the pandemic as we will see over the next slides.

Now among the recognitions in the quarter, I would like to highlight that Equatorial Energia was elected by Infomoney as the best company in the stock exchange and the best utilities sector company in 2020. And we started being a part of S&P, B3 Brazil ESG Index. I will start by describing the operating and financial highlights for the quarter. Then we will talk about recent events, and Leo will talk about our operating and financial results. At the end we will have a question-and-answer session.

On Slide number 3, we see our highlights. In the financial highlights, we see that we continue having relevant liquidity of BRL7 billion in cash. And we have a decrease in net debt over EBITDA ratio. We are very comfortable right now because of that. We can also see the resumption of our growth and profitability. Our recurring consolidated EBITDA reached BRL1.2 billion in the third quarter of 2020, an increase of 13.7% year-over-year. We've reached a record recurring profit in this quarter at BRL607 million with an increase of 22.9% year-over-year.

We continue to make progress in the DisCos turn around. Piaui had an adjusted EBITDA of BRL80 million in the quarter and Alagoas was reached BRL84 million. There's also positive contribution from regulatory EBITDA from transmission, which reached BRL107 million in this quarter, an increase of 158% year-over-year. So year-after-year and months-after-months, we're able to consolidate transmission, and this is very good for Equatorial.

The consolidated volume grew 4.3% with 4.6% for Equatorial Maranhao and 6.7% for Equatorial Para. The Equatorial group was the group in the sector with the best market evolution in this year. Our turnaround continues at full throttle with a reduction in losses in Piaui and Alagoas for the sixth and fourth consecutive quarters respectively. Equatorial Alagoas and Piaui DEC decreased by 9% in relation to the second quarter of 2020. And it is worth noting that Equatorial Alagoas, which is our most recent acquisition improved 59% in DEC in the last 12 months.

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This clearly shows a consolidated process with a strong robust culture and we are able to change our turn around very quickly and in a very consistent way. In transmission the combined physical progress of the projects has already reached 95% and we can say that we are at the final stage of building these projects. This is another segment where we've been very successful and we've made very strong progress.

Now for more details about our figures, I will give the floor to Leo. Leonardo, you may begin.

Leonardo da Silva Lucas Tavares de Lima {BIO 17560076 <GO>}

Thank you, Augusto. Good morning. I hope everyone is well, especially because of the pandemic. So, now let's talk about the evolution of injected energy on Slide 5. The pandemic has changed consumer behavior in our concessions and has boosted the growth of one of the main consumption classes or categories, which is the residential segment.

In addition to that the reopening of commerce and the reduction of social distancing measures meant that our DisCos had a strong growth of 4% in the volume of a injected energy. The energy injected in Maranhao grew 5.1% and was influenced by the economic recovery process, which started on May 25, reaching its full potential at the end of June. We already had five consecutive months of growth. In Para this injection grew 6.9%, which is explained by the gradual reopening of commerce and the weather, it is already the fourth consecutive month of growth in Para.

Alagoas had a growth of 0.5% due to a gradual reopening and due to the lower average temperature in the period. Piaui on the other hand showed a reduction of 1.8% explained by the educational impact of the program that we created, the FIP losses. And by the still very gradual reopening in the metropolitan region of Teresina, which represents 50% of the injected energy in this region. For some quarters now, we have been intensifying the registration of so-called low-income consumers who are eligible for social tariff benefits and we have doubled down on these actions during the pandemic.

Today the percentage of low-income customers in the group when compared to value registrations is 75%, but at the end of the first quarter of 2020 it was 67%. Among the efforts that we made, we highlight the possibility of registering new customers in this category through WhatsApp, implementing tools that integrate the information and facilitate registration. We also carried out campaigns with local governments in order to ensure that families that are entitled to social tariffs can enjoy this benefit.

Those to the campaigns carried out by our distributors. In the last 12 months ended in September, we were able to add another 478,000 consumers to this category reaching a total of 2.2 million registered families. We can see that we continue with the growth trend in the energy injected for the fourth quarter of 2020, that is on Slide 6. Maranhao continues with a very strong pace of recovery with a significant growth of 7.8% against 5.1% in the quarter.

In Para the scenario is similar to that of Maranhao with an 8.3% growth. Another important point is that in October Piaui and Alagoas have already shown better volumes than what we saw during the third quarter of 2020, growing 4% and 1.7% respectively against a 1.8% decrease in Piaui and a slight increase of 0.5% in Alagoas.

Now on Slide 7 we show the behavior of distributed energy. The Maranhao Market grew 4.6%, the category that most contributed positively to this behavior was the residential category which represents 53% of the total energy distributed by Equatorial Maranhao with a growth of 9.7%. There was also significant growth of 10.6% in the industrial sector and this was the most significant one due to the resumption of ore mining and the growth of the non metallic ores and food manufacturing sectors.

Commerce continues in decline with minus 3.4% but this was smaller slow down when compared to the second quarter of 2020. In Para, the volume of distributed energy showed a strong growth of 6.7% in relation to the same period of the previous year, explained mainly by the gradual reopening of commerce and also favored by the weather. This is the period when we have the highest temperatures in this state. It is worth highlighting the 10.7% growth of the residential segment and the 5.1% growth of the industrial segment as well as the resumption of commerce, which grew by 1.3% in the quarter.

In Piaui the reduction of losses made up for the drop in injections, which led distributed energy to show a slight increase of 0.3%. The residential segment grew 6.6%, but both the Industrial and Commercial segments decreased 9.9% and 14.4% respectively.

Finally, Alagoas was grew 1.7% in the quarter helped by the residential and the Industrial categories, which grew 5.7% and 11% respectively, despite the 11.2% drop in the commercial category.

Let's move on to Slide 8, due to the pandemic and ANEEL's Resolution 878, our cut and collection actions were compromised, which resulted in a significant increase in the allowance for doubtful accounts in all DisCos in the second quarter of 2020. We had to respond quickly to changes and implemented a series of actions to look for the payment from these customers. Among them the acceleration of the group's digital journey and the expansion of the use of an analytics tool. Through the clustering of customers we are able to optimize the use of available collection tools. That is applicable to traditional and electronic methods. This leads to better assertiveness in the accounts receivable management process.

Our quick response capacity coupled with the full resumption of field and service operations in August resulted in an excellent collection volumes, reflected in the collection index which was over 100% in all DisCos to a consolidated total of 102.5%, which enabled us to reach a consolidated allowance for loan losses of 0.8% in the third quarter of 2020 in comparison to 5% in the second quarter of 2020.

On Slide 9, we see the total losses at our DisCos. In the third quarter of 2020 energy losses at Equatorial, Maranhao and Para showed a slight increase due to the more

adverse scenario brought about by the pandemic and also due to changes in the mix of low voltage and high voltage as well as the successive growth of the energy injected into these companies. It is worth remembering that Para is in its fourth month of high injections and Maranhao is in its fifth month.

In Piaui and Alagoas, we continue the fight against turn around in losses and for the sixth consecutive quarter we have seen a drop in the percentage of losses in Piaui with four consecutive quarters in Alagoas. Additionally, it is worth noting that the return of teams to the field to fight losses only occurred in mid-August, which indicates that the actions in this quarter have already been compromised. Finally, we had programs to implement the centralized measurement system which was scheduled for this year in our plan to fight losses in Para, but the completion deadline was postponed to 2021 due to the pandemic.

Even after postponing some projects we have tax measurements in 100% of the metropolitan region of Belem, which allows us to monitor the focus of losses and we have a centralized measurement system in 30% of the metropolitan region of Belem with a tendency to significantly expand the centralized measurement system, which is one of our main pillars in the programs to fight losses.

On Slide 10, we see that the quality indicators for Para and Maranhao are well below the regulatory target. In Para, however, there was an increase of 0.7 percentage points in the DEC due to more adverse weather with an increase in dusts and storms. In this quarter, the new DisCo showed improvement in the DEC both reducing 9% over the previous quarter with emphasis on Equatorial Alagoas, which showed a 59% improvement against the same quarter of 2019. We emphasize that our turnaround is still in full swing and that we are constantly surprised by the speed of improvement in our indicators. This has only been possible due to the maturation of our process and the strengthening of the group structure.

Turning to FEC on Slide 11. In it is important to note that for the third consecutive quarter, all of our constructions are within the regulatory levels. The main highlight is Equatorial Alagoas. Which decreased 2.6% in the third quarter when compared to the second quarter of 2020 and 38% year-over-year. Equatorial's way of delivering quality energy to its customers goes beyond the company's performance and we are looking for constant ongoing interaction with suppliers to ensure the continuity of service.

Let's move on to Slide number 13. On Slide 13 which we see the main figures for tariff adjustments in Para and Maranhao. We highlight that the average effect for the consumer in the two DisCos was small due to the COVID account, but when we look at the average effect of the B Parcel, the readjustments were 13.28% for Para and 7.54% in Maranhao. The B Parcel approved in Para reached BRL2 billion, which shows an increase of 9.3%. And in Maranhao, we had BRL1.6 billion, which shows an increase of 11.4%.

On Slide number 14, we've showed the evolution of manageable expenses at our distributors. In this quarter, I would like to highlight savings of BRL35 million that we had as a result of the pandemic and that are not met as non-recurring as we are still in the process of budgeting for 2021 and we are therefore evaluating whether these savings will

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be permanent or not. The main savings came from collection tools due to the prohibition of interruption of energy supply, savings on travel, training, legal expenses and reductions in third-party services.

I also highlight that the OpEx in all DisCos had a reduction stressing mainly the new distributors in Piauí and Alagoas, which showed a 28.2% reduction and 12.3% reduction respectively. It is also worth mentioning that Alagoas is already at an OpEx at the consumer level in the last 12 months that is below Maranhão and Pará, as promised at the time of their acquisition and at an amazing speed. If we look at the past nine months, Piauí has also reached better levels of cost efficiency in comparison to Maranhão.

In Pará, the adjusted OpEx totaled BRL126 million in the second quarter of 2020 against BRL130 million in this third quarter of 2019, which represents a reduction of 3.8%. In Maranhão the OpEx decreased 4.3%, especially due to the savings resulting from the pandemic. Finally, I would like to emphasize the importance of having built over the past few years a robust corporate structure with a management model that makes things happen. Today we understand that with our experience since the first acquisition we were able to create know how to replicate this model and accelerate results with the performance of the corporate areas.

Let's go to Slide 15 now. In this quarter all DisCos showed strong growth in EBITDA. In Pará and Maranhão, EBITDA was 26.8% and 21.9% higher respectively, due to the average effect of the B Parcel tariff in the market. In Alagoas the RTE or extraordinary tariff reviewed that happened in May justified the 62.9% growth in EBITDA. Please remember that the new asset base of Equatorial Alagoas in this RTE has placed the regulatory EBITDA of the tariffs around BRL300 million. Finally, in Piauí EBITDA growth was 7.4%. The RTE process which also aims at revaluing the asset base has already undergone a public consultation and announced that it should soon approve the final figures.

On Slide number 16, we see the adjusted EBITDA of the third quarter of 2020 reaching BRL1.2 billion, representing an increase of 13.7% year-over-year. If we adjust EBITDA without the effects of adjusting the financial asset and without IFRS 15 on transmission, which is closer to a cash EBITDA, the growth for this quarter is 30.6% from BRL688 million in the third quarter of 2019 to BRL898 million in this quarter. This expressive growth is due to the entry into commercial operation of the new transmission assets with SPEs one, two, seven and eight, which added BRL66.5 million to Equatorial Energia's consolidated EBITDA in this quarter. It is also due to the effects that have already been explained in the growth of EBITDA for DisCos. When we disregard the EBITDA growth from the new transmission assets we still have significant growth at 21% between quarters.

On the next slide, Slide number 17, we see that the net debt was reduced by just over BRL500 million compared to the previous quarter, now totaling BRL10.4 billion. The net debt over EBITDA ratio considering 100% consolidated assets already reached 2.1 times in this quarter. The group maintains its solid cash position ending the quarter with BRL7 billion, which is enough to pay more than two years of debt maturities.

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Let's go to the next slide. On Slide number 18, we can see investments in the transmission segment, which were intensified in 2019. As we are already approaching the end of the construction process of many lots, there was a sharp drop in the amount spent in the third quarter of 2020 reaching just BRL187 million in this quarter compared to BRL1 billion in the same quarter of the previous year.

On Slide 19, we can see that the end of the construction works is close to the average execution of transmission projects at around 95%. Today more than half of the projects have already gone into operation with a prospective operational RAP or allowed annual revenue of BRL562 million or 58% of the total allowed annual revenue. Despite a very challenging year in the execution of these construction works, our team has spared no efforts to deliver all works by the end of the year. It is worth mentioning that SPE 4 went into operations, and this is our biggest project when it comes to allowed annual revenue, in the amount of BRL213 million according to a basis of September 2020.

This is a major milestone for Equatorial, which demonstrate our boldness to see great to opportunities to allocate capital even to new sectors or segments and deliver differentiated results to our shareholders, whether due to the anticipation of RAP or allowed annual revenue or better execution under financing. As of next year, we will have a significant part of the free cash flow generated by the transmission segment, which contributes to greater cash flow stability as well as generating liquidity that could be used in new growth opportunities.

Now, I will pass the floor to the operator to start the question-and-answer session.

Questions And Answers

Operator

(Question And Answer)

Ladies and gentlemen, we will now start the questions-and-answer session. (Operator Instructions) Our first question is from Andre Sampaio from Santander. Mr.Andre, you may begin.

Q - Andre Sampaio {BIO 19422379 <GO>}

Good morning. I have two questions. The first one has to do with provisional measure that had an impact on the tariff revision or that should have an impact on it. So my question is what could happen if this provisional measure is not passed? Would you have to reverse any decisions when it comes to the tariff review? Or since it is in the fact during the passing period, the assets mobilized as costs could be maintained?

My second question has to do with the first one. And this is an update or a follow-up on a question that I asked on the Equatorial Day. What is the impact of this provisional measure in Alagoas? So these are my questions and they are about the same topic.

A - Leonardo da Silva Lucas Tavares de Lima {BIO 17560076 <GO>}

Thank you. Good morning. Thank you for your question. If we think about the impact of the provisional measure, then yes, we do need it to be passed. We are waiting to see what happens. In the case of Piaui, the most important aspect is the physical aspect. We would have a pre-indemnification. So yes, this could have an impact on us. So we have to wait and see.

Now, when it comes to Alagoas, we still don't know. We don't know whether or not we have retroactive impacts, but the surplus of physical energy in Alagoas is very small. In the assets that are mobilized are not that great. So even if we have a retroactive impact, it will be a small impact great.

Q - Andre Sampaio {BIO 19422379 <GO>}

Great. Thank you. Let me take this opportunity for another question. Let me ask about sanitation. We've seen auctions and we've seen the company trying to be a part of them, is anything changing in the future as far as your strategy goes due to the recent results? Or will you have the same plan for sanitation?

A - Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Good morning, Andre. I'm very happy to see you here. Well, in sanitation you saw our behavior recently, and we were very cautious which is part of our behavior and we are still cautious. But I think it is important to talk about the way we entered this segment, because we were very, very responsible. And I don't think we'll be changing that behavior. And please remember that every bidding process is unique with their own rules. So we need to analyze the market and it does make sense for us.

Q - Analyst

Great. Thank you for your answers.

Operator

Our next question is from Mr.Marcelo Sa from Itau. You may begin, Marcello.

Q - Marcelo Sa {BIO 16454581 <GO>}

Good morning. Thank you for this call. I have a few questions about the methodology of operating costs published by ANEEL. I know we have a lot of information about it, but I would like to pick your brain on that. The first point that is related to ANEEL's decision has to do with instead of having average efficiency, we've an 83.3% efficiency with a 20% benchmark. So it is limiting the game potential the companies have.

This is also not based on data analytics. So that's the first point and I would like to pick your brain on that.

Now the other point has to do with changes on quality and losses and how to deal with these dimensions. Are those changes going to change the way you deal with losses, for

example, at fear? Because, I know you had reviewed your losses strategy to take into account collections. It wouldn't make sense to keep with the previous strategy. So maybe this change in methodology will lead to changes in your strategy for losses? And that is my question.

A - Unidentified Speaker

The last point has to do with the data that is analyzed in the period that is analyzed. The regulatory agency is talking about efficiency between 2016 and 2018. The public consultation will probably be between 2017 and 2019 and they'll probably update it only every four years. So if we think about your turnaround and if we think about an analysis of 2019 as the cap, we are not going to get to every positive impact of your success with the turnaround. So what do you think about that?

A - Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Hi, Marcelo. Let me answer your question in a more general way and Leonardo will be more specific. First, as far as the methodology goes, we haven't seen many changes. And when we think about losses, we know that they may represent a double punishment which does not make sense, we don't think this would make sense.

Regarding the calculation, we also thought the efficiency calculation was weird. Because, if you are above the threshold of a certain percentage, you have specific rules applied to you. What you see we don't know. Now at least we are still going through a public hearing. We are working on these points and we are contributing to this discussion. And we have two companies in the turnaround. And if we look at them and if we think Alagoas -- think about Alagoas in Piaui. These companies were not efficient, but now they are extremely efficient. So we think that a new find common sense and will take this into account.

It doesn't make any sense to punish a company for a period where the company was clearly inefficient. So I think that through these regulations, we will be able to talk to the regulatory authority, and I do hope that we are able to work on that. That's why we have the public hearings. Leonardo, do you have any comments?

A - Leonardo da Silva Lucas Tavares de Lima {BIO 17560076 <GO>}

Well, I think Augusto was able to explain it well. This is the beginning of a process. We haven't go through the full overhaul of the system and they've capped the previous line of thought.

Our biggest point here is that this should be a regulation geared towards incentives and this should be maintained. However, we do see a few new points and we want to contribute to these points to try and make this legislation better.

We are not concerned with it. We think it is only natural to see changes to try and improve the system and we could see that these were very specific changes that need to be improved and we are definitely going to contribute to that.

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Q - Marcelo Sa {BIO 16454581 <GO>}

Great. Thank you very much.

Operator

Our next question is from the webcast by Anderson De Silva, an individual. Anderson asks with the transmission assets going into operation, what is the dividend policy for the next years?

A - Leonardo da Silva Lucas Tavares de Lima {BIO 17560076 <GO>}

Good morning, Anderson. Thank you for your question. We are starting to talk about that with the closing sessions for this year. But I think it is important to make it clear that our transition processes and projects will allow us for a very quick transition of leveraging.

Our biggest planning is to keep on having growth. This is what we've done so far and we've delivered growth with very good capital allocation. We will also be paying attention to opportunities. We've seen our participation in sanitation and we are well established in transmission. So this is our first plan. This is our biggest plan. Depending on how successful we are, our dividend policy could go to a next or new level, but it all depends on the execution of our plan.

We'll need to assess whether or not we could make some changes when it comes to our dividends distribution and in our biggest plan, in our major plan, we don't have a robust or we don't have established policy for the distribution of dividends allowing for flexibility.

Operator

Our next question is also from the Webcast from Renan Urik from the Infinity Club.

Good morning. Thank you for this opportunity of asking a question. After the strong cycle of investments in transmission and after the conclusion of the turnaround for the DisCos. What is your future path for cash allocation at Equatorial? Where do you see the biggest opportunities?

A - Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Thank you.

A - Leonardo da Silva Lucas Tavares de Lima {BIO 17560076 <GO>}

Thank you Urik for your question and for talking to us here. Well, as you said, we have the consolidation of transmission and by the end of the year, we'll have 100% of this operation in operation.

We also have the turnaround of DisCos and we are very happy with the results we see at these companies. We also have a lot of opportunities in Para. You can see that in the last review we had, we saw significant results. We have a lot of opportunities there. And it is

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also important to say that right now, our M&A department is very mature, and we are looking into other opportunities. Of course in this industry, we are looking at distribution and transmission. We may find a window of opportunity or we may find an asset that makes sense.

You've also seen that we've analyzed the segment of sanitation and we've been able to go into this segment really well -- really well grounded and right now we have reasonable understanding of opportunities in this segment. So that is what we are doing. We are looking at other opportunities and we are trying to make the most out of these opportunities.

Operator

(Operator Instructions). Our next question is from Andre Sampaio from Santander. Mr.Sampaio, you may begin.

Q - Andre Sampaio {BIO 19422379 <GO>}

Good morning. Let me ask one more question when it comes to the SEBI auction scheduled for the 4th December, 2020. So wanted to understand the level of competition. Initially, we feel that the valuation that was proposed for the minimum amount is very tight. Can you please talk a little bit about that? Where do you see a potential to gain efficiency with this asset? And do you think the competition will be as tough as it looks like it's going to be according to media reports?

A - Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Well Andre, what we can tell you is that we are looking into it and we haven't decided whether or not we are going to be a part of it. We are analyzing the minimum value and the possibilities that we have. We are going through an internal analysis in our internal committees. These are committees made by our board and then we'll discuss it with our board in full. We are looking at it and we are looking for a number of opportunities and I am sure the competition is doing the same. We are still prospecting and analyzing the opportunity for this asset.

Q - Andre Sampaio {BIO 19422379 <GO>}

That is great. Thank you for your answer.

Operator

(Operator Instructions) Since we don't have any more questions, this concludes today's question-and-answer session. I would like to invite Mr.Augusto Miranda to proceed with his closing remarks. You may begin, sir.

A - Augusto Miranda da Paz Junior {BIO 17178608 <GO>}

Ladies and gentlemen, thank you once again for being here and thank you for being in touch with us. We've been working really hard to improve our Investor Relations

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department to have a more open conversation with you. We are looking forward for the end of the coronavirus. We'd love to show you the newest acquisitions in Piaui and Alagoas. It will be interesting for you to see the consolidation of this culture and I think it will be even better for you to visit these places in person to see the turnaround we have for these companies.

It is also important to talk about the work that we have done recently for the future of Equatorial, and Ernest & Young was helping us on that. We are mapping everything out and we are sure that we'll be able to deliver turnaround results at an impressive speed as has happened so far and we've never worked so hard in our lives, as we have during the pandemic.

We are working on construction site management, materials management. We are working on a number of things and we are sure that we will leave this pandemic behind even stronger. I want to rest you assured of that.

If you take a look at the culture, we have a very robust culture and we see the results of our newest transmission endeavors. And this goes to show that our model is not only good for transmission, but for other segments as well. In other segments, we may go win. We'll be able to do that and we have this culture of determination and commitment and we get everyone involved to make something happen, and this makes a difference. I just want to stress my commitment to you that we will work more and more to deliver more robust and stronger results every day for society, for our investors, and for everyone. Thank you.

This is the end of the conference call for Equatorial Energia SA. Thank you very much for your attendance and have a nice day.

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