

Earnings Release

3Q22

October/2022





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3Q22 Highlights

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Energy Market

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Closing Remarks



Operational



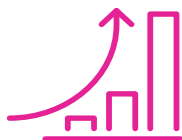
- 11.3% increase in hydroelectric generation. reflecting better hydrological conditions
- **Average generation** of the wind farms **Ventos do Piauí I, II and III** and **Ventos do Araripe III** above P90

Financial



- **Adjusted EBITDA** of **R\$498 million**, with an adjusted EBITDA margin of 32%
- **Operational cash generation** of **R\$846 million** after debt service in 9M22
- **Cash conversion ratio⁽¹⁾** of **67%** in 9M22

Growth and Innovation



- Final stage of the construction of the wind farms **Ventos do Piauí II and III**, with **nearly 90% of the 93 wind turbines currently in operation**
- **Progress in the negotiations** and **definitions of the terms** for the contracting of the solar projects **Jaíba V** and **Sol do Piauí**, which will add 548 MWac of installed capacity to the portfolio
- Intensification of the use of **analytics** and **artificial intelligence in the sale** of energy and management of the **energy balance**

Agenda

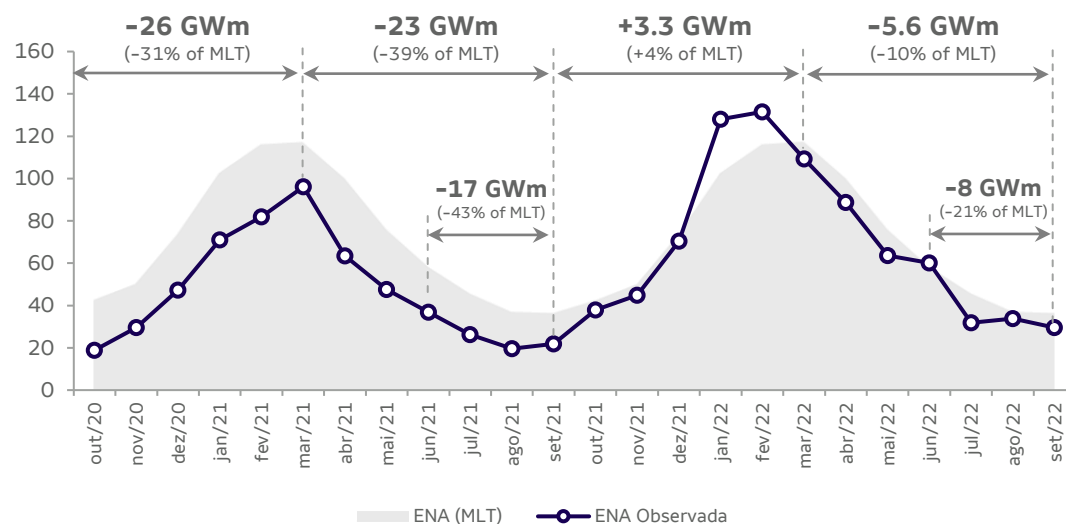
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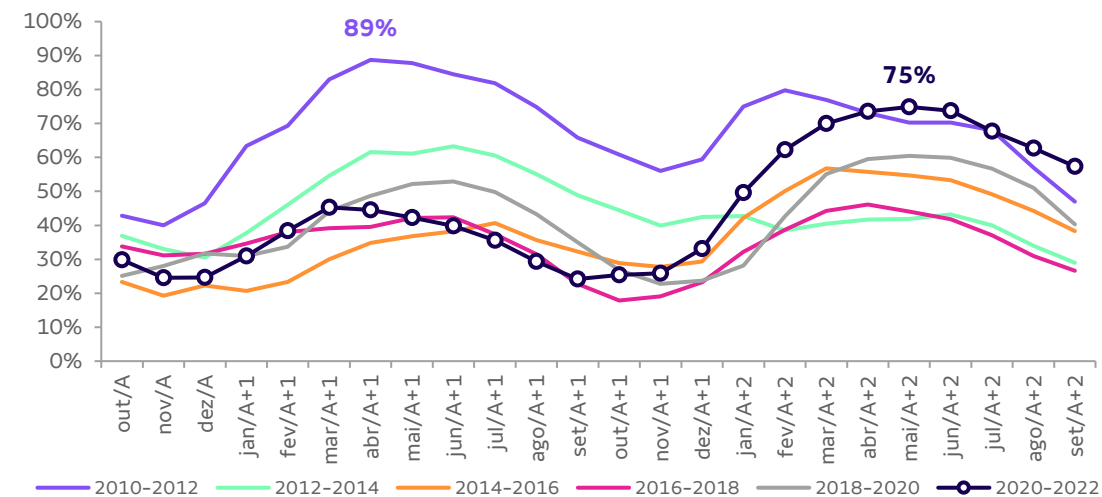
Performance of the National Interconnected System - SIN

After the water crisis, 2022 has the **best energy conditions of the last 10 years**

Affluent Natural Energy (GWavg)



Performance of Stored Energy (% maxSEN)



- **ANE⁽¹⁾ SIN of 79% in 3Q22** vs. 57% in 3Q21
- The **affluence** of SIN in 3Q22 was **21% lower** than the Long-Term Average (LTA)
- In 3Q21, affluence was **43% below** the LTA

- **SEN⁽²⁾ SIN of 57% of maximum storage capacity at the end of 3Q22** vs. 24% in 3Q21
- Reservoir level recovery, closing September 2022 with the **highest percentage since 2011**
- Year over year, all regions have higher storage levels

Through normative resolutions, ANEEL has defined a new methodology for the calculation of TUST, with significant effects

Changes in the tariff stabilization

- The transmission tariff of the generators was defined for 10 years or according to the grant period, depending on the energy sale environment, and adjusted for inflation
- As of Jul/2022, tariffs are annually defined

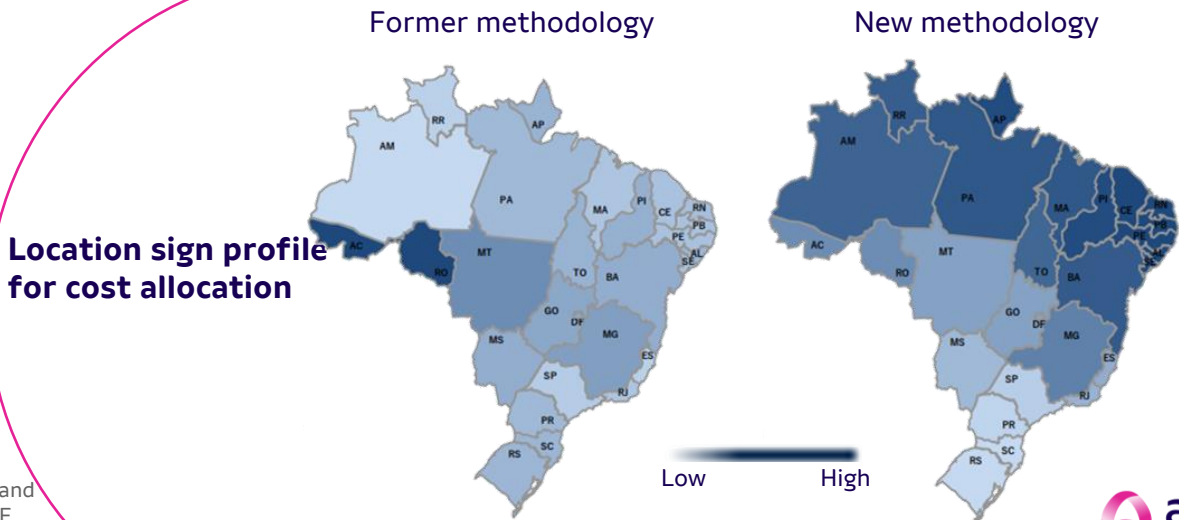
Change to the location sign

- The new methodology allocates higher transmission costs to agents further away from the load center

Transition period

- A range of ±5% was defined in setting the tariff to reduce the tariff impact and volatility
- The tariff will be defined based on the combination of two methodologies, the former and the new one, whose composition will vary every year until an equal proportion is reached in Jul/2027

Asset ⁽¹⁾	Power (MW)	TUST Stabilized	Stabilization Period
Porto Primavera HPP	1,540.0	Yes	10 years (Jul/2019 to Jun/2029)
EOL VdP I and VdA III ⁽²⁾	563.7	Yes	During the entire grant period
EOL VdP II and III ⁽³⁾	409.2	Yes	10 years (Jul/2022 to Jun/2032)
Campos Novos HPP ⁽⁴⁾	275.8	Yes	10 years (Jul/2013 to Jun/2023)
Barra Grande HPP ⁽⁴⁾	71.2	Yes	10 years (Jul/2013 to Jun/2023)
Machadinho HPP ⁽⁴⁾	38.8	Yes	10 years (Jul/2013 to Jun/2023)
UFV Jaíba	500.0	Yes	10 years (Jul/2023 to Jun/2033)



Notes: (1) The Paraibuna HPP, Amador Aguiar I and II HPP, Igarapava HPP, and Picada HPP are connected to the distribution system; (2) VdP I: Ventos do Piauí I and VdA III: Ventos do Araripe III; (3) VdP II and III: Ventos do Piauí II and III; (4) Assets in which Auren holds an indirect minority interest through the companies Pollarix and CBA Energia (UHE Campos Novos), CBA Energia (UHE Barra Grande) and Pinheiro Machado (UHE Machadinho)

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Operating Performance – Hydroelectric Assets

GSF⁽¹⁾

75%

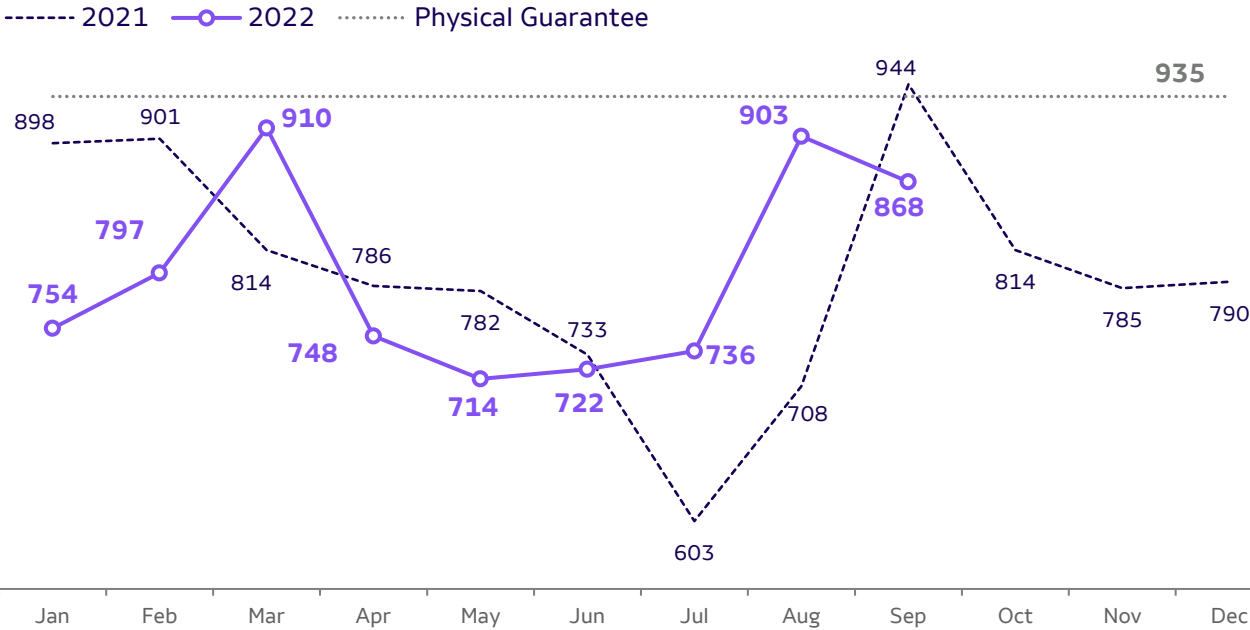
in 3Q22
vs. 51% in
3Q21

Energy Costs

39%

of reduction in the cost of
energy in 3Q22 vs. 3Q21

Hydroelectric Asset Generation⁽²⁾ (MWavg)



Jul-Sep



Jan- Sep

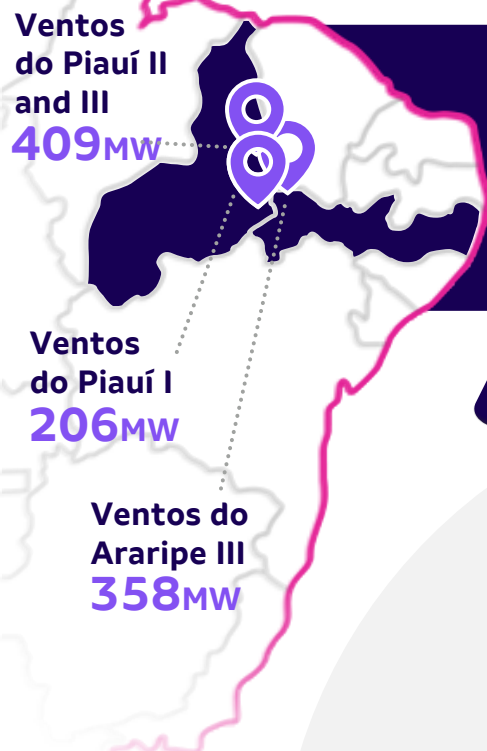


Porto Primavera
HPP
1,540MW

Paraibuna HPP
87MW

Note: (1) Generation Scaling Factor; (2) Considers only assets in which the Company holds a stake of 100%: Porto Primavera HPP and Paraibuna HPP.

Operating Performance – Wind Assets



Ventos do Piauí I
(MWm) (3Q22)

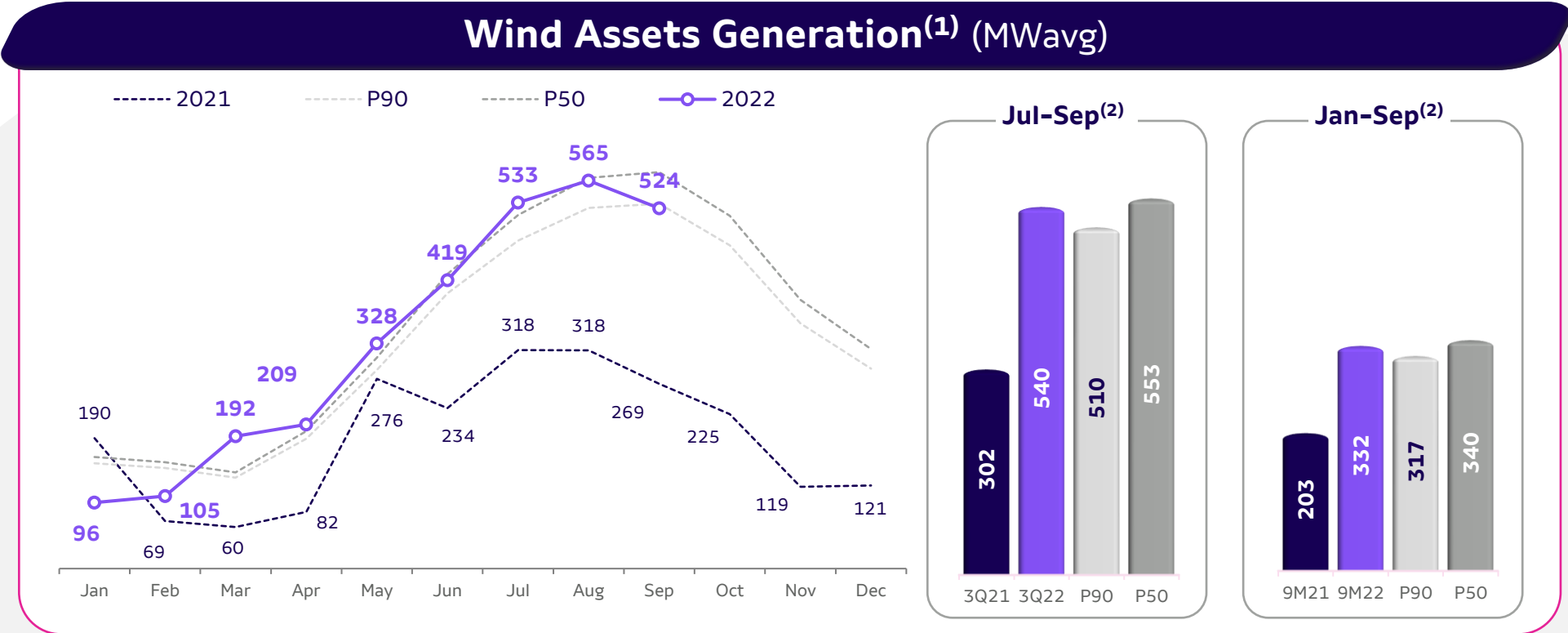
⬆️ **3%** (P90) ⬆️ **-2%** (P50)

Ventos do Piauí II and III
(MWm) (3Q22)¹

⬆️ **18%** (P90) ⬆️ **2%** (P50)

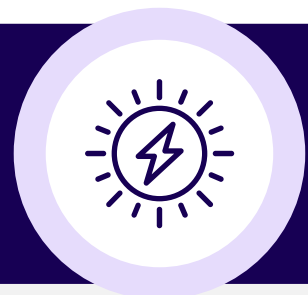
Ventos do Araripe III
(MWm) (3Q22)

⬆️ **1%** (P90) ⬆️ **-5%** (P50)



Note: (1) The calculation of P90 and P50 of Ventos do Piauí II and III was weighted by the daily start-up of the wind turbines. (2) Excluding Ventos do Piauí II and III, P90 would be 381 MWm and P50 would be 403 MWm in 3Q21. In 9M21, P90 would be 266 MWm and P50 would be 281 MWm.

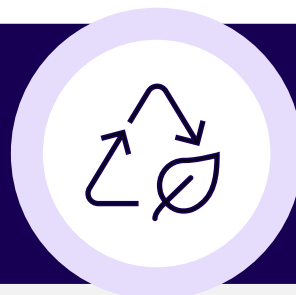
Consolidated Portfolio – Generation and Sales



3.1 GWm
of energy sold by 2024



+700
customers



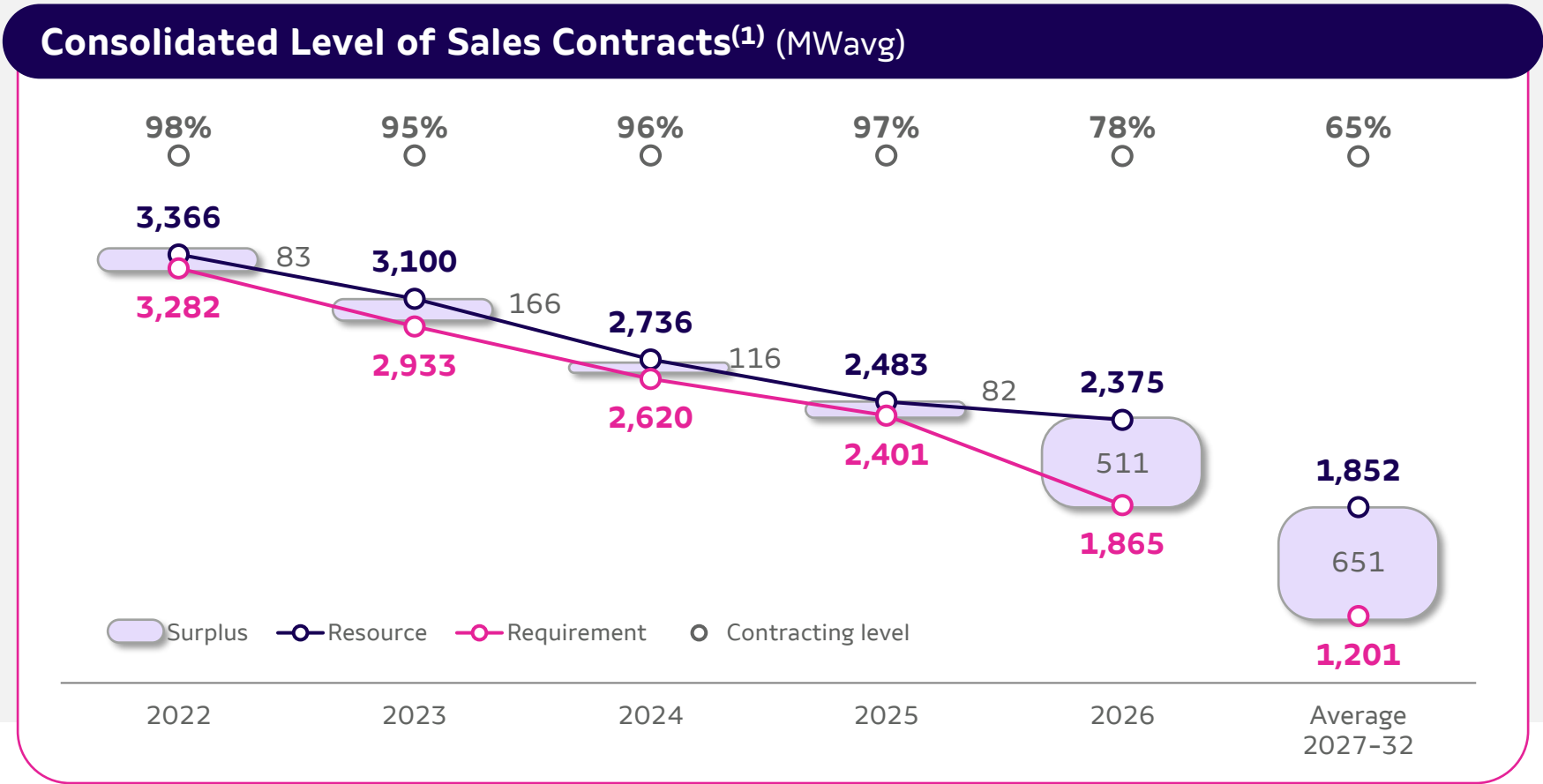
+5 million iRECs
and **+ 200 thousand**
tons of carbon credits sold

~90%

Contract level
by 2026

~65%

Average contract level
from 2027 to 2032

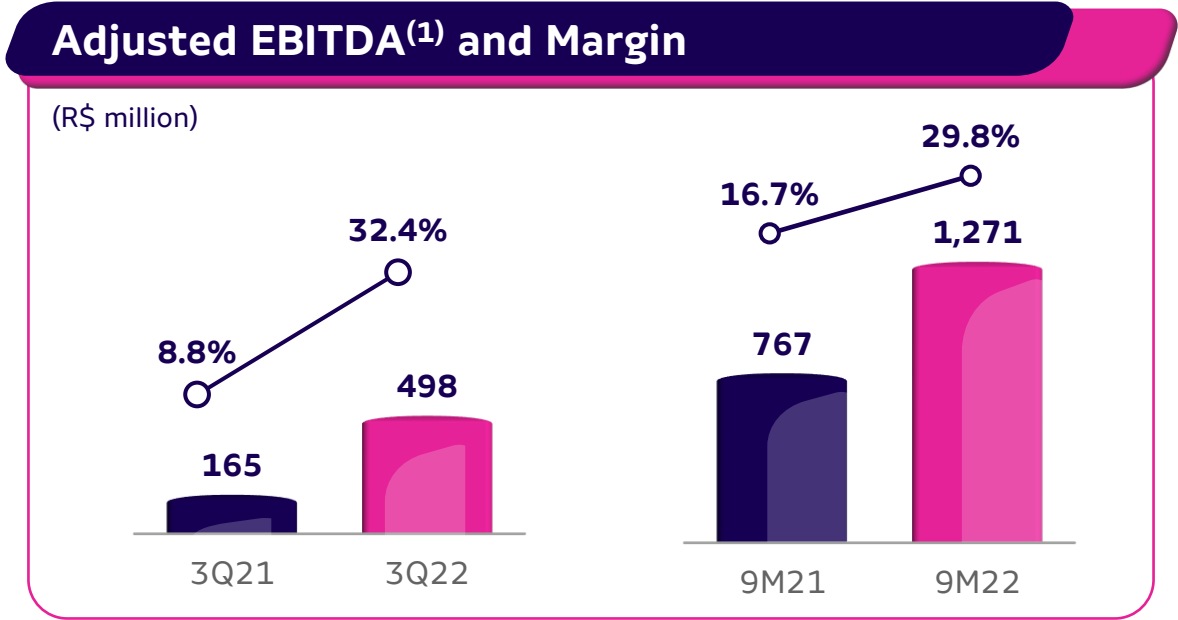
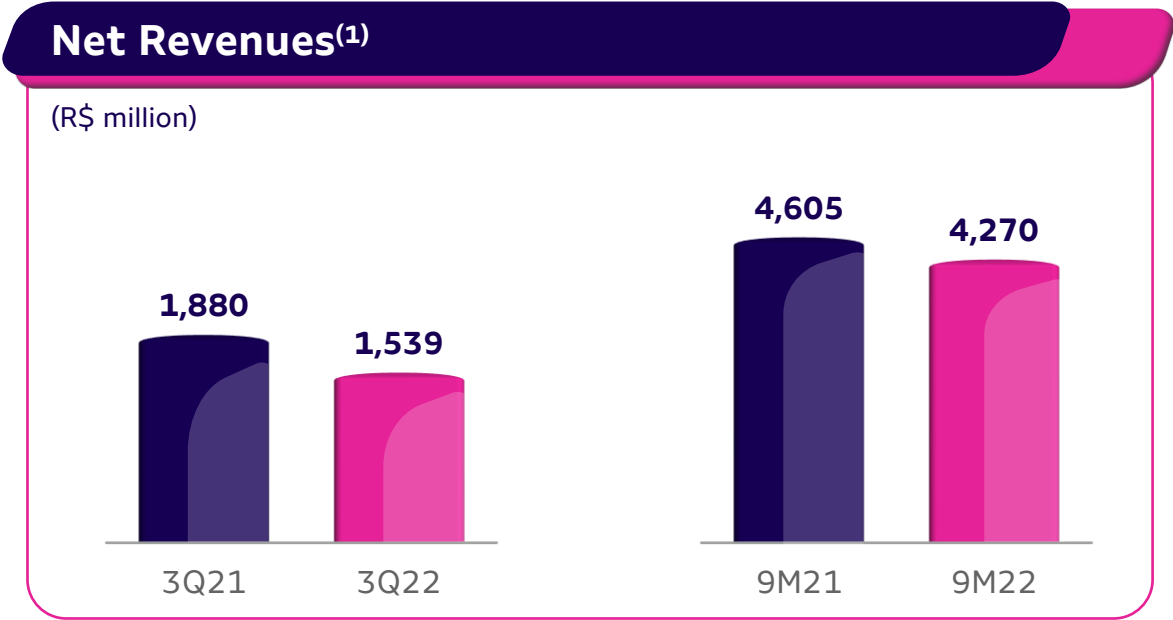


Note: (1) Considers physical guarantees net of basic grid losses. For Ventos do Piauí II and III, expectation of physical guarantees.

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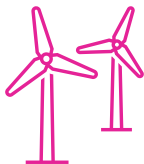




In 3Q22, the **+200% increase in the Adjusted EBITDA** and the higher **margin** reflect:



Reduction of energy purchased to level the energy balance vs. 3Q21



Partial start-up of **Ventos do Piauí II and III** and normalization of the wind farm **Ventos do Araripe III**

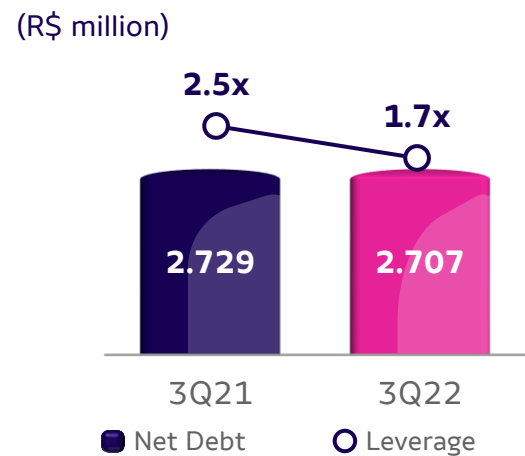


Adjustments to energy **sales contract prices**

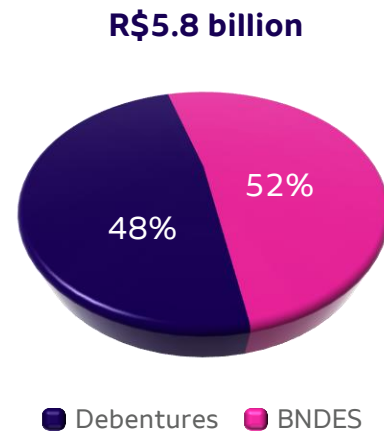
Note: (1) 2021 and 1Q22 are unaudited proforma figures.

Financial Performance

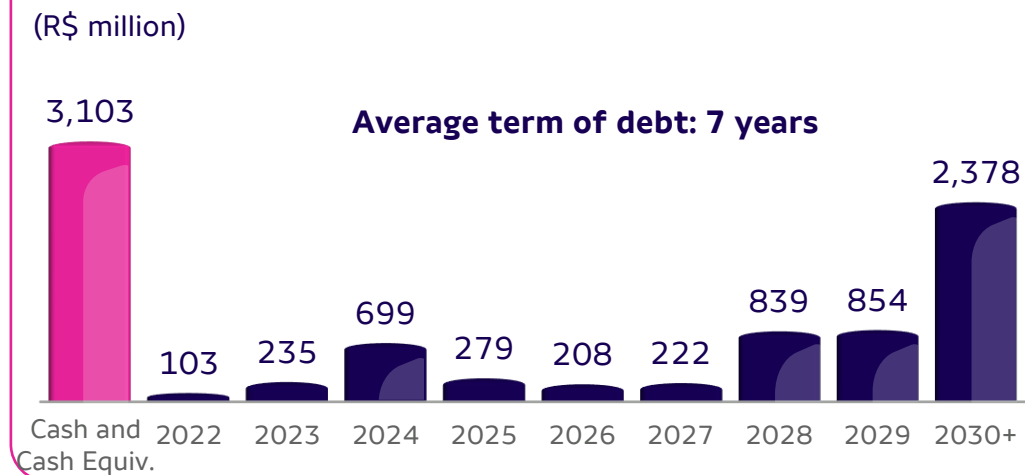
Net Debt and Leverage⁽¹⁾



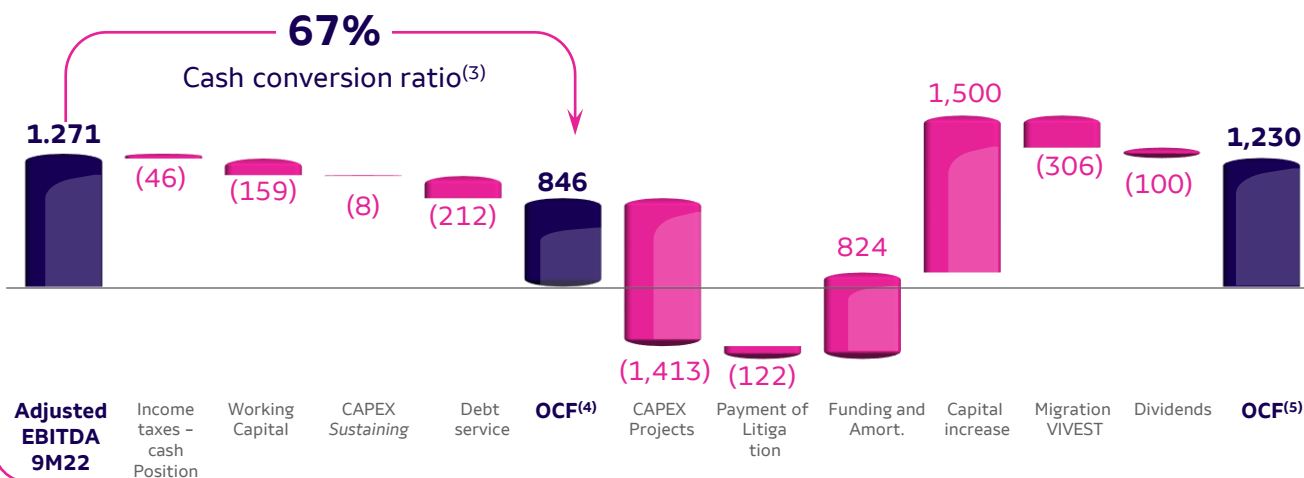
Gross Debt Profile



Amortization Schedule



Free Cash Flow 9M22⁽²⁾ (R\$ million)

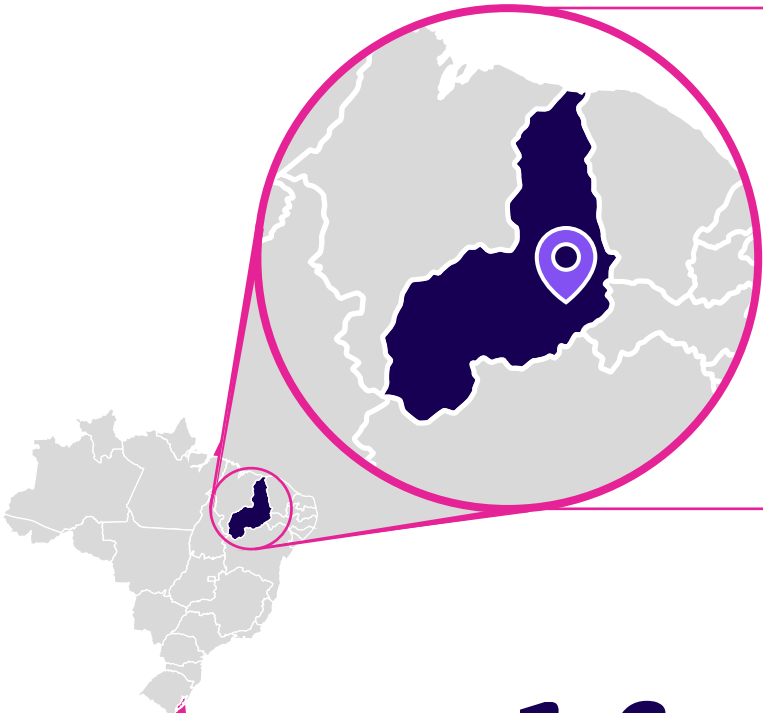


- Leverage of **1.7x**
- Average term of **debt extended**
- **Cash conversion ratio of 67%**
- Conclusion of the **migration of VIVEST** with a cash disbursement of R\$306 million

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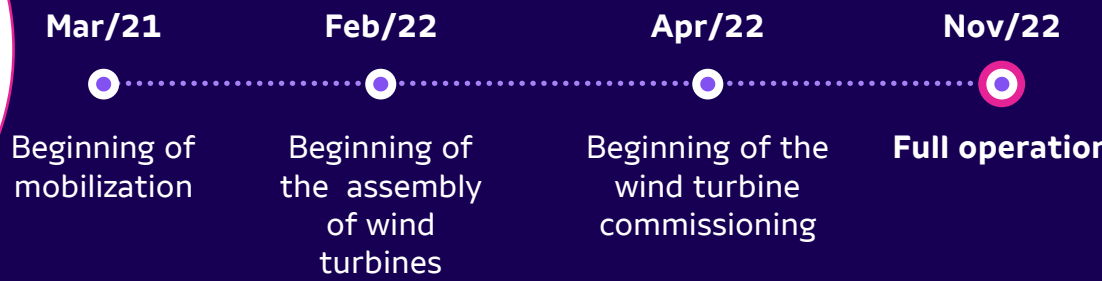




Ventos do Piauí II and III

409MW
of installed capacity

- *On time, on budget*
- Farm **100% operational** in November 2022



R\$1.6B
BNDES
Funding
(24 years, IPCA+4.56% p.a.)

~70%
of the energy
sold by 2032

~90% of the farm
in operation⁽¹⁾

79 GUs in commercial operation

4 GUs in operation under tests

Note: (1) Updated on the disclosure base date of this document.

Progress in negotiations and definition of the contract terms of the solar projects



Jaíba V

(Jaíba – MG)

626MW_p / 500MW_{ac}
of installed capacity



- Estimated CAPEX: **R\$2.0 billion** (R\$3.3M/MW_p)
- **COD⁽¹⁾**: 1H24
- **BNB Funding**
 - **R\$300 million**
 - **IPCA + 4.48% p.a.**
 - **24 years**



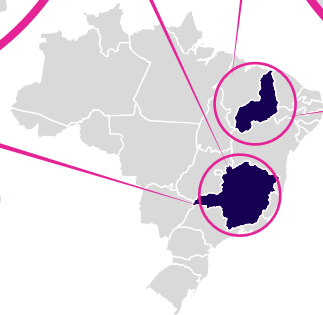
Sol do Piauí – Hybrid

(Ventos do Piauí I)

59MW_p / 48MW_{ac}
of installed capacity



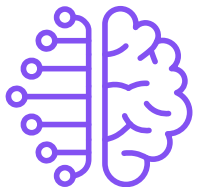
- Estimated CAPEX: **R\$255.1 million** (R\$4.3M/MW_p)
- **COD⁽¹⁾**: 2H23
- **BNDES Funding**
 - **~R\$190 million**
 - **IPCA + 3.65% p.a.**
 - **24 years**



Auren continues **progressing** in the formation of an energy **sales ecosystem** focused on **technology** and **data intelligence**. In 3Q22, the **acquisition** of the stake in **Aquarela** was concluded.



- Aquarela was founded in **2012**, and is a **reference in the use of artificial intelligence** (AI), having developed energy, education, agribusiness, oil & gas, and aerospace projects
- Intensification of the use of **analytics and AI** in the **sale and management of the energy balance**, deepening the understanding of the customers' consumption profile and preparing Auren for the **opening of the free market**
- Auren also intends to contribute knowledge so that the startup accelerates the provision of **analytics and AI services** to **other agents and consumers in the electricity industry**



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Strong Women Project

Piauí

We have strengthened **entrepreneurship** and **income generation** at Serra do Inácio (Piauí)

Partners

instituto
VOTORANTIM

BNDES

- Wit the **ReDes** program, aligned to BNDES' **socioeconomic development** methodology, we contribute to the **sustainable development** of Brazilian municipalities
- **Support and technical advisory** to entities and projects, cooperation of **production chains**, and investment in **business plans**, focusing on **training**



Manufacture and sale of products derived from cassava



Rural Producer Association of Serra do Inácio

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Closing Remarks

- **Diligent and agile** management of the **energy balance**
- Progress in the formation of the **sales ecosystem** with **market intelligence** and **capillarity** in the business management

- **Permanence** of the **Serra de Ibiapaba** greenfield Wind **Project** at Auren

- **Increase** of **25%** to Auren's current **physical guarantee** after the conclusion of the **Ventos do Piauí II and III, Jaíba V, and Sol do Piauí** projects
- Prepared **capital structure** and **discipline** in its **allocation** with a focus on **value creation**



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