

3Q22 HIGHLIGHTS

- ✓ **Net Operating Revenue (NOR)** totaled **R\$625.6 million in 3Q22**, down **4.0% vs 2Q22**. NOR reached **R\$1,814.1 million in 9M22**;
- ✓ **Net Loss** was **R\$25.9 million** in 3Q22 and **R\$53.3 million** in 9M22;
- ✓ **Return on Invested Capital (ROIC)** was **10.7% in 3Q22**;
- ✓ **EBITDA** was **R\$64.8 million** in 3Q22, with **margin of 10.4%**. EBITDA came to **R\$186.2 million in 9M22**, with a **margin of 10.3%**;
- ✓ **In 3Q22, investments** totaled **R\$32.0 million**.
- ✓ **Potential orders from long-term contracts** totaled **2,486 sets of blades with power equivalent to 12.2 GW**. Using the 2Q22 closing exchange rate, the Company's **potential net revenue from long-term contracts** totaled **R\$10.2 billion**.

Investor Relations

+55 (+55) 3705-2209
ri@aerisenergy.com.br
www.ri.aerisenergy.com.br

Conference call in Portuguese with simultaneous translation into English (Q&A in both languages)

Friday, November 11, 2022 – 10:00 a.m. (Brasília), 9:00 a.m. (ET)

Participants from Brazil [click here](#) to access the link

Participants from the USA and Other parts of the world [click here](#) to access the link

MESSAGE FROM MANAGEMENT

Even in a challenging environment, margins proved to be resilient and the Company showed discipline in cash management by reducing the need for working capital, which resulted in a drop in the leverage ratio from 3.2x in 2Q22 to 2.8x in 3Q22. We continue to operate with inventory levels above the optimal levels, mainly related to work in process, which are sufficient to support the projected revenue growth for the coming periods, while the cash position is much higher than the amount of financial amortizations projected until the end of 2024.

The manufacturing operations were impacted by the high variability in the production processes of the blades, which resulted in a lower occupancy rate of the installed capacity and, considering the current levels of invested capital and interest rate, culminated in the net loss presented in this quarter. Such variability is attributed to the longer-than-expected time to reach the maturity of the production processes of the larger blade lines, both by the frequent design changes generated by the customers as well as by the greater complexity of the production processes. The operational changes implemented in recent months are already bringing important improvements, what should create a positive impact on the results of the coming quarters.

In the last decade, we could observe a significant increase in the competitiveness of wind energy and, consequently, an increase in the share of the source in the global electricity matrix. Many factors explain this increase in competitiveness, but it is undeniable that, in addition to the gains in scale generated by the strong consolidation in all positions in the value chain, the significant increase in the size of the blades was fundamental in the process of reducing the cost of wind energy.

However, the challenges generated by the technological leap in the power of wind turbines associated with an environment of persistent high inflation, culminated in the current losses presented by both wind turbine manufacturers and independent blade manufacturers. A process of economic rebalancing of relationships at all positions in the value chain was necessary, including enabling reviews and renegotiations with customers, some of which are already in progress. This rebalancing in the relationship between risk and return is essential to that, in the course of this decade, wind energy can reinforce its leading role in the energy transition process.

Aeris remains committed to promoting the growth of wind energy in Brazil and in the world, taking care of the thousands of people who are dedicated to generate value by offering products and services that meet the expectations of customers and other stakeholders. We will continue to act transparently, applying the best corporate governance practices so we all have a cleaner and renewable electricity matrix.

OPERATING AND FINANCIAL HIGHLIGHTS

Operational Highlights	3Q22	2Q22	1Q22	4Q21	3Q21	2Q21	1Q21	4Q20
Sets¹	161	162	147	168	181	191	220	280
Production in MW equivalent²	739	756	630	709	749	742	853	993
Domestic market	688	685	521	530	480	460	571	626
Export market	51	71	109	179	269	283	282	367
Active production lines³	17	18	18	17	15	16	15	14
Mature lines⁽⁴⁾	13	12	11	10	10	11	10	8
Non-mature lines	4	6	7	7	5	5	5	6

- (1) Sets (of three blades) that are billed and available to be collected by customers.
(2) Considers the average nominal power range of wind turbines equipped with billed sets.
(3) Number of production lines (molds) in production at the end of the period.
(4) Refers to production lines installed, at the end of the period, more than 12 months ago.

In 3Q22, two production line reached maturity, while one non-mature line was decommissioned, resulting in four non-mature lines and thirteen mature lines at the end of the period. The maturity schedule for these lines will be as follows:

- 3 lines in 4Q22
- 1 line in 1Q23

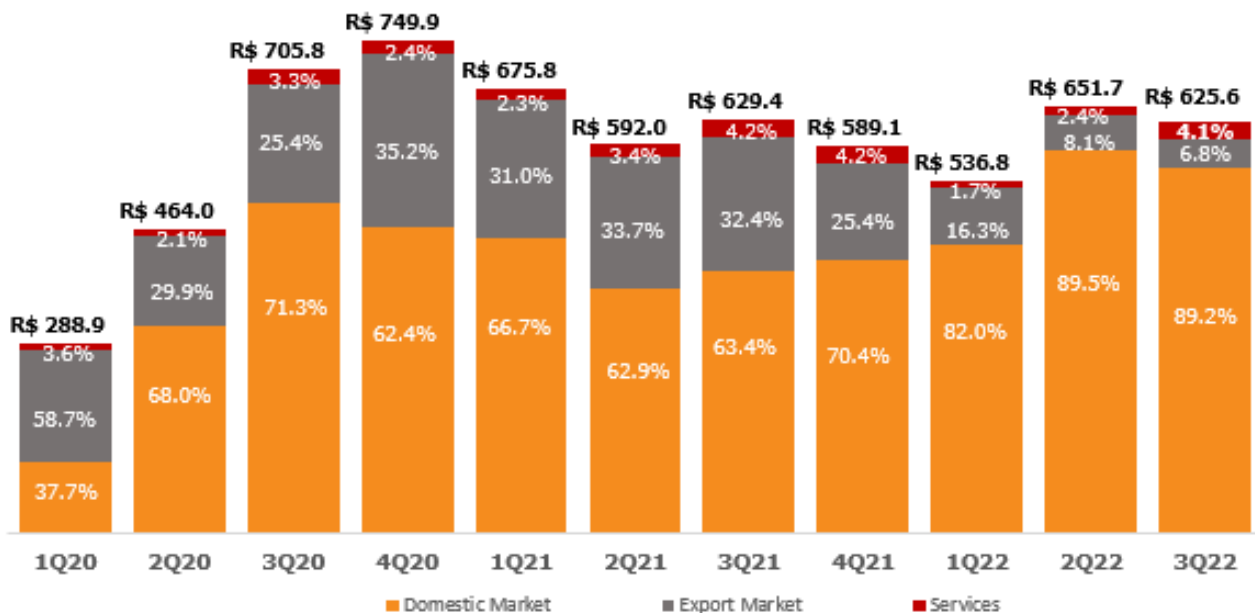
Financial Highlights	3Q22	2Q22	3Q21	Var. 3Q22/2Q22	Var. 3Q22/3Q21	9M22	9M21	Var. 9M22/9M21
In thousands of Reais								
Return on Invested Capital¹	10.7%	10.6%	12.6%	+0.1 pp	-1.9 pp	10.7%	12.6%	-1.9 pp
Net Revenue	625,616	651,733	629,365	-4.0%	-0.6%	1,814,112	1,897,088	-4.4%
Blades - Domestic Market	557,833	583,078	399,232	-4.3%	39.7%	1,581,211	1,222,422	29.4%
Blades - Export Market	42,243	52,838	203,885	-20.1%	-79.3%	182,517	613,084	-70.2%
Services	25,539	15,817	26,248	61.5%	-2.7%	50,383	61,582	-18.2%
Net Income for the period	-25,908	-28,622	9,315	-9.5%	-	-53,284	51,082	-
Net Margin	-4.1%	-4.4%	1.5%	+0.3 pp	-5.6 pp	-2.9%	2.7%	-5.6 pp
EBITDA²	64,794	67,108	62,632	-3.4%	3.5%	186,226	180,094	3.4%
EBITDA Margin	10.4%	10.3%	10.0%	+0.1 pp	+0.4 pp	10.3%	9.5%	+0.8 pp

- (1) Calculated based on LTM NOPAT (net operating profit after tax), divided by the average invested capital between the end of the current period and the end of the previous fiscal year.
(2) Adjusted EBITDA

Net Operating Revenue

In 3Q22, NOR reached R\$625.6 million, a decrease of 4,0% over 2Q22. NOR reached R\$1,814.1 million in 9M22.

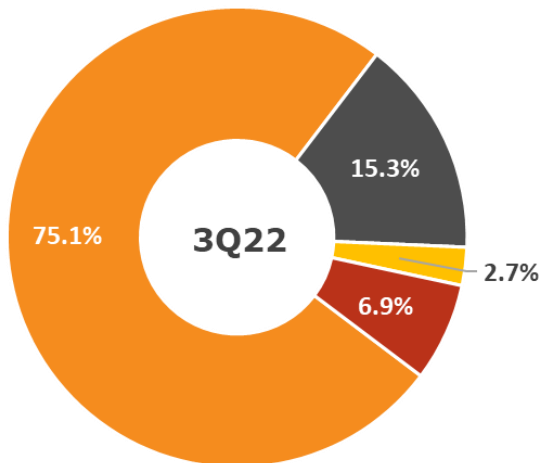
The drop is due to two factors: (i) 2.4% reduction in the volume billed in MW, a consequence of the increase in the average term of the period and (ii) reduction in the sale price of blades (in R\$/MW), which mainly stems from the reduction in the cost of direct materials, which are passed on to customers. Partially offsetting this drop, service revenue grew 61.5% compared to 2Q22, representing 4.1% of NOR in the period, highlighting the growth of more than 140% in the services unit in the USA.



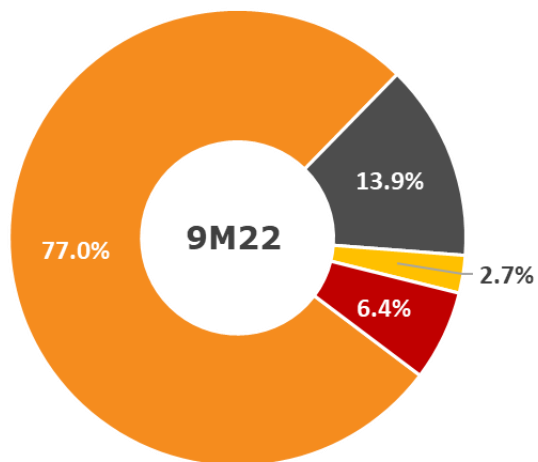
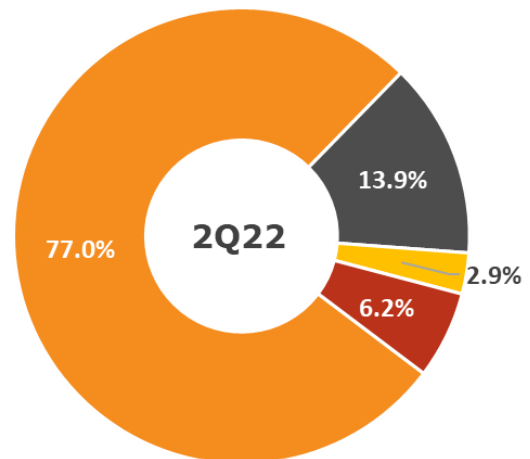
Cost of Goods Sold

	3Q22	2Q22	3Q21	Var. 3Q22/2Q22	Var. 3Q22/3Q21	9M22	9M21	Var. 9M22/9M21
In thousands of Reals								
Net Revenue	625,616	651,733	629,365	-4.0%	-0.6%	1,814,112	1,897,088	-4.4%
Cost of Goods Sold	553,183	571,365	558,638	-3.2%	-1.0%	1,620,865	1,696,324	-4.4%
Gross Margin	11.6%	12.3%	11.2%	-0.7 pp	+0.4 pp	10.7%	10.6%	+0.1 pp

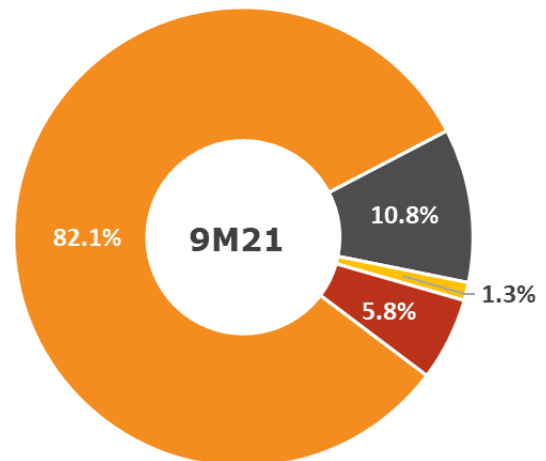
Gross margin decreased by 0.7 percentage points compared to 2Q22, reaching 11.6% in 3Q22.



■ Direct materials
 ■ Labor
 ■ Depreciation and amortization
 ■ Other



■ Direct materials
 ■ Labor
 ■ Depreciation and amortization
 ■ Other



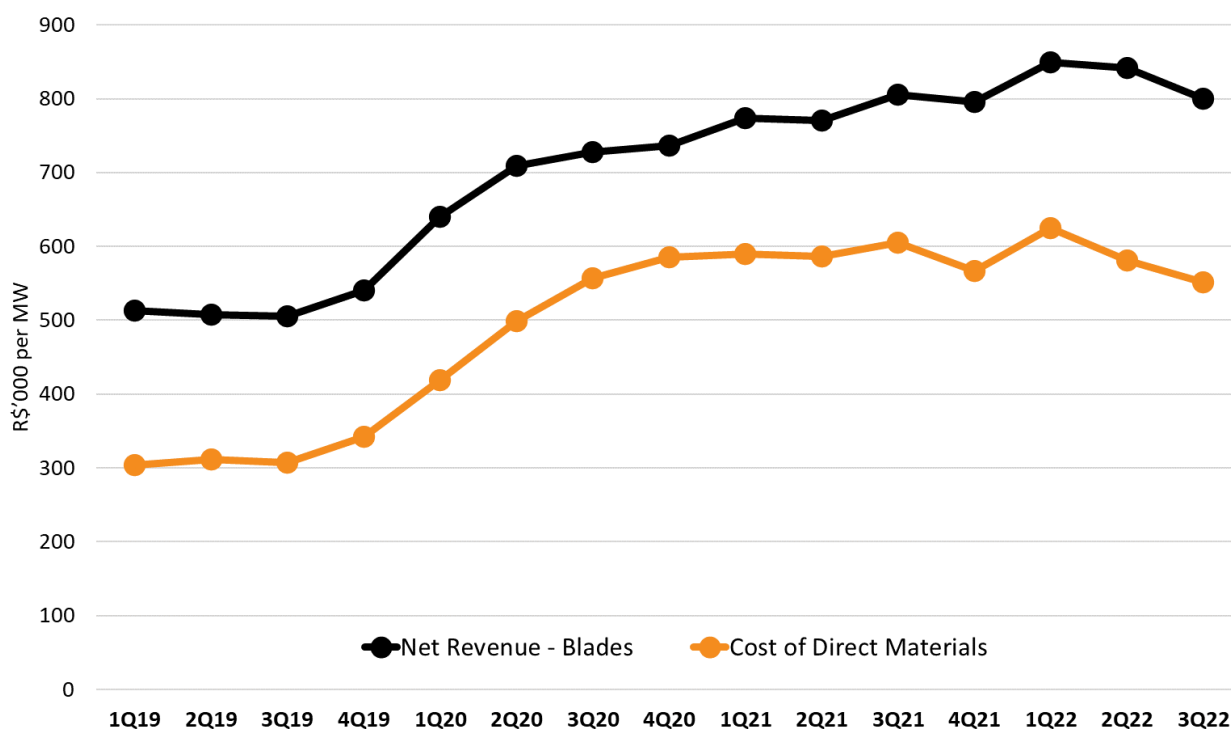
Direct material costs represent 75.1% of COGS in 3Q22 and 77.0% in 9M22. A reduction of 1.9 p.p. and 5.1 p.p. respectively.

The increase in the representation of labor costs is due to lower operational efficiency, which resulted in both a worse dilution of fixed costs as well as an increase in the average manufacturing time.

Pass-through of direct material costs

The pricing structure of wind blade supply contracts is composed of two distinct variables: (i) direct materials and (ii) value addition (V.A.).

For the price component associated with direct materials, the Company maintains full capacity to pass on changes related to the unit cost of materials, including prices charged by suppliers, logistics costs, non-refundable taxes and exchange rate fluctuations, as shown in the chart below.



General and Administrative Expenses & Other Net Revenue

	3Q22	2Q22	3Q21	Var. 3Q22/2Q22	Var. 3Q22/3Q21	9M22	9M21	Var. 9M22/9M21
<i>In thousands of Reals</i>								
General and Administrative Expenses	- 24,839	- 27,834	- 22,742	-10.8%	9.2%	77,364	- 65,157	18.7%
% NOR	4.0%	4.3%	3.6%			4.3%	3.4%	
Other Operating Income - Net	936	1,134	3,857	-	-	23,022	6,522	253.0%
% NOR	0.1%	-0.2%	0.6%			1.3%	0.3%	

(1) Total selling, general and administrative expenses + tax expenses

In 3Q22, General and Administrative Expenses (G&A) totaled R\$24.8 million, a reduction of 10.8% compared to 2Q22. In 9M22, G&A totaled R\$77.4 million, an increase of 18.7% when compared to 9M21.

EBITDA

In thousands of Reals	3Q22	2Q22	3Q21	Var. 3Q22/2Q22	Var. 3Q22/3Q21	9M22	9M21	Var. 9M22/9M21
Net Income for the period	-25,908	-28,622	9,315	-9.5%	-	-53,284	51,082	-
(+/-) Financial Result	78,727	87,376	40,717	-9.9%	93.4%	201,315	85,665	135.0%
(+/-) Depreciation and amortization	16,061	17,693	9,238	-9.2%	73.9%	46,599	25,410	83.4%
(+/-) Current and deferred income tax and social contribution, before the tax incentive	-4,289	-7,354	1,810	-41.7%	-	-9,126	5,382	-
(+/-) Includes the Sudene tax incentive	0	-874	1,552	-	-	0	12,555	-
(+/-) Long-Term Incentive	-6	-180	-	-	-	782	-	-
(+/-) Consultoria Performance	209	-931	-	-	-	-60	-	-
EBITDA*	64,794	67,108	62,632	-3.4%	3.5%	186,226	180,094	3.4%
EBITDA Margin	10.4%	10.3%	10.0%	+0,1 pp	+0,4 pp	10.3%	9.5%	+0,8 pp

*Adjusted EBITDA

In 3Q22, EBITDA reached R\$64.8 million and in 9M22 it reached R\$186.2 million, a decrease of 3,4% when compared to 2Q22 and an increase of 3.4% when compared to 9M21.

This quarter, mature production lines generated R\$57.0 million in EBITDA, with a margin of 11.4% while the non-mature lines generated R\$3.2 million, with a margin of 3.2%. The services business units posted an EBITDA of R\$4.6 million with a margin of 18.0%.

FINANCIAL RESULT AND DEBT

In thousands of Reals	3Q22	2Q22	3Q21	Var. 3Q22/2Q22	Var. 3Q22/3Q21	9M22	9M21	Var. 9M22/9M21
Net Currency Variation¹	3,460	-33,054	-9,280	-	-	-26,674	-14,606	82.6%
Net Financial Expenses²	-82,187	-54,322	-31,437	51.3%	161.4%	-174,641	-71,059	145.8%
Net Debt³	717,185	796,115	535,523	-9.9%	33.9%	-	-	-
Leverage⁴	2,8x	3,2x	2,4x	-	-	-	-	-

(1) Includes derivative financial instruments.

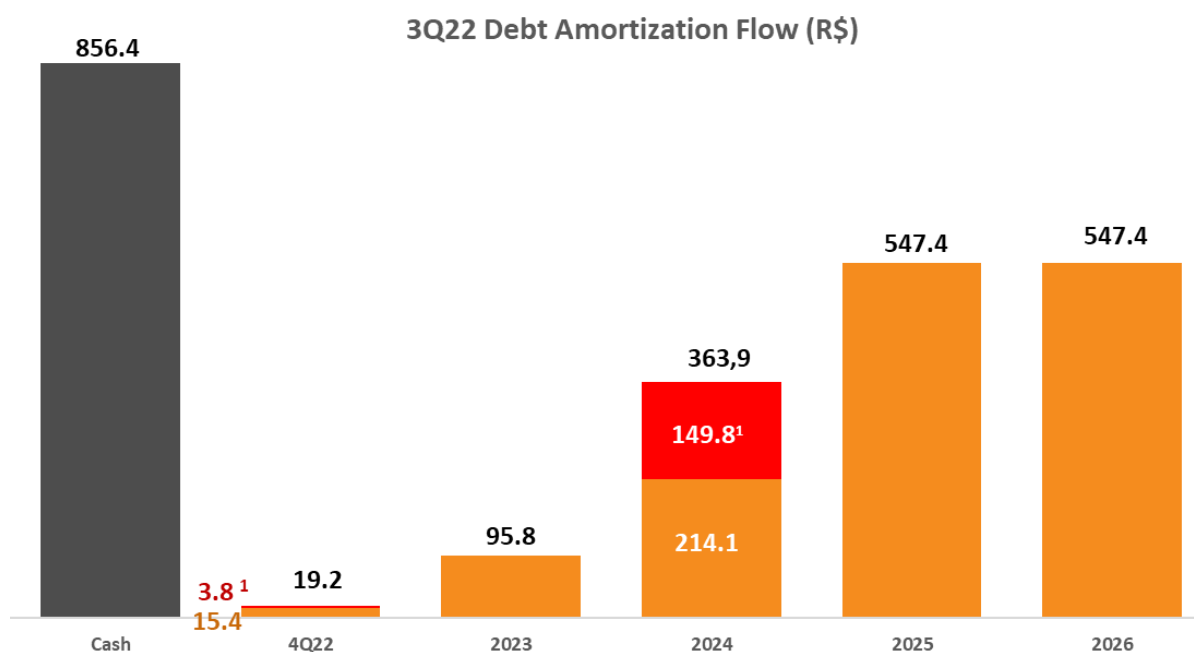
(2) Net Financial Expenses is the sum of Charges from financial transactions, Interest on borrowings and financing, and Others in the Financial Expenses line, plus the sum of Earnings from financial investments and Others in the Financial Revenues line.

(3) Net Debt is the sum of short-term and long-term loans and financing, less cash and cash equivalents, short-term financial investments (year ended December 31, 2020), and derivative financial instruments.

(4) Net Debt/EBITDA

In 3Q22, net financial expenses amounted to R\$82.2 million, an increase of 51.3% compared to 2Q22, as a result of both the increase in the basic interest rate in the period and the increase in financial charges in the period. The net FX variation showed a gain of R\$3.5 million in 2Q22.

In 3Q22, Net Debt totaled R\$717,2 million and Net Leverage, measured by the Net Debt/EBITDA ratio, reached 2.8x. It should be noted that the methodology used to calculate EBITDA and, consequently, net leverage shows small changes in relation to the financial covenant of Debenture operations, which in this period presented a leverage of 2.7x.



¹ Borrowings in 2022

The Company's cash position at the end of 3Q22 was R\$856.4 million, a decrease of R\$4.5 million compared to the closing position of 2Q22.

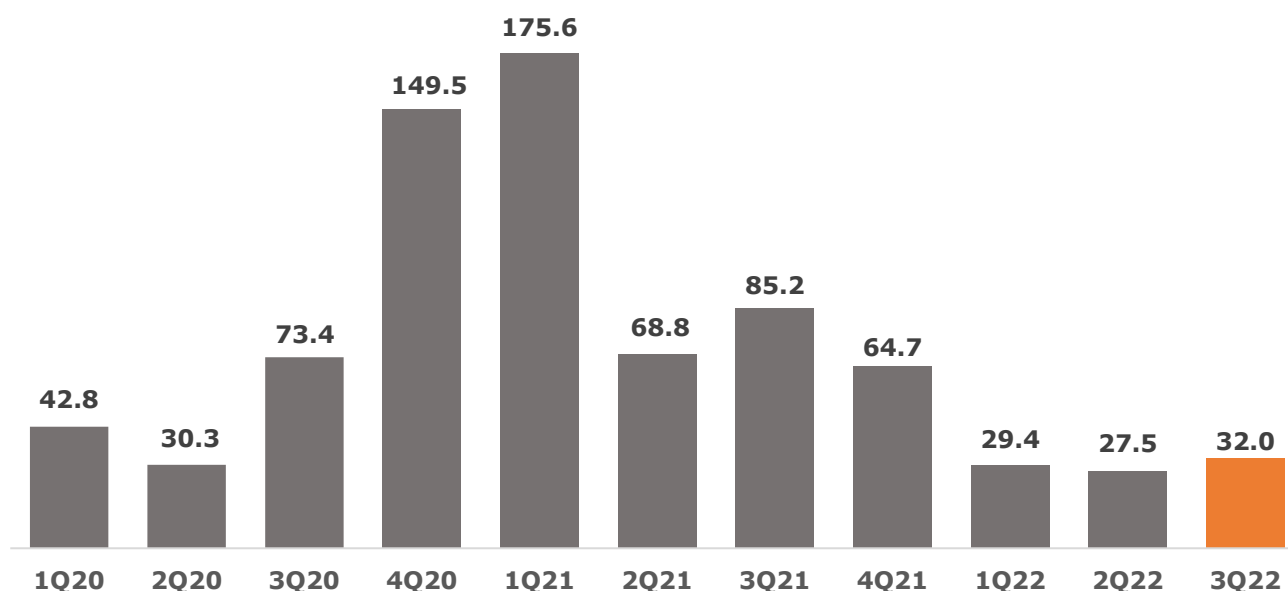
The remaining balance of financial obligations maturing in 4Q22 is R\$19.2 million. Gross debt totaled R\$ 1,573.6 million and had an average term of 2.7 years.

NET INCOME (LOSS)

Net Loss in 3Q22 was R\$25.9 million. In 9M22, the Net Loss stood at R\$53.3 million.

INVESTMENTS

Cash used in investing activities (R\$ million)



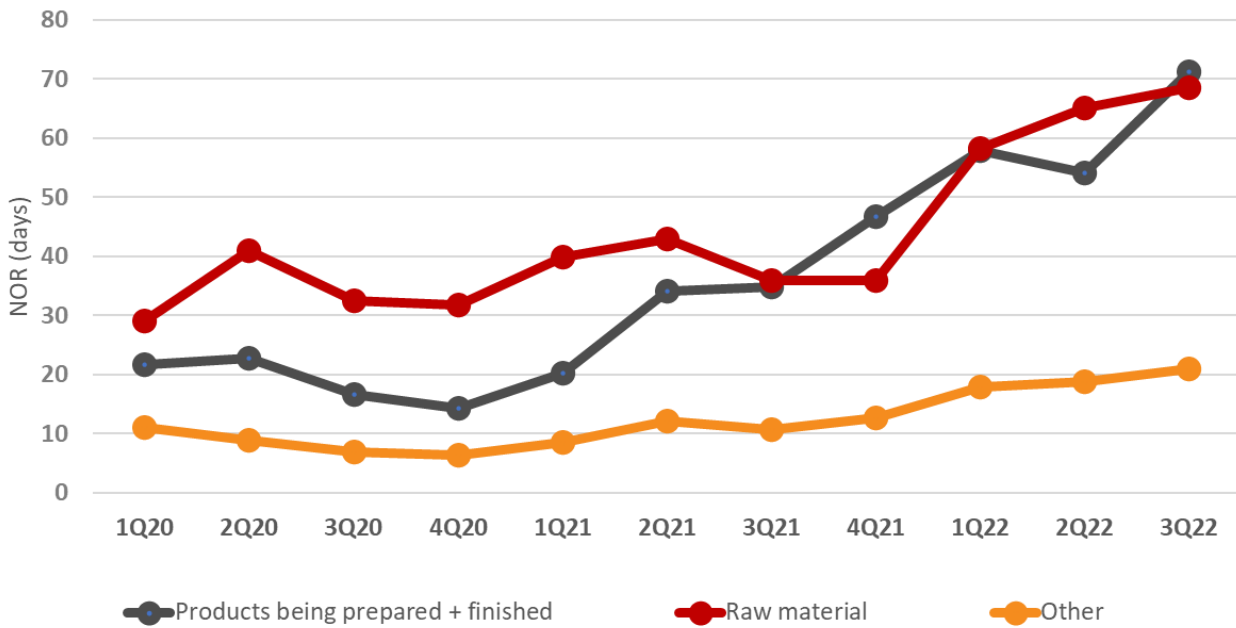
The Company invested R\$32.0 million in 3Q22, mainly intended to increase production capacity at the blade finishing stations with the objective of balancing the production bottlenecks in the search for the reduction of the average manufacturing time. In 9M22, R\$88.9 million was invested versus R\$329.7 million invested in 9M21.

CASH FLOW

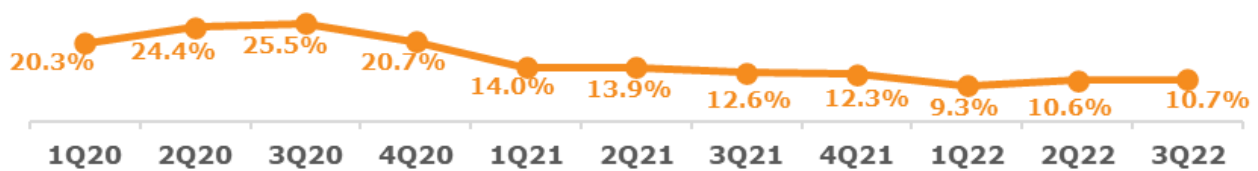
Cash flow from operating activities generated R\$42.6 million in 3Q22. The main highlight was the change in the net position of accounts receivable and advances from customers, which totaled R\$409.3 million in 3Q22. This variation exceeds the increases in working capital requirements resulting from the relationship with suppliers and the longer average manufacturing time, as we can see in the following chart.

The cash flow from investing activities, consumed R\$32.0 million in 3Q22.

The cash flow from financing activities consumed R\$15.0 million in 3Q22.

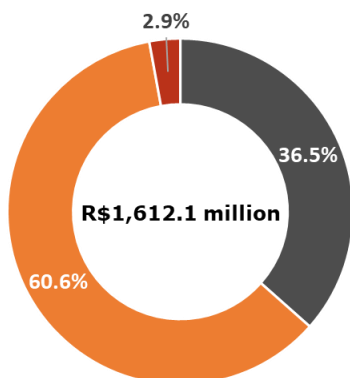


RETURN ON INVESTED CAPITAL



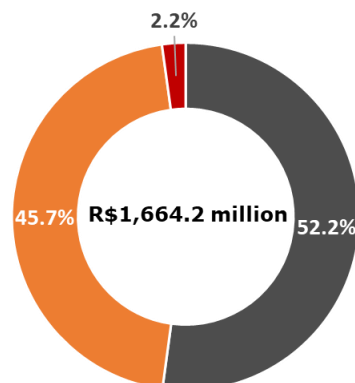
Return on Invested Capital (ROIC) was 10.7%, mainly as a result of the reduction of R\$ 52.1 million (3.1%) in the average capital invested in the period.

Average Invested Capital per Line - 3Q22

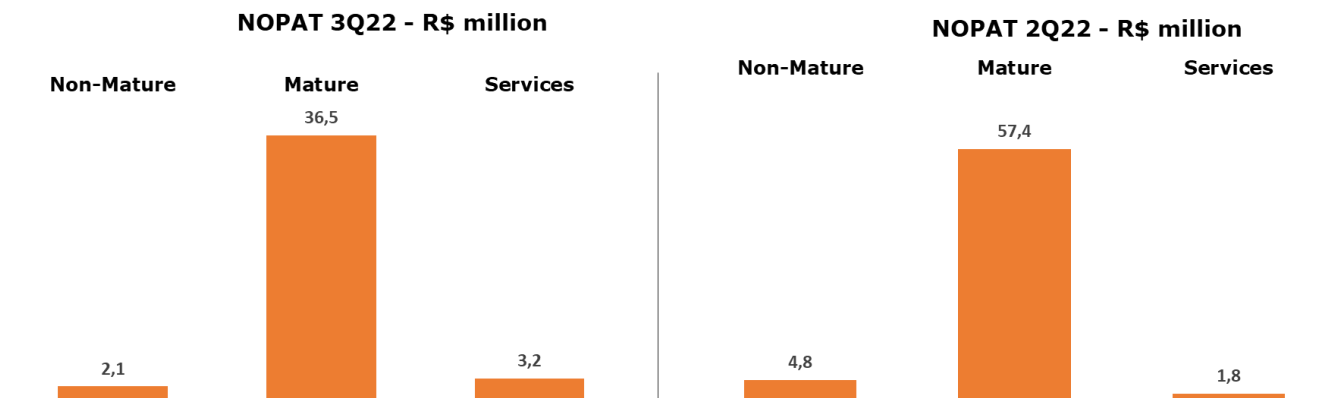


■ Non-Mature ■ Mature ■ Services

Average Invested Capital per Line - 2Q22



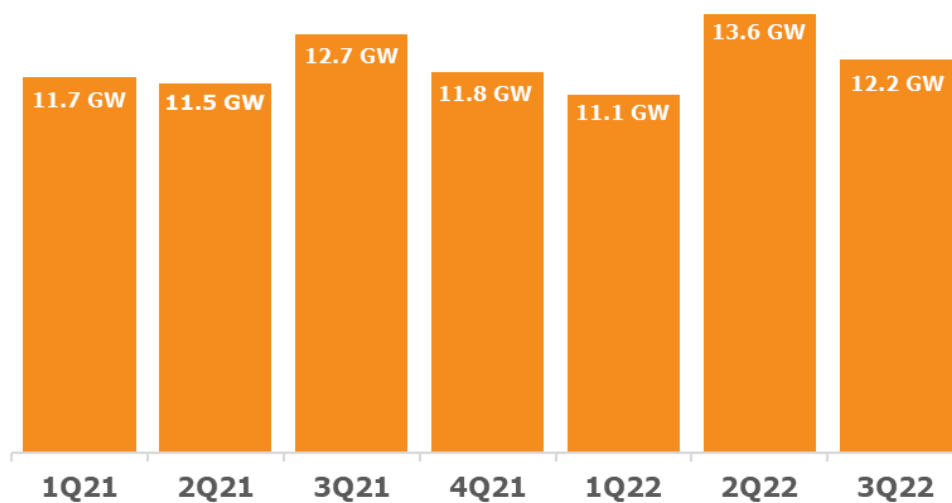
■ Non-Operational ■ Non-Mature ■ Mature



In 3T22, 36.5% of the average invested capital was allocated to lines that have not yet reached maturity. These lines recorded a NOPAT of R\$2.1 million in 3Q22.

The mature lines, which accounted for 60.6% of the invested capital, recorded a NOPAT of R\$36.5 million in 3Q22, with an annualized ROIC of 15.8%.

Potential orders covered by long-term contracts¹



¹ The contracts provide for using up to 40% less than the productive capacity dedicated to the customer leading to a higher price. Customers can even reduce the installed capacity or terminate the contract in advance by paying the penalties in the contract for both cases.

In 3Q22, the volume of potential orders covered by long-term contracts fell by approximately 1.374 MW, 751 MW of which were produced and account for an average occupancy rate of 55% of the capacity dedicated to cover the contracts. The drop in the average capacity occupancy rate is mainly due to the failure to reach the volumes projected for this period.

2022 PROJECTION

Projections	Unit	Projection for the period ended December 31, 2022
Production in GW equivalent	GW	3.2 to 3.6
Net Revenue	R\$ million	2,600 to 3,100
EBITDA⁽¹⁾	R\$ million	270 to 340
CAPEX	R\$ million	95 to 135

⁽¹⁾This calculation includes the Sudene tax incentive

EXHIBITS

Income Statement

(In thousands of Reais)	3Q22	2Q22	3Q21	Var. 3Q22 vs. 2Q22	Var. 3Q22 vs. 3Q21
Net operating revenue	625,616	651,733	629,365	-4,0%	-0,6%
Cost of goods sold	(553,183)	(571,365)	(558,638)	-3,2%	-1,0%
Gross profit	72,433	80,368	70,727	-9,9%	2,4%
Operating income (expenses):					
Selling, general and administrative expenses	(24,839)	(27,834)	(22,742)	-10,8%	9,2%
Tax expenses	-	-	-	-	-
Other operating income (expenses), net	936	(1,134)	3,857	-	-
Result before financial revenues and expenses	48,530	51,400	51,842	-5,6%	-6,4%
Depreciation and Amortization	16,061	17,693	9,238	-9,2%%	73,9%
EBITDA	64,591	69,093	61,080	-6,5%	5,7%
Sudene tax incentive	0	-874	-	-	-
Long-Term Incentive	(6)	-180	-	-	-
Performance Consulting	209	-931	-	-	-
Adjusted EBITDA	64,794	67,108	62,632	-3,4%	3,5%
Financial expenses	(111,179)	(150,935)	(71,434)	-26,3%	55,6%
Financial revenues	32,452	63,559	30,717	-48,9%	5,6%
Financial Result	(78,727)	(87,376)	(40,717)	-9,9%	93,4%
Result before income tax and social contribution	(30,197)	(35,976)	11,125	-16,1	-
Current income tax and social contribution	(916)	2,354	(1,605)	-	-
Deferred income tax and social contribution	5,205	5,000	(205)	4,1%	-
Net income for the period	(25,908)	(28,622)	9,315	-9,5%	-
Profit attributable to shareholders and controllers	(25,908)	(28,622)	9,315	-9,5%	-
Number of shares at the end of the year	762,552	762,313	766,213	-	-
Registered common shares	762,552	762,313	766,213	-	-
Basic and diluted earnings per share – R\$	0,0340	0,0375	0,0122	-	-

Balance Sheet – Assets

(In thousands of Reais)

Assets	Parent Company		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Current				
Cash and cash equivalents	854,263	884,114	856,392	892,933
Financial assets	-	-	-	-
Trade receivables	-	13,929	-	21,176
Inventories	1,116,240	624,479	1,118,559	624,589
Taxes recoverable	213,665	144,144	213,665	144,200
Related parties	6,160	3,233	-	-
Other receivables	93,974	18,528	96,397	19,359
Derivative financial instruments	-	1,271	-	1,271
Total current assets	2,284,302	1,689,698	2,285,013	1,703,528
Noncurrent				
Taxes recoverable	157,331	125,423	157,331	125,423
Related parties	-	2,421	-	-
Investments	13,851	10,667	-	-
Fixed assets	1,009,182	971,730	1,012,489	974,124
Intangible assets	4,049	2,596	4,182	2,596
Total non-current assets	1,184,413	1,112,837	1,174,002	1,102,143
Total assets	3,468,715	2,802,535	3,459,015	2,805,671

Balance Sheet – Liabilities

(In thousands of Reais)

Liabilities and equity	Parent Company		Consolidated	
	09/30/2022	12/31/2021	09/30/2022	12/31/2021
Current				
Trade payables	535,653	266,618	538,017	268,479
Loans and financings	99,958	91,688	99,958	91,688
Derivative financial instruments	-	790	-	790
Salaries and payroll charges	53,445	34,745	53,535	34,771
Taxes collectable	8,311	10,324	9,506	11,323
Advances from clients	349,752	-	334,681	-
Dividends payable	-	15,782	-	15,782
Other payables	3,952	3,942	5,674	4,192
Total current liabilities	1,051,071	423,889	1,041,371	427,025
Noncurrent				
Loans and financings	1,473,619	1,367,056	1,473,619	1,367,056
Deferred income tax and social contribution	1,938	11,998	1,938	11,998
Total non-current liabilities	1,475,557	1,379,054	1,475,557	1,379,054
Total liabilities	2,526,628	1,802,943	2,516,928	1,806,079
Shareholders' Equity				
Share capital	815,102	815,102	815,102	815,102
Capital reserve	908	396	908	396
Profit reserve	149,598	202,882	149,598	202,882
Equity valuation adjustment	1,205	1,531	1,205	1,531
(-) Treasury Shares	(24,726)	(20,319)	(24,726)	(20,319)
Total shareholders' equity	942,087	999,592	942,087	999,592
Total liabilities and shareholders' equity	3,468,715	2,802,535	3,459,015	2,805,671

Cash Flow Statements

(in thousands of Reais)

Cash flow from operating activities	09/30/2022
Profit before income tax	(62,410)
Adjustments to reconcile net income to cash (used in) generated by operating activities:	
Depreciation and amortization	46,599
Net result from the sale of property and equipment	2,312
Equity pick-up	-
Share-based payment plan	1,470
Exchange variation of borrowings and financing	410
Exchange variation on financial instruments	21,675
Financial expenses – net	162,259
	172,315
Changes in assets and liabilities	
Trade receivables	22,150
Inventories	(516,267)
Taxes recoverable	(101,376)
Other receivables	(77,066)
Trade payables	270,467
Labor and social security obligations	18,757
Taxes collectable	(2,738)
Advances from clients	334,183
Other payables	(1,657)
Cash (used in) generated by operating activities	122,082
Income tax and social contribution paid	-
Interest paid on loans and financings	(167,426)
Net cash (used in) generated by operating activities	(45,344)
Cash flows from investing activities	
Acquisition of fixed assets	(86,830)
Amount received from the sale of property and equipment	355
Acquisition of intangible assets	(2,408)
Net cash used in investment activities	(88,883)
Cash flows from financing activities	
Redemption of financial assets	-
Borrowings	150,000
Loans amortized	(30,000)
Debenture issue	-
Dividend payment	(15,781)
Share issue expenses	-
Share repurchase	(5,365)
Related parties	-
Net cash generated by financing activities	98,854
Addition to cash and cash equivalents	(35,373)
Cash and cash equivalents at the start of the period	892,933
Exchange gain (loss) on cash and secured accounts	(1,168)
Cash and cash equivalents at the end of the period	856,392
Addition to cash and cash equivalents	(35,373)