

Earnings Presentation

2Q23

August/2023





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2Q23 Highlights

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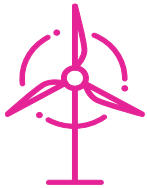
Socio-Environmental
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Operational



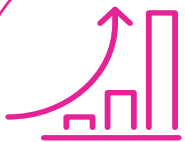
- **Increase of 24.0% in hydro generation in 2Q23**, due to the favorable inflow condition in the period and the respective improvement in the flow of Porto Primavera HPP;
- **Consolidated wind generation was 0.6% higher than P90 in 2Q23**, although lower wind resource observed in the period. The **Ventos do Piauí II and III** wind farms generated **12.0%** and **9.3% above P90**, respectively;

Financeiro



- **Adjusted EBITDA of R\$436 million in 2Q23**, with Adjusted EBITDA margin of 30.3%:
 - **18% increase** when compared to Adjusted EBITDA ex-dividends;
- **Cash conversion ratio⁽¹⁾ of 78%** in 2Q23;
- **Progress in actuarial risk management with the approval by PREVIC of the change in indexers** of the actuarial liability arising from CESP;
- **Conclusion of the securitization of the indemnity of HPP Três Irmãos**, at an all-in cost of **Selic +1.94%** p.a., in the amount of **R\$ 4.2 billion**;

Crescimento e Inovação



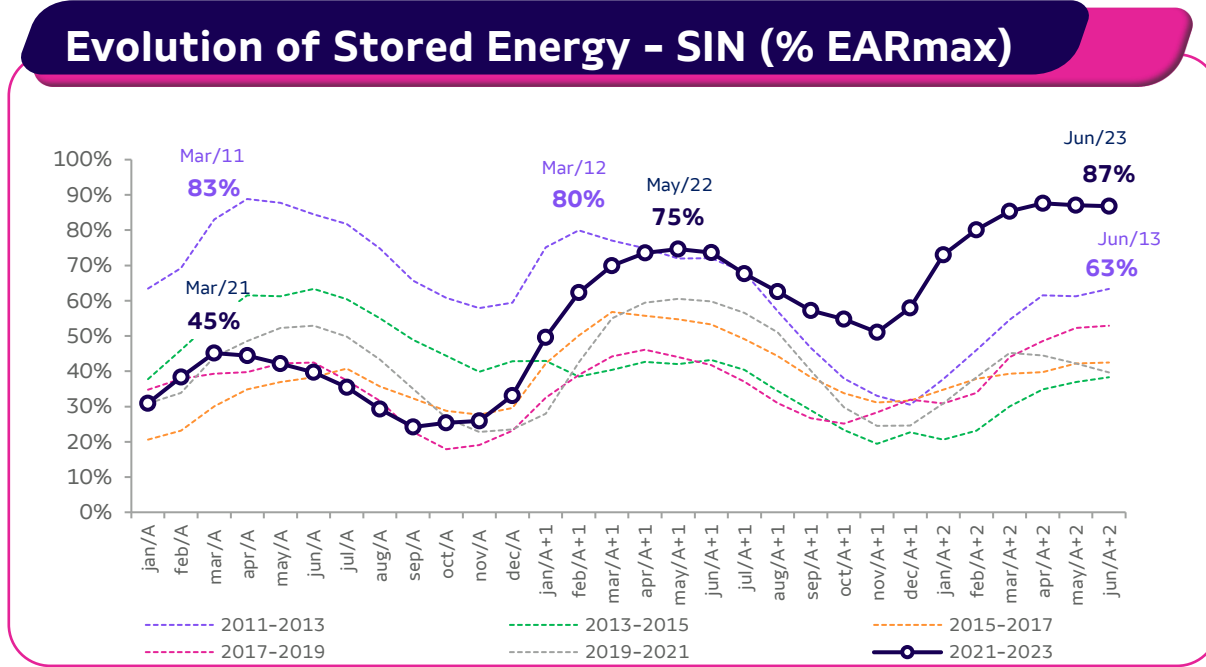
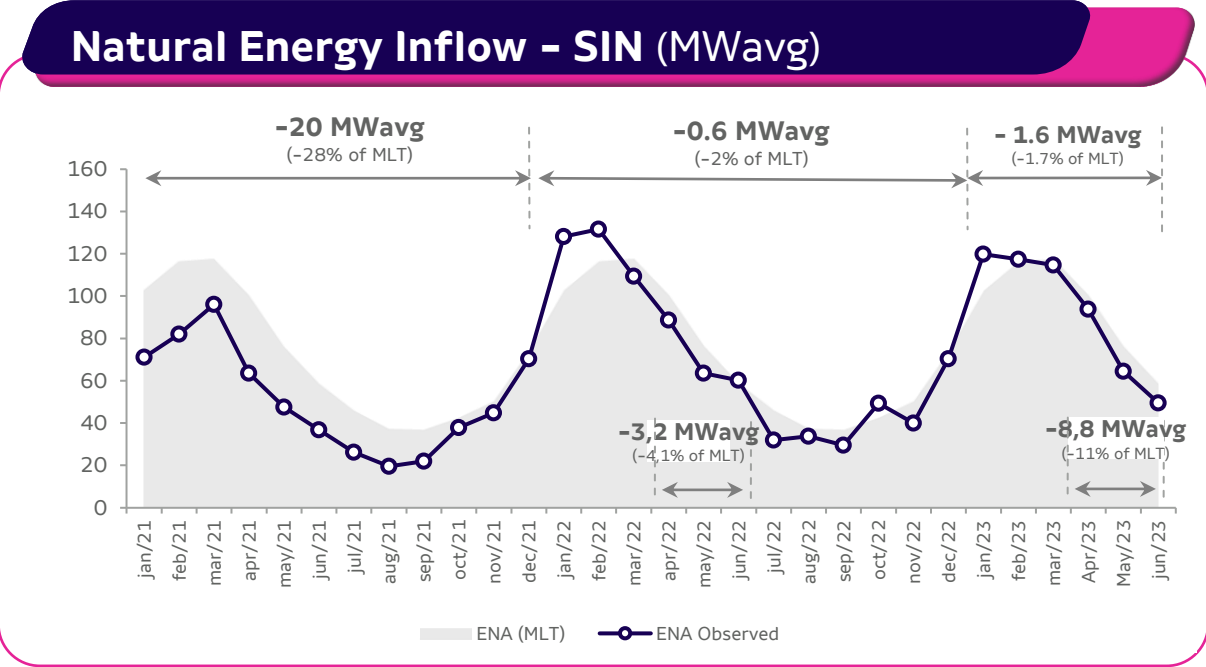
- **Signature of another tranche of financing for Sol de Jaíba** in the amount of **R\$ 200 million** with **BNB**, totaling **R\$ 500 million** already contracted with BNB for this project;
- **Sol de Jaíba and Sol do Piauí in progress, as planned**;
- **Leader in energy commercialization in 2023**.

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Despite the observation of below-average flows in the last semester, storage remained high



- **ENA⁽²⁾** of the National Interconnected System - SIN of **88.7% of the Long-Term Average (MLT) in 2Q23**, below 2022, which performed 96% of MLT
- The SIN **inflow** in **2022** was **98%** of the MLT, against 72% in 2021, while the **1H23 of 2023** corresponded to 98%
- **EAR⁽³⁾** SIN at **87% of maximum storage capacity at the end of 2Q23** vs. 74% in 2Q22
- 2Q23 ends with the **highest storage level on record since 2000**

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Operating Performance – Hydroelectric Assets

Average power generation in 2Q23 was 867 MWavg, 24% higher than in 2Q22, due to the high inflow and better hydrological regime in the Paraná River basin.

GSF⁽¹⁾

94%

in 2Q23 vs.
96% in 2Q22

Generation

98%

of the Physical
Guarantee in the
2Q23

Availability

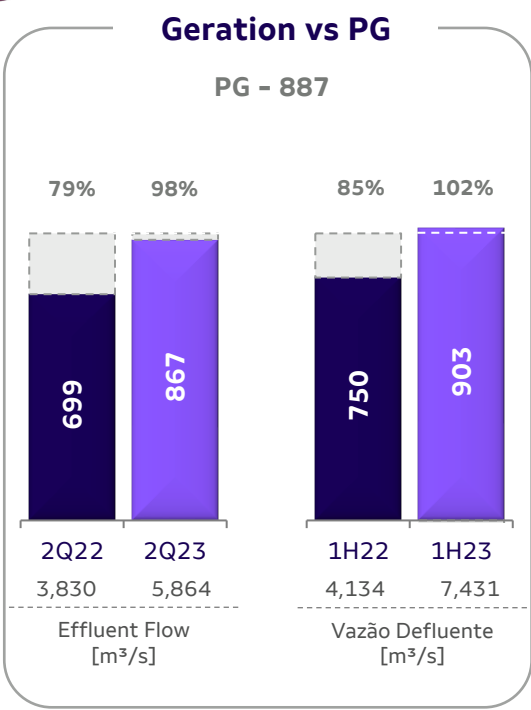
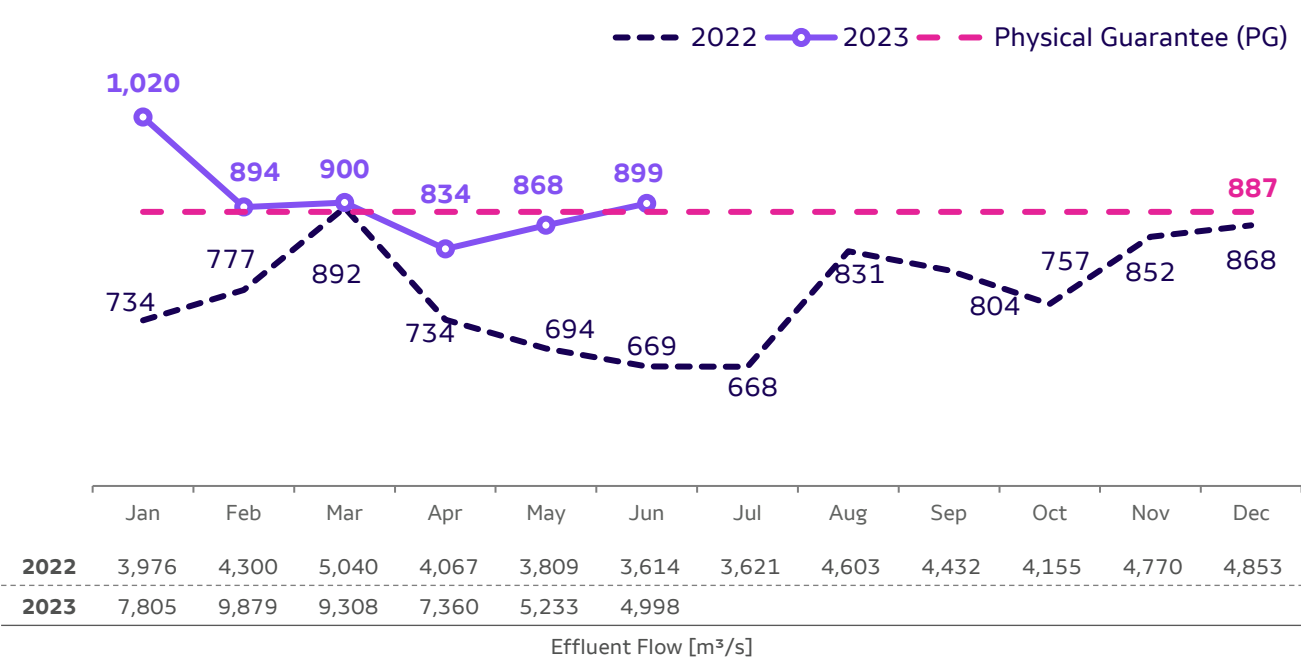
96.4%

versus ANEEL
reference of
92.3%

HPP Porto Primavera
1.540MW



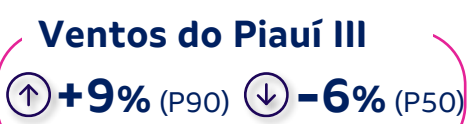
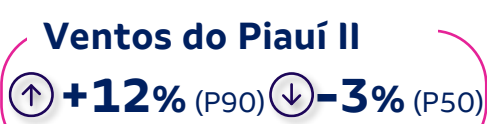
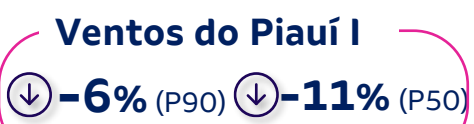
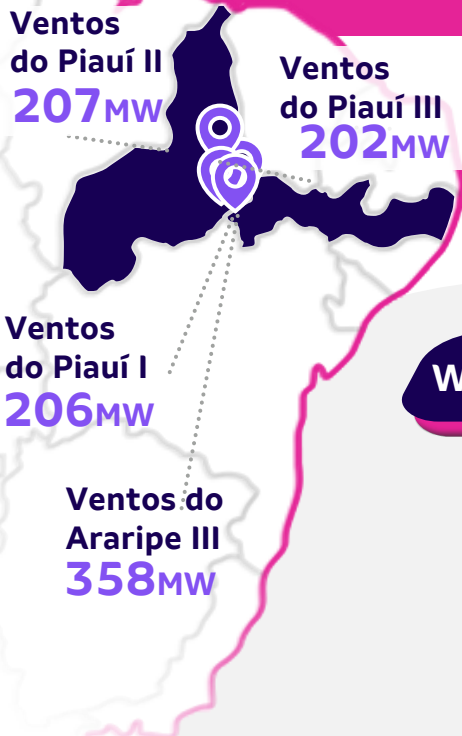
Generation of HPP Porto Primavera⁽²⁾ (MWavg)



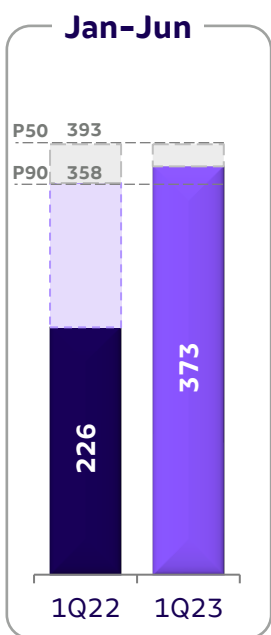
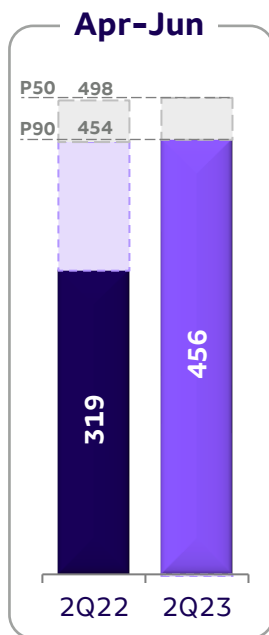
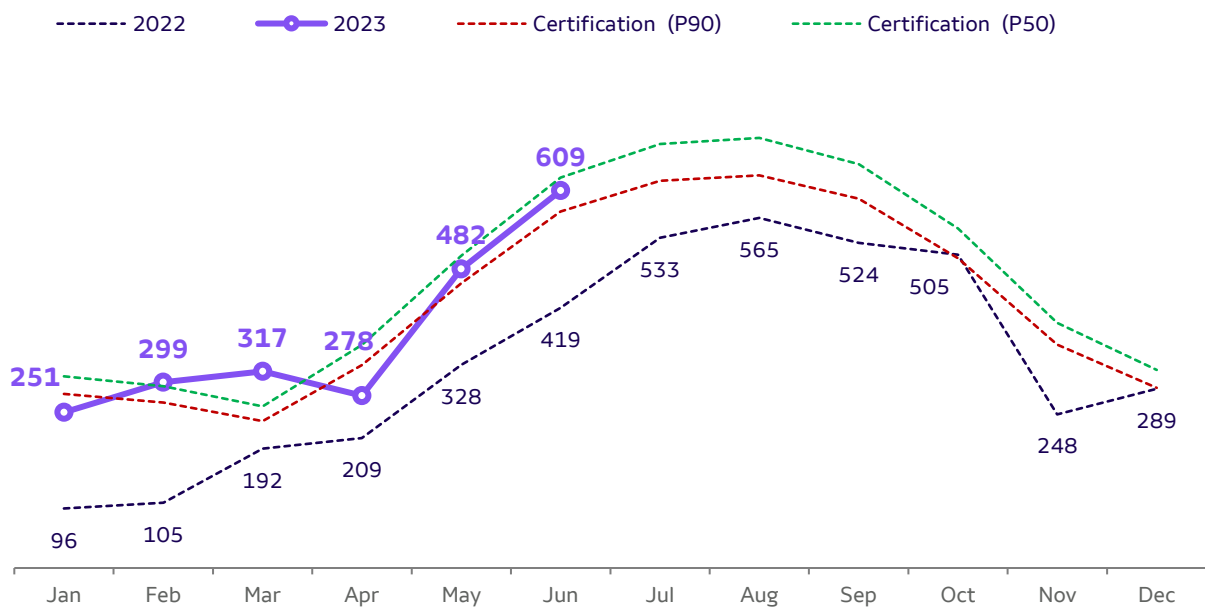
Notas: (1) Generation Scaling Factor; (2) Considers only HPP Porto Primavera, in which the Company holds a 100% stake. HPP Paraibuna, for comparative purposes, has been excluded from the chart.

Operating Performance – Wind Assets

Despite the low wind resource and grid constraints, performance in 2Q23 was 0.6% above P90

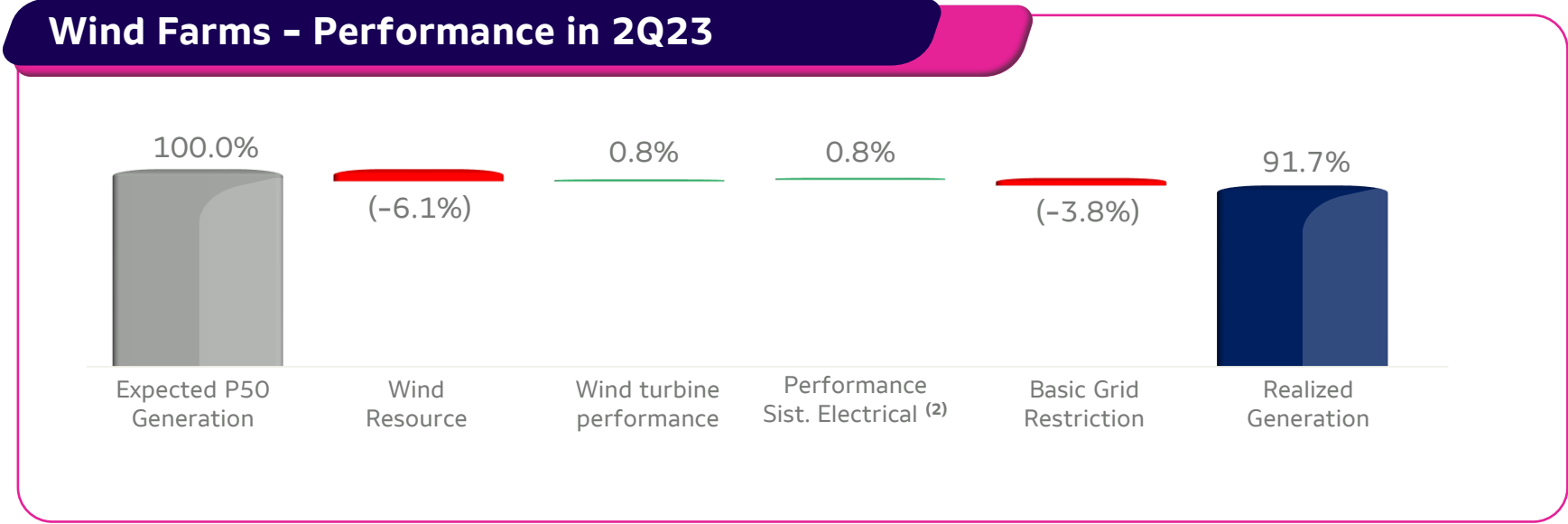


Wind Assets Generation (MWavg)



Operational Performance - Wind Assets⁽¹⁾

The parks performed better when compared to the design parameters, with availability being impacted in this quarter by restrictions of the transmission system of the Basic Grid.



2Q23 aggregate wind output was **0.6%** higher than expected average P90 generation and 8.3% lower than P90.



Regarding the technical parameters of the project, the wind resource was **6.1%** below the 20-year average forecast.



Wind turbines performed **0.8%** higher than expected driven by the VDP II and VDP III complexes.



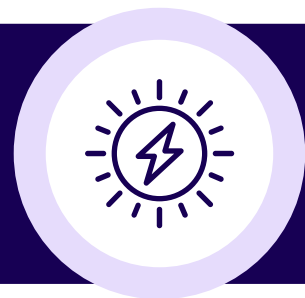
The high availability of the BoP and operational management contributed to the electricity system performing **0.8%** above expectations.



The limitations of generation flow due to restrictions of the National Interconnected System - SIN and external occurrences impacted by **3.8%** the P50 average generation expectation.

Notes: (1) Includes Ventos do Araripe III, Ventos do Piauí I, II and III. Performance shown aggregated due to the location of the parks being within a radius of 30km and therefore considered a single region; (2) Electrical System refers to the internal system composed of the medium voltage network (34.5kV), collector substation (34.5/230kV), transmission line to the sectionalizing substation (230/500kV).

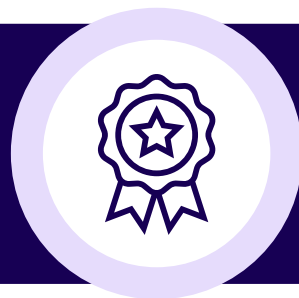
Consolidated Portfolio – Generation and Sales



3.6 GWm
of energy traded in
2023

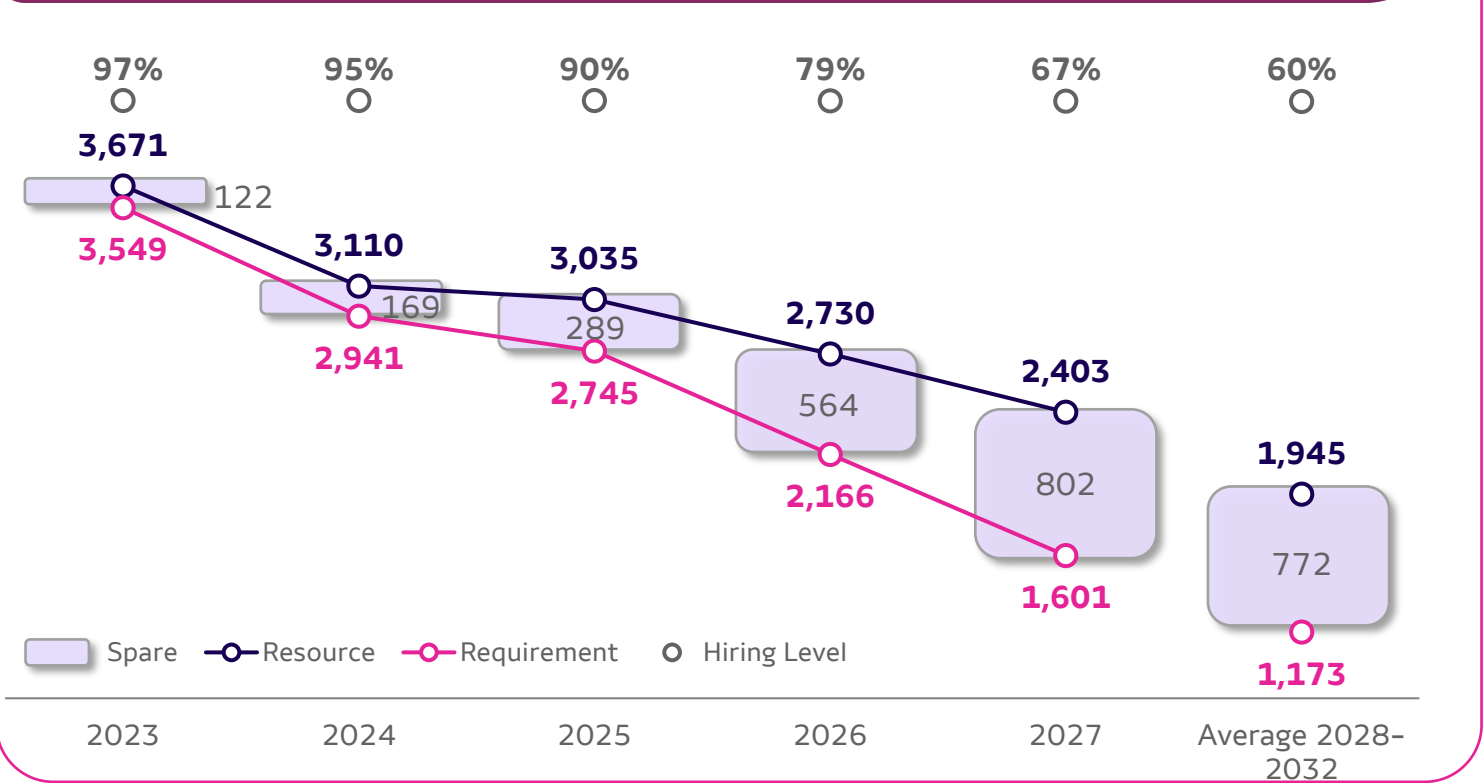


+ 800
customers

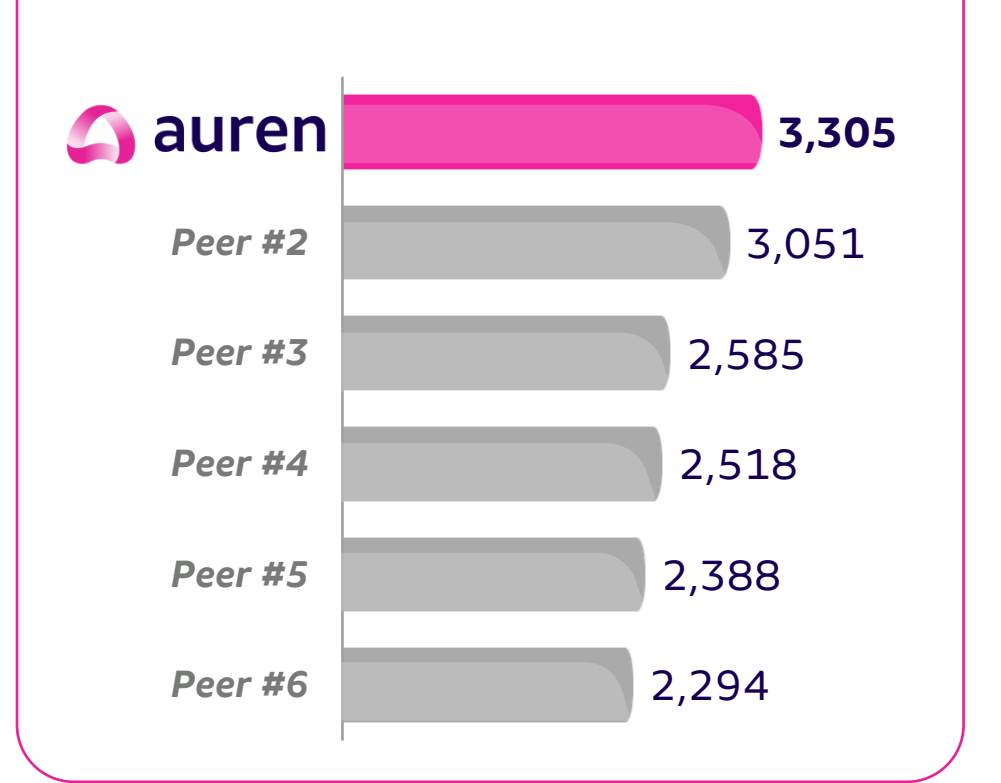


Leader in energy
trading in 2023

Consolidated Sales Contracting Level⁽¹⁾ (MWavg)



Ranking monthly volume⁽²⁾ (MWavg)



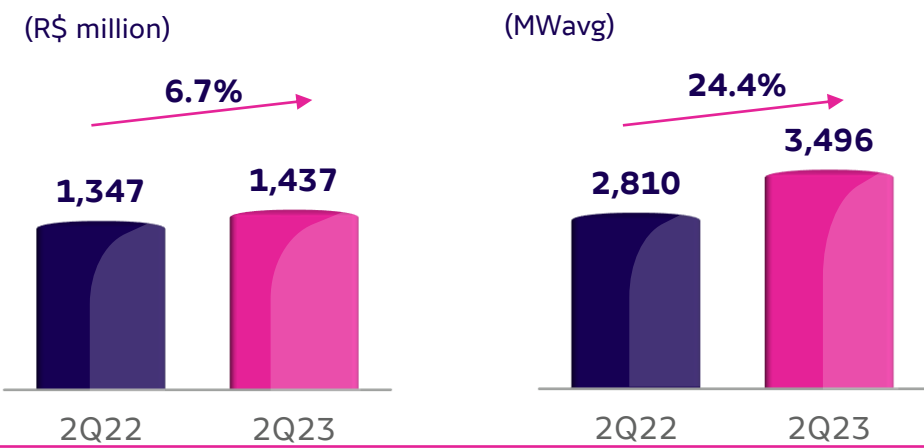
Note: (1) Considers the physical guarantees net of losses of the basic network. Considers Ventos do Piauí II and III, Sol de Jaíba and Sol do Piauí. In addition, it incorporates the ordinary revision of the physical guarantee of the plants in which Auren has an interest and the exercise of the purchase right exercised by Auren for HPP Campos Novos; (2) Source: InfoMercado CCEE. Data referring to the sale of energy per month of supply in the ACL considering the consolidation of all commercializing agents of each economic group. Considers the average monthly volume from January to May 2023.

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Net Revenue and Commercialized Energy⁽¹⁾



18% increase in Adjusted EBITDA and better margins in 2Q23⁽²⁾



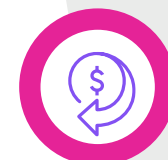
Wind generation result 50% higher than 2Q22, with the entry into commercial operation of **Ventos do Piauí II and III**



Commercialization results R\$ 58 million higher than 2Q22

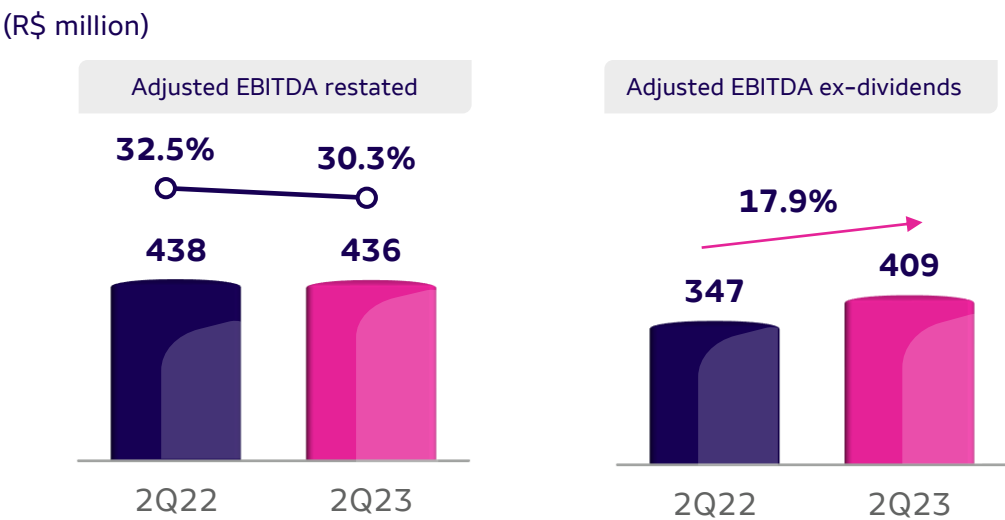


Net profit of R\$ 182.9 million in 2Q23, reversing net loss of R\$ 2.0 million in 2Q22



Dividends from assets in which Auren has a minority **stake** have been **postponed** to 2H23

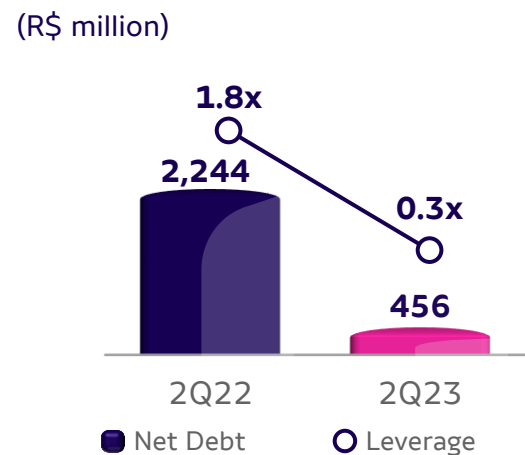
Adjusted EBITDA⁽¹⁾ and EBITDA Margin



Notes: (1) 2021 and 1Q22 are proforma and unaudited; (2) Ex-dividends from assets in which Auren has a minority stake..

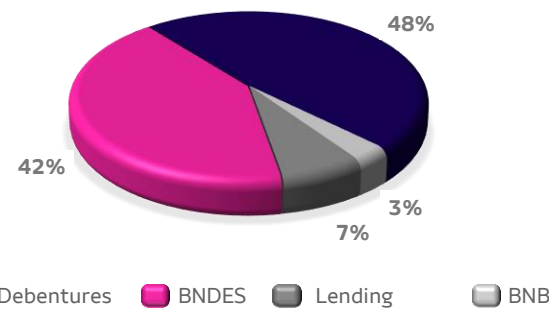
Financial Performance

Net Debt and Leverage⁽¹⁾

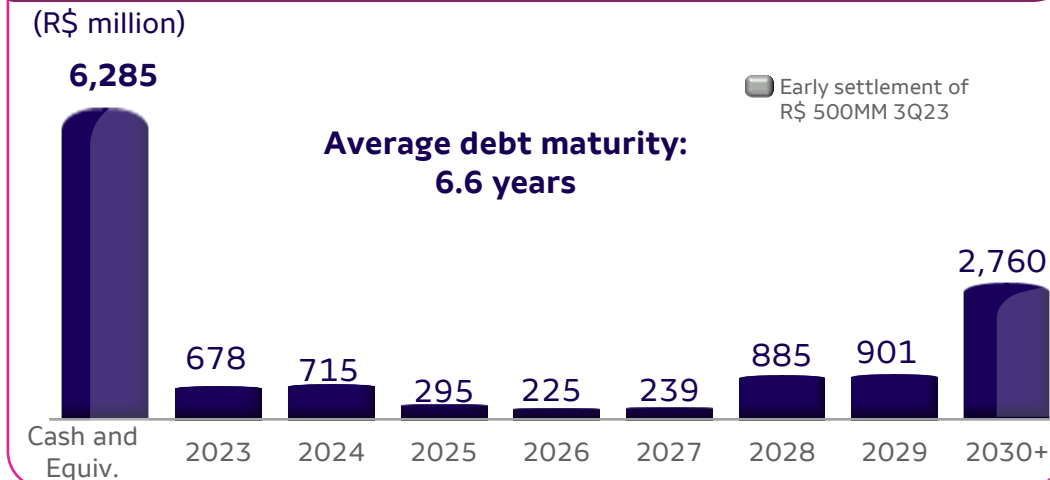


Gross Debt Profile

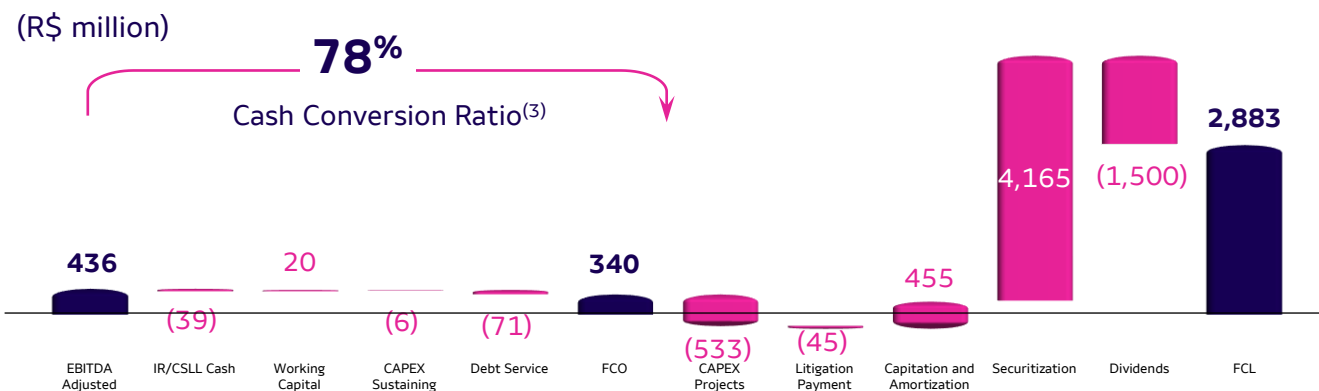
R\$6.7 billion



Amortization Schedule



Free Cash Flow 2Q23⁽²⁾



- Leverage of **0.3x** in **2Q23**
- Cash conversion ratio of **78%**
- Solid cash position of R\$6.3 billion, after securitization and dividend payment of R\$1.5 billion in 2Q23

Notes: (1) Net Debt/Adjusted EBITDA ratio; (2) Unaudited Proforma; (3) Cash Conversion Ratio = FCO/Adjusted EBITDA; (4) FCO = Operating Cash Flow after Debt Service; (5) FCL = Free Cash Flow.

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Growth in renewable energy generation is accompanied by investments in social development focused on income generation and education



Education

One of the **pillars** of **social investment** is **education**, from elementary to **vocational and technical education**, reflecting **greater employability** and **development of the local economy** in the regions of operation

Renewable Energies Technical Course, in Araripina (PE), graduated 90 people in 2022 and 270 more are in training

Professional qualification courses in partnership with **SENAI** with a **focus on workforce training** for **projects under implementation** and for **companies in the sector**

100% of solar panel pre-assembly workforce made up of women in Sol do Piauí

+60% local labor in Sol do Piauí and Sol de Jaíba projects

One of **Auren** 15 goals to boost people and business by 2030 is to **promote the training of people in the field of energy**



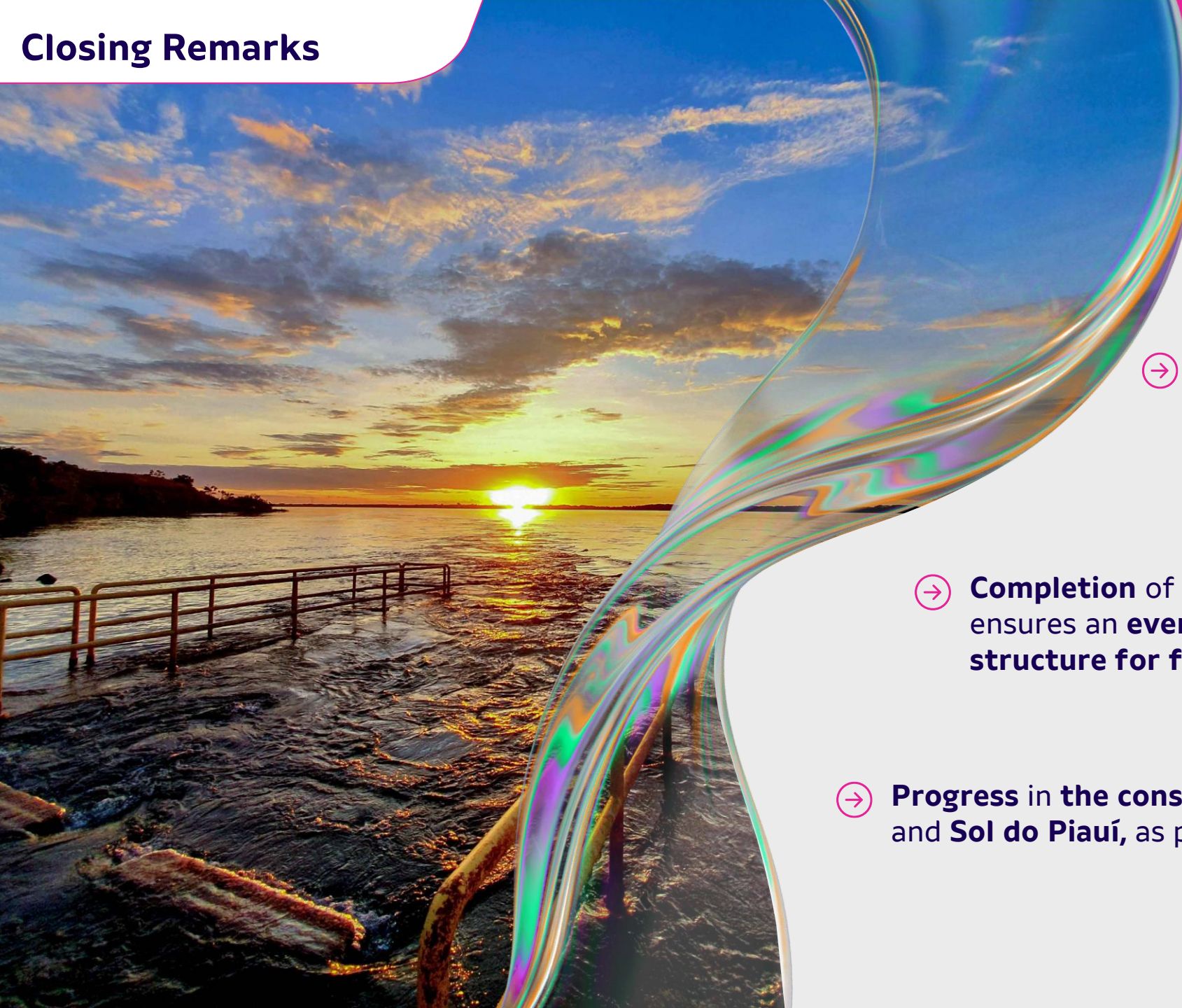
Access the Globo Repórter report

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Closing Remarks



→ **Leader in commercialization**, closing the quarter **as the largest energy trader in the country**

→ **Progress in actuarial risk management**, with the approval with VIVEST for **the change of liability indexers**

→ **Completion of Três Irmãos securitization** ensures an **even more ready capital structure for future allocations**

→ **Progress in the construction of Sol de Jaíba and Sol do Piauí**, as planned



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