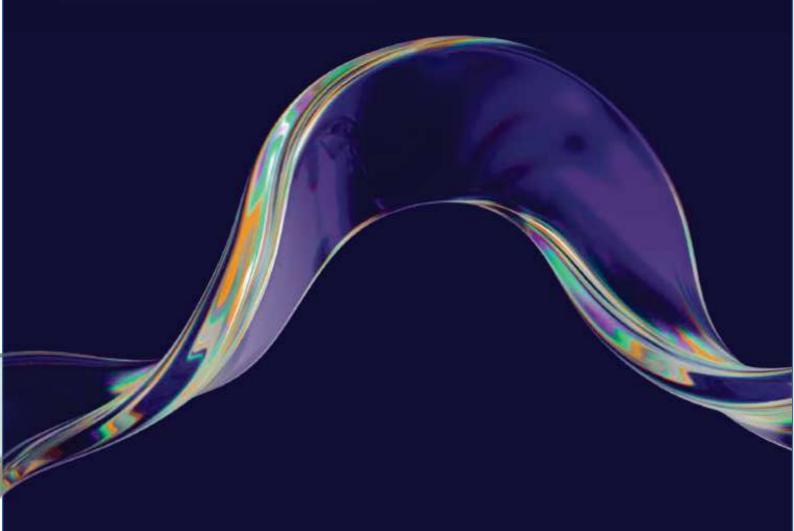
(A free translation of the original in Portuguese)





Condensed parent company and consolidates interim financial statements at September 30, 2022



(A free translation of the original in Portuguese)

# Report on review of parent company and consolidated condensed interim financial statements

To the Board of Directors and Shareholders Auren Energia S.A.

#### Introduction

We have reviewed the accompanying condensed balance sheet of Auren Energia S.A. ("Company") as at September 30, 2022 and the related condensed statements of operations and comprehensive income the quarter and nine-month period then ended, and the condensed statements of changes in equity and cash flows for the nine-month period then ended, as well as the accompanying consolidated condensed balance sheet of Auren Energia S.A. and its subsidiaries ("Consolidated") as at September 30, 2022 and the related consolidated condensed statements of operations and comprehensive income the quarter and nine-month period then ended, and the condensed statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of these parent company and consolidated condensed interim financial statements in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and International Accounting Standard (IAS) 34 - Interim Financial Reporting, of the International Accounting Standards Board (IASB. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

#### Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial Information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Brazilian and International Standards on Auditing and consequently did not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying parent company and consolidated condensed interim financial statements referred to above are not prepared, in all material respects, in accordance with CPC 21 and IAS 34.

#### **Emphasis of matter - Indemnification assets**

The subsidiary CESP - Companhia Energética de São Paulo has recorded "Indemnification assets" of R\$ 1,739,161 thousand, net of a provision, receivable from the Brazilian Federal Government (Note 12 to the interim condensed financial statements). The indemnification rights arose upon termination of the Três Irmãos, Jupiá and Ilha Solteira power plant concessions. CESP is seeking, through the courts, clarification for the basis for quantifying and redeeming the indemnifiable assets. Our review report is not qualified in respect of this matter.

#### Other matters

#### Condensed statements of value added

The interim condensed financial statements referred to above include the parent company and consolidated condensed statements of value added for the nine-month period ended September 30, 2022. These statements are the responsibility of the Company's management and are presented as supplementary information. These statements have been subjected to review procedures performed together with the review of the condensed interim financial statements for the purpose of concluding whether they are reconciled with the condensed interim financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in the accounting standard CPC 09 - "Statement of Value Added". Based on our review, nothing has come to our attention that causes us to believe that these condensed statements of value added have not been properly prepared, in all material respects, in accordance with the criteria established in this accounting standard, and consistent with the parent company and consolidated condensed interim financial statements taken as a whole.

São Paulo, October 26, 2022

PricewaterhouseCoopers
Auditores Independentes Ltda.
CRC 2SP000160/0-5

Docusigned by:

(Indix Educula Guarana Mandenca
Signed by CARLOS EDUARDO GUARANA MENDONCA 40137163649
CPF 40137163649
Signing Time 28 October 2022 | 19:30 BRT

Carlos Eduardo Guaraná Mendonça Contador CRC 1SP196994/O-2

### **Financial Performance**

	Consolidated Inc	ome Statemer	nt			
R\$ million	3Q22	3Q21	Var.	9M22	9M21	Var.
Gross Revenue	1.756,4	696,7	152,1%	4.569,5	2.094,5	118,2%
Net Revenue	1.538,9	616,2	149,7%	4.030,8	1.856,8	117,1%
Purchased Energy Cost	(1.056,6)	(411,9)	156,5%	(2.622,7)	(921,0)	184,8%
Operating Cost	(177,5)	(181,0)	-1,9%	(521,0)	(498,0)	4,6%
Gross Profit (Loss)	304,8	805,2	-62,1%	887,2	1.219,7	-27,3%
Operating revenues (expenses)	37,1	(98,5)	-137,6%	(269,6)	(29,4)	816,5%
Equity Income	52,3	-	-	136,3	-	-
Financial Result, Net	(53,1)	(151,6)	-65,0%	(405,0)	(561,5)	-27,9%
Income Tax and Social Contributions	(111,0)	(238,6)	-53,5%	(123,4)	(297,4)	-58,5%
Net Income (Loss)	230,1	316,5	-27,3%	225,5	331,4	-32,0%
EBITDA	503,2	863,7	-41,7%	1.115,1	1.628,9	-31,5%
Reversal of Provision for Litigation	(1,7)	(239,8)	-	77,2	(450,6)	-
Dividends and Income on Equity Received	15,7	-	-	107,4	-	-
Gain on migration of post-employment benefit	(20,1)	-	-	(20,1)	-	-
Judicial Deposits Write-Off	0,8	4,5	-83,1%	2,5	44,3	-94,4%
GSF renegotiation	-	(782,0)	-100,0%	-	(782,0)	-100,0%
impairment	-	299,5	-100,0%	-	299,5	-100,0%
Adjusted EBITDA	497,9	145,9	241,2%	1.282,1	740,1	73,2%
Adjusted EBITDA Margin	32%	24%		32%	40%	

#### **Net Revenue**

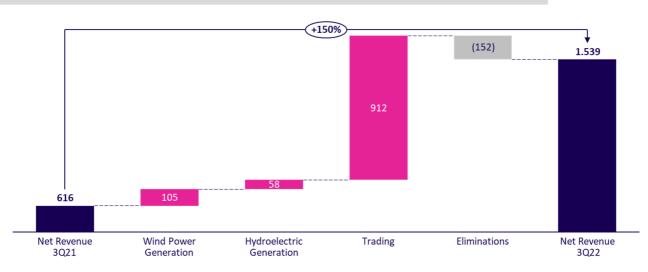
The net operating revenue in 3Q22 amounted to R\$1,539 million, an increase of R\$923 million, from R\$616 million in 3Q21, mainly due to:

- (a) **Hydroelectric Generation:** increase of R\$58 million or 16% compared to 3Q21, mainly explained by the update of contract prices in 3Q22 and the finalization of the derivative financial instruments in December 2021.
- (b) Wind Power Generation: increase of R\$105 million mainly explained by the total reestablishment of operational availability at Ventos do Araripe III in 2Q22, and the start of generation of the wind farm Ventos do Piauí II e III, which represents R\$23 million (or 15%) of the Wind Power Generation total revenue.
- **(c) Trading:** increase of R\$912 million mainly explained by the inclusion of Auren Comercializadora due to the conclusion of the corporate reorganization, with total revenue of R\$1,219 million in 3Q22 vs. R\$307 million in 3Q21.



**(d) Elimination:** increase of R\$152 million (R\$253 million in 3Q22 vs. R\$101 million in 3Q21), mainly explained by higher an increase in the volume of intercompany transactions between Generation and Trading.

### **Net Revenue Evolution 2Q21 vs. 2Q22 (R\$ million)**



### **Operating Costs and Expenses**

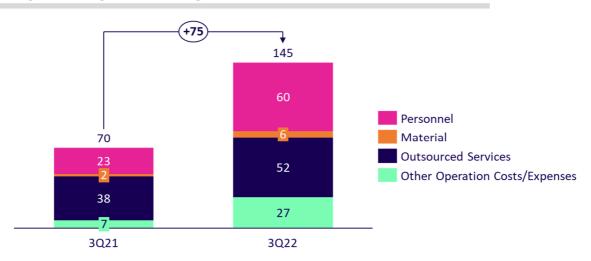
Operating costs and expenses<sup>1</sup> totaled R\$1,197 million in 3Q22, compared to R\$691 million in 3Q21, a increase of R\$506 million between the periods, mainly due to:

- (a) **Energy cost:** increase of R\$645 million (R\$1,057 million in 3Q22 vs. R\$412 million in 3Q21), explained by:
  - **Hydroelectric Generation:** decrease of R\$34 million in energy purchased to manage the energy balance, due to lower average prices, mainly due to better GSF in the period (75% in 3Q22 versus 51% in 3Q21.
  - **Wind Power Generation:** increase of R\$6 million, mainly due to the ramp-up of Ventos do Piaui II and III Wind Farm, with total of R\$12 million in 3Q22 vs. R\$6 million in 3Q21.
  - **Trading:** increase of R\$825 million mainly explained by the inclusion of Auren Comercializadora in the consolidation due to the corporate reorganization, totaling R\$1,148 million in 3Q22 vs. R\$323 million in 3Q21.

<sup>&</sup>lt;sup>1</sup> This total includes Energy Purchase Cost, Operation Cost and Operating Expenses.

• **Intercompany Operations**: increase in the volume of energy traded, totaling an increase of R\$152 million in the total energy cost in 3Q22.

### PMSO Expenses (R\$ million)



- **(b) PMSO:** increase of R\$75 million (R\$145 million in 3Q22 vs. R\$70 million in 3Q21), mainly due to inflationary effect and non-recurring events, including:
  - Personnel (P): increase of R\$37 million (R\$60 million in 3Q22 vs. R\$23 million in 3Q21) due to inflation adjustments and other activities within the corporate reorganization scope. This includes changes in organizational design and teams restructuring, especially in the trading and holding segments.
  - Material and Outsourced Services (MS): increase of R\$18 million (R\$58 million in 3Q22 vs. R\$40 million 3Q21), impacted by the corporate reorganization. In addition, there was an increase in maintenance expenses at the wind farms, the ramp-up of wind turbines in Ventos do Piauí II and III; and other services in the hydroelectric segment.
  - Other Operating Costs/Expenses (O): increase of R\$20 million in the period (R\$27 million in 3Q22 vs. R\$7 million in 3Q21), mainly related to insurance expenses.

### (c) Other Operating Costs/Expenses:

 Provision reversal for litigation: negative impact of R\$238 million due to a provision reversal of R\$2 million in 3Q22, vs. R\$240 million in 3Q21, which is a non-cash effect.



- Energy futures contracts (MtM): positive effect of R\$177 million (R\$188 million in 3Q22 vs. R\$11 million in Q21), which is a non-cash effect.
- **Impairment:** positive effect of R\$299 million in 3Q22 due to the renegotiation of impairment in 3Q21, a result of the 7 years limitation for the extension of concession fixed in law no 14.052/020, once the book value recognized through the hydrologic risk renegotiation of UHE Porto Primavera refers to a concession extension exceeding the limit set by law, in the subsidiary CESP.

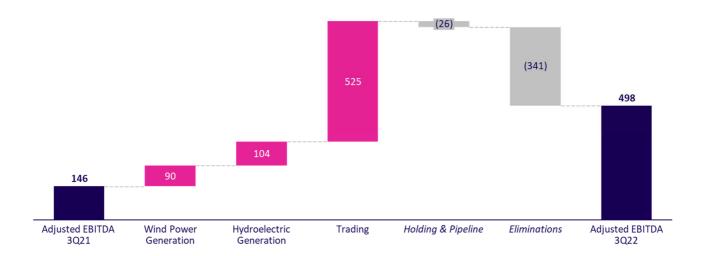
### **Adjusted EBITDA**

Consolidated Adjusted EBITDA reached R\$498 million in 3Q22, with margin of 32%, an increase of R\$352 million over the same period in 2021, mainly driven by:

- (a) Hydroelectric Generation: positive effect of R\$104 million, totaling R\$255 million in 3Q22 vs. R\$151 million in 3Q21, mainly related to a increase of R\$93 million in the energy margin, due to updated contract prices, combined with better performance in the energy balance equalization, as a consequence of a more favorable hydro scenario in 3Q22, compared to 3Q21.
- **(b) Wind Power Generation:** positive effect of R\$90 million, totaling R\$105 million in 3Q22 vs. R\$15 million in 3Q21, due to increase of operating revenue with the normalization of energy generation at Ventos do Araripe III and from the start of operations at the Ventos do Piauí II and III wind farm, whose generation performance was above P50.
- **(c) Trading:** EBITDA of R\$518 million in 3Q22 vs. a negative result of R\$7 million in 3Q21. Positive effect of R\$525 million compared to 3Q21, mainly explained by the inclusion of Auren Comercializadora in the consolidation after the conclusion of the corporate reorganization.
- (d) **Holding & Pipeline:** higher non-recurring expenses related to the corporate reorganization, totaling a negative result of R\$39 million in 3Q22, vs. R\$13 million in 3Q21.



### Adjusted EBITDA Evolution 3Q21 vs. 3Q22 (R\$ million)



#### **Financial Result**

	Financial	Result				
R\$ million	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Financial Income	112,8	41,2	173,6%	302,8	60,7	398,7%
Financial Expenses	(165,8)	(192,8)	-14,0%	(707,7)	(622,2)	13,7%
Debt Charges	(84,0)	(58,3)	44,0%	(202,3)	(165,1)	22,5%
Monetary Update of Debentures	9,9	(54,3)	-118,3%	(146,6)	(136,7)	7,2%
Balance Update of Provision for Litigation	(17,7)	(17,1)	3,3%	(93,9)	(145,4)	-35,4%
Judicial Deposits Write- Off	-	(6,0)	-100,0%	(2,5)	(7,8)	-67,8%
Balance Update of Postemployment Benefits	(41,8)	(39,5)	5,9%	(118,0)	(118,6)	-0,5%
Bank Contract Termination	-	-	-	(28,0)	-	-
Changes on Discount Operations	(12,1)	-	-	(34,0)	-	-
Other Financial Expenses, net	(20,1)	(17,5)	14,7%	(82,4)	(48,5)	69,8%
Total	(53,1)	(151,6)	-65,0%	(405,0)	(561,5)	- 27,9%

There was a reduction of the net financial result in 3Q22, with an accounting of an expense of R\$53 million compared to expense of R\$152 million in 3Q21. The reduction of the expense can be explained by, mainly:

- (a) **Financial income:** increase of R\$72 million in financial income mainly due to higher cash balance invested during the period and the rise in the average CDI rate.
- **(b) Debt charges:** increase of R\$26 million due to a higher gross debt, which totaled R\$6 billion in 3Q22, compared to R\$5 billion in December 2021.
- (c) Monetary update: the monetary update was positive in R\$10 million, because of the IPCA deflation of 1,3% in the period.



#### **Net Income**

	Net Inco	ome				
R\$ million	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Net Income (Loss)	230,1	316,5	-27,3%	225,5	331,4	-32,0%
Depreciation and Amortization	161,4	157,0	2,8%	497,7	438,6	13,5%
Financial Result	53,1	151,6	-65,0%	405,0	561,5	-27,9%
Income Tax and Social Contribution	111,0	238,6	-53,5%	123,4	297,4	-79,0%
Equity Income	(52,3)	-	0,0%	(136,3)	-	0,0%
EBITDA	503,2	863,7	-41,7%	1.115,2	1.628,9	-31,5%

The net income in 3Q22 was R\$230 million compared to R\$316 million in 3Q21, mainly due to:

- (a) **EBITDA**: the Company registered consolidated EBITDA (pre-adjusts) of R\$503 million, a reduction of R\$361 million, compared to R\$864 million registered in 3Q21, considering the non-recurring hydrological risk renegotiation and impairment test.
- **(b) Financial income (expenses)**: net financial expenses R\$99 million lower in 3Q22 vs. 3Q21, mainly because of increase of financial income from cash position and the decrease in the monetary update of debentures due to the deflation.
- (c) **Provision reversal for litigation:** negative impact of R\$238 million due to a provision reversal of R\$2 million in 3Q22, vs. R\$240 million in 3Q21.
- (d) Income tax: decrease of R\$128 million, in line with the taxable income.
- **(e) Equity income**: represents the results from the hydroelectric plants in which Auren holds interest, through preferred shares. In 3Q22, the result was positive R\$52 million.



(A free translation of the original in Portuguese)

#### Index

Cond	lensed interim statement of operations income	2
Cond	lensed interim statement of comprehensive income	3
Cond	lensed interim statement of cash flows.	4
Balar	nce sheet	6
Cond	lensed interim statement of changes in equity.	8
	lensed interim statement of value added.	
Cona	Clisca interim statement of value added.	
Note	s to the condensed parent company and consolidated interim financial statements	
1	Operations	10
2	Presentation of consolidated and individual condensed interim financial statements and summary of	
	accounting practices	
3	Critical accounting estimates and judgments	
4	Presentation of information by business segment	
5	Business combination	
6	Revenue	
7	Costs and expenses	28
8	Net financial result	30
9	Cash and cash equivalents, financial investments and liquidity fund - repayment account	
10	Accounts receivable from customers	
11	Judicial deposits and security deposits	33
12	Asset subject to indemnification	
13	Investments	34
14	Asset	38
15	Intangible	40
16	Leases	42
17	Loans, financing and debentures	43
18	Suppliers	
19	Current and deferred income tax and social contribution	
20	Energy futures contracts	48
21	UBP - Use of the Public asset	48
22	Social and environmental obligations and asset demobilization	49
23	Provision for reimbursement	49
24	Provisions	50
25	Post-employee benefits	51
26	Related parties	
27	Equity	56
28	Financial instrument and risk management	57
29	Explanatory notes not presented herewith	61
30	Subsequent events	62

# Auren Energia S.A. Condensed interim statement of income Periods ended September 30



In thousands of reais

(A free translation of the original in Portuguese)

					Consolidated				Parent company
	Note	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Net revenue	6	1,538,901	616,194	4,030,814	1,856,801	-	-	-	-
Electricity cost	7	(1,056,597)	(412,207)	(2,622,654)	(921,312)	-	-	-	-
Operation cost	7	(177,481)	(180,718)	(520,972)	(497,739)	-	-	-	-
Renegotiation of hydrological risk	7	-	781,974	-	781,974.00	-	-	-	-
Gross profit		304,823	805,243	887,188	1,219,724	-	-	-	-
Operating expenses	7								
General and Administrative Expenses		(99,811)	(38,730)	(265,557)	(109,514)	(35,107)	(9,366)	(93,617)	(23,823)
Other operating income (expenses), net		136,873	(59,812)	(4,102)	80,076	(24,348)	(7,109)	(58,528)	(8,608)
		37,062	(98,542)	(269,659)	(29,438)	(59,455)	(16,475)	(152,145)	(32,431)
Operating income (loss) before equity interests and financial result		341,885	706,701	617,529	1,190,286	(59,455)	(16,475)	(152,145)	(32,431)
Income from equity interests									
Share of results of investee	13 (b)	52,300		136,291		244,646	88,868	284,134	64,662
		52,300	-	136,291	-	244,646	88,868	284,134	64,662
Net financial income	8								
Financial revenues		112,759	41,211	302,721	60,696	52,961	22,158	152,526	24,006
Financial expenses		(165,812)	(192,785)	(707,662)	(622,156)	(17,473)	(9,279)	(79,685)	(10,947)
		(53,053)	(151,574)	(404,941)	(561,460)	35,488	12,879	72,841	13,059
Profit before income tax and social contribution		341,132	555,127	348,879	628,826	220,679	85,272	204,830	45,290
Income tax and social contribution	19 (a)								
Current		9,139	23,141	(40,293)	(11,384)	-	-	-	40
Deferred		(120,185)	(261,742)	(83,112)	(286,059)	9,407	(3,027)	16,430	(1,041)
Net income attributed to shareholders		230,086	316,526	225,474	331,383	230,086	82,245	221,260	44,289
Net income attributable to controlling shareholders		230,086	82,245	221,260	44,289	230,086	82,245	221,260	44,289
Net income attributable to non-controlling shareholders			234,281	4,214	287,094				-
Net income for the period		230,086	316,526	225,474	331,383	230,086	82,245	221,260	44,289
Weighted average number of shares - thousands		1,000,000	1,985,095	908,441	1,985,095	1,000,000	1,985,095	908,441	1,985,095
Basic and diluted profit) per thousand shares, in reais		0.2301	0.1595	0.2482	0.1669	0.2301	0.0414	0.2436	0.0223

# Condensed interim statement of comprehensive income Periods ended September 30



In thousands of reais

(A free translation of the original in Portuguese)

				Consolidated				Parent company
	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Net income for the period	230,086	316,526	225,474	331,383	230,086	82,245	221,260	44,289
Other components of the comprehensive period income to be subsequently reclassified to income								
Derivative financial instruments, net of tax effects	-	8,421	-	41,876	-	3,401	-	18,316
Remeasurement of retirement benefits, net of tax effects (Note 25 (b))	(11,761)	392,349	(11,761)	392,349	(11,761)	156,962	(11,761)	156,962
Other components of the comprehensive period income that will not subsequently be reclassified to income								
Loss of interest investee	-	-	-	(3,332)	-	-		(1,333)
Total comprehensive income for the period	218,325	717,296	213,713	762,276	218,325	242,608	209,499	218,234
Net income for the period attributable to controlling shareholders	218,325	242,608	209,499	218,234	218,325	242,608	209,499	218,234
Net income for the period attributable to non-controlling shareholders		474,688	4,214	544,042				
	218,325	717,296	213,713	762,276	218,325	242,608	209,499	218,234

#### **Condensed interim statement of cash flows**

#### **Periods ended September 30**

In thousands of reais



	_		Consolidated		Parent company
	Note	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Cash flow from operating activities					
Profit before income tax and social contribution		348,879	628,826	204,830	45,290
Adjustments for noncash items					
Depreciation and amortization	7	470,980	409,563	60,847	2,70
Amortization of capital gains	7	26,671	26,218		
Retirement of property, plant, and right to use lease agreements		579	3,070		
Renegotiation of hydrological risk	7	-	(781,974)	-	
Share of results of investee	13 (b)	(136,291)	-	(284,134)	(64,662
Interest and indexation accruals		105,618	292,421	34,359	
Cost of issuances	17 (c)	11,375	10,168	464	
Judicial deposits written off	11	4,983	52,117		
Hedge accounting		5	76,427		
Energy futures contracts	20	(180,344)	3,599		
Income on reserve fund		(9,343)	(2,225)	-	
Provisions (reversals)					
Provision (reversal) for litigation	24 (a)	77,210	(450,631)	-	
Provision for reimbursement	23	32,616	176,794	-	
Provision for impairment of intangible assets	7	-	299,452	-	
Changes in balances					
Provision for litigation	24 (a)	93,866	145,406	-	
Post-employment benefits	25 (b)	118,049	118,591	-	
Gain by migration post-employment benefits	25 (b)	(20,148)	-	-	
Cost of post-employment benefits services	25 (b)	93	1,314	-	
Judicial deposits	11	(10,526)	(6,719)	-	
Adjustment to present value		-	-	-	
Social and environmental obligations	22	12,883	9,815	-	
UBP - Use of the public asset	21	4,162	4,278	-	
Transactions with related parties		(12,893)	(11,690)	(13,128)	(11,825
Leases	16 (b)	249	181	115	
	<u>_</u>	938,673	1,005,001	3,353	(28,489
Decrease (increase) in assets					
Derivative financial instruments		(42)	-	-	
Accounts receivable from customers		(24,980)	60,183	-	
Taxes to be recovered		(45,357)	(14,625)	(19,493)	(746
Warehouse		(886)	225	-	
Judicial deposits and security deposits	11	30,300	1,414	-	
Related parties		3,933	7,436	(13,719)	
Other credits and other assets		(5,805)	(7,348)	6,951	8
ncrease (decrease) in liabilities					
Suppliers		(19,654)	143,390	(452)	(697
Derivative financial instruments		(12,585)	(71,208)	-	
Social obligations and payroll		(18,864)	(3,499)	4,862	(815
Taxes payable		55,390	2,786	(2,408)	(7,399
Sector charges		694	(2,080)	-	
Payment of social and environmental obligations	22	(21,375)	(12,491)	-	
Payment of UBP - Use of the public asset	21	(31,893)	(31,808)	-	
Payment of litigation	24 (a)	(85,334)	(118,189)	-	
Payment for post-employment benefits	25 (b)	(45,365)	(443)	-	
Effect migration benefits post-employment - CD plans	1.1.1 (c)	(306,015)	-	-	
Other obligations and other liabilities		(24,597)	44,481	87	41
Cash generated by (used in) operating activities	_	386,238	1,003,225	(20,819)	(37,641
Interest paid on loans, financing and debentures	17 (c)	(211,695)	(179,046)	-	
Interest paid on loans, financing and debentures Income tax and social contribution paid	17 (c)	(211,695) (53,079)	(179,046) (39,221)	(1,750)	

#### **Condensed interim statement of cash flows**

#### **Periods ended September 30**

In thousands of reais



Nota   30/9/2022   30/9/2021   30/9/2022				Consolidado		Controladora
Financial investments   222,435		Nota				1/1/2021 a 30/9/2021
Reserve account	Cash flow from investing activities				-	
Reserve account			232.435		-	
Acquisition of PPRE and intangible assets   14 (a) e 15 (a)   (1,347,290)   (432,265)   (14,461)   (10,712)	Reserve account			(15.125)		
Capital increase in investments	Acquisition of PP&E and intangible assets	14 (a) e 15 (a)			(14.461)	(10,712)
Acquisition of investment Receipt of dividends and interest on equity 1.1.2 (I) 107.413 - 107.413 386,657 (10.23,583) (10.23,5			-	-		(246,866)
Receipt of dividends and interest on equity   1.1.2 ( )   107,413   - 107,413   386,655     Net cash generated by (used in) investing activities   (1,023,583)   (447,390)   (198,913)   129,075     Cash flow from financing activities   Fundraising   17 (c)   902,943   538,842   - 10,000   10,000   10,000   10,000     Settlement of loans, financing and debentures   17 (c)   (17,016)   (19,198)   (12)   (17,000   1,500,000			(9,858)	-	-	-
Net cash generated by (used in) investing activities         (1,023,583)         (447,390)         (198,913)         129,075           Cash flow from financing activities         Fundraising         17 (c)         902,943         538,842         - 10,000           Settlement of loans, financing and debentures         17 (c)         (17,016)         (19,198)         (72)         - 1,000,000           Cost of fundraising         17 (c)         (17,016)         (19,198)         (72)         - 1,000,000	Receipt of dividends and interest on equity		107,413	-	107,413	386,657
Fundraising   17 (c)   902,943   538,842   -	Net cash generated by (used in) investing activities		(1,023,583)	(447,390)	(198,913)	129,079
Settlement of loans, financing and debentures         17 (c)         (78,937)         (79,881)         -           Cost of fundraising         17 (c)         (17,016)         (19,198)         (72)         1,500,000         -         1,500,500         -         1,500,500         -         1,500,500         -         1,500,500         -         1,500,500         -         1,500,500         -         1,500,500         -         1,500,500	Cash flow from financing activities					
Cost of fundraising   17 (c)	Fundraising	17 (c)	902,943	538,842	-	-
Share capital subscription   1.1.2 (c)   1,500,000	Settlement of loans, financing and debentures	17 (c)	(78,937)	(79,881)	-	-
Settlement of leases     16 (b)     (2,735)     (1,311)     (1,558)     (70       Payment of dividends and interest on equity     (99,991)     (502,359)     (99,987)     502,359     (99,987)     502,359     (99,987)     502,359     (99,987)     502,359     (99,987)     502,359     (99,987)     502,359     603,907     1,319,883     (70       Net cash generated by (used in) financing activities     1,223,608     273,661     1,098,364     91,368       Cash from the merger of VGE     1,122 (b)     24,994     -     24,894     -     24,894     -     24,894     -<	Cost of fundraising	17 (c)	(17,016)	(19,198)	(72)	-
Payment of dividends and interest on equity   (99,991)   (502,359)   (99,987)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (78,500)   (70,500)   (78,500)   (70,50	Share capital subscription	1.1.2 (c)	1,500,000		1,500,000	-
Share redemption   (78,500)   (	Settlement of leases	16 (b)	(2,735)	(1,311)	(1,558)	(70)
Net cash generated by (used in) financing activities 2,125,764 (63,907) 1,319,883 (70 Increase in cash and cash equivalents 1,223,608 273,661 1,098,364 91,368 273,661 1,098,364	Payment of dividends and interest on equity		(99,991)	(502,359)	(99,987)	-
Increase in cash and cash equivalents   1,223,608   273,661   1,098,364   91,366	Share redemption		(78,500)		(78,500)	-
Cash from the merger of VGE Cash from merged company upon consolidation 33,935	Net cash generated by (used in) financing activities		2,125,764	(63,907)	1,319,883	(70)
Cash from merged company upon consolidation         33,935         -	Increase in cash and cash equivalents		1,223,608	273,661	1,098,364	91,368
Cash from merged company upon consolidation         33,935         -						
Cash and cash equivalents at the beginning of the period  2,878,355  1,376,313  1,506,507  193,075  Principal transactions that did not affect cash  Reverse merger VGE - capital increase and merger of assets  Asset balances  Investments and goodwill incorporated  Investments - non-controlling shareholders  Investments - non-controlling sha	Cash from the merger of VGE	1.1.2 (b)	24,994	-	24,994	-
Cash and cash equivalents at the end of the period   2,878,355   1,376,313   1,506,507   193,075	Cash from merged company upon consolidation		33,935		-	-
Principal transactions that did not affect cash  Reverse merger VGE - capital increase and merger of assets  Asset balances  Investments and goodwill incorporated Investments and goodwill incorporated Investments and goodwill in intangibles Is (a) 1,30,233 - 1,573,432.  Capital gain in intangibles Is (a) 1,540,542 - 1,119,573  Merger of CESP shares  Merging investments - non-controlling shareholders Investmen	Cash and cash equivalents at the beginning of the period		1,595,818	1,102,652	383,149	101,711
Reverse merger VGE - capital increase and merger of assets         Asset balances       13 (b)       42,544       -       -         Investments and goodwill incorporated       13 (b)       1,030,233       -       1,573,432.         Capital gain in intangibles       15 (a)       1,540,542       -       1,119,573         Merger of CESP shares         Merging investments - non-controlling shareholders       13 (b)       -       -       4,555,943         Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders       13 (b)       -       -       56,641         Others       Capital injection Helios IV       11.2 (i)       11,920	Cash and cash equivalents at the end of the period		2,878,355	1,376,313	1,506,507	193,079
Reverse merger VGE - capital increase and merger of assets         Asset balances       13 (b)       42,544       -       -         Investments and goodwill incorporated       13 (b)       1,030,233       -       1,573,432.         Capital gain in intangibles       15 (a)       1,540,542       -       1,119,573         Merger of CESP shares         Merging investments - non-controlling shareholders       13 (b)       -       -       4,555,943         Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders       13 (b)       -       -       56,641         Others       Capital injection Helios IV       11.2 (i)       11,920	Principal transactions that did not affect each					
Asset balances 13 (b) 42,544 - 1 Investments and goodwill incorporated 13 (b) 1,030,233 - 1,573,432.  Capital gain in intangibles 15 (a) 1,540,542 - 1,119,573  Merger of CESP shares  Merging investments - non-controlling shareholders 13 (b) - 2 4,555,943  Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders 13 (b) - 56,641  Others  Capital injection Helios IV 1.1.2 (i) 11,920						
Investments and goodwill incorporated 13 (b) 1,030,233 - 1,573,432.  Capital gain in intangibles 15 (a) 1,540,542 - 1,119,573  Merger of CESP shares  Merging investments - non-controlling shareholders 13 (b) 4,555,943  Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders 13 (b) 56,641  Others  Capital injection Helios IV 1.1.2 (i) 11,920		13 (b)	12 511	_	_	
Capital gain in intangibles 15 (a) 1,540,542 - 1,119,573  Merger of CESP shares  Merging investments - non-controlling shareholders 13 (b) - 4,555,943  Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders 13 (b) - 56,641  Others  Capital injection Helios IV 1.1.2 (i) 11,920					1 572 /22	
Merger of CESP shares  Merging investments - non-controlling shareholders  Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders  Others  Capital injection Helios IV  1.1.2 (i)  1.1.920						
Merging investments - non-controlling shareholders       13 (b)       -       -       4,555,943         Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders       13 (b)       -       -       56,641         Others       Capital injection Helios IV       1.1.2 (i)       11,920		15 (a)	1,340,342		1,119,575	_
Capital gains on 2018 acquisitions, net of taxes - non-controlling shareholders 13 (b) 56,641  Others  Capital injection Helios IV 1.1.2 (i) 11,920		13 (b)		_	4 555 042	
Others         Capital injection Helios IV         1.1.2 (i)         11,920						
Capital injection Helios IV 1.1.2 (i) 11,920		13 (0)	-	-	30,041	-
		1 1 2 (i)			11 920	
capital injection ventos do maia in ana in		1.1.2 (1)			11,520	188 659
Partial spin off of Ventos de São Paulo II Energias Renováveis S.A (32,384			-		-	(32,384)

#### **Balance sheet**

In thousands of reais



(A free translation of the original in Portuguese)

Consolidated		Parent Company
12/31/2021	9/30/2022	12/31/2021
1,595,818	1,506,507	383,149
77,751	-	
6,153	-	
328,631	-	
36,714	27,410	4,898
	259,847	160,963
3,678	26,988	
270,815	-	
24,011	1,081	6,163
2,343,571	1,821,833	555,173
8,428	-	
2,351,999	1,821,833	555,173
100,048		
66,311	100,056	58,59
195,968	-	
3,408,893		
6,042		
341,292		
1,739,161		
842		
5,858,557	100,056	58,59
	11,026,571	4,405,443
8,980,282	14,626	3,33
2,366,432	1,267,541	281,748
		281,748
17,210,554	12,411,993	4,749,13
19 562 552	14 233 826	5,304,312
	5,283	5,283 3,199 17,210,554 12,411,993

#### **Balance sheet**





	_		Consolidated		Parent company
	Note	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Liabilities and net equity					
Current					
Loans, financing and debentures	17	236,588	208,959	-	-
Suppliers	18	467,973	225,578	7,945	8,146
Leases	16 (b)	3,448	1,824	955	31
Derivative financial instruments		119	12,699	-	-
Energy futures contracts	20	1,441,749	282,619	-	-
Estimated obligations and payroll		49,129	23,893	16,971	1,512
Taxes payable		80,666	37,709	1,452	4,781
Sector charges		20,864	20,170	-	-
Dividends payable and interest on equity	26	273,113	249,692	37,378	13,952
UBP - Use of a public asset	21	43,842	42,462	-	-
Social and environmental obligations and asset demobilization	22	50,790	44,065	-	-
Provision for reimbursement	23	350,527	325,557	-	-
Other liabilities		86,468	126,728	154	28,196
	_	3,105,276	1,601,955	64,855	56,618
Non-current					
Loans, financing and debentures	17	5,492,200	4,501,915	330,505	299,674
Suppliers	18	78,382	74,216	78,089	74,216
Derivative financial instruments	10	3	- 1,220		, ,,210
Leases	16 (b)	77,214	3,674	2,273	
Energy futures contracts	20	3,282,584	337,697		
Taxes payable	20	21,512	13,396		
Related parties	26	106,217	64,182	88,265	46,658
Deferred income tax and social contribution	19 (b)	773,683	352,024	709,660	330,998
UBP - Use of a public asset	21	58,869	87,531	-	-
Social and environmental obligations and asset demobilization	22	276,092	270,276		
Provision for reimbursement	23	25,690	7,970	_	
Provisions	24	1,417,114	1,329,412		
Post-employment benefits	25	1,549,933	1,785,499	_	
Other liabilities	25	122,599	86,291	9,652	38,745
Other natinities	_	13,282,092	8,914,083	1,218,444	790,291
Total liabilities	_	16,387,368	10,516,038	1,283,299	846,909
Net equity	27				
Capital stock		5,940,137	3,000,836	5,940,137	3,000,836
Capital reserve		5,430,372	-	5,430,372	-
Profit reserves		1,775,893	1,861,941	1,775,893	1,861,941
Equity valuation adjustments		(417,135)	(405,374)	(417,135)	(405,374)
Retained earnings		221,260	-	221,260	-
		12,950,527	4,457,403	12,950,527	4,457,403
Net equity attributes to controlling shareholders	_	12,950,527	4,457,403	12,950,527	4,457,403
Interest of non-controlling shareholders			4,589,112	-	-
Total net equity	_	12,950,527	9,046,515	12,950,527	4,457,403
Total liabilities and net equity	_	29,337,895	19,562,553	14,233,826	5,304,312
Total nationales and net equity	_	23,331,033	19,302,333	17,233,020	3,304,312

# Auren Energia S.A. Condensed interim statement of changes in equity In thousands of reais



(A free translation of the original in Portuguese)

					Profit reserve					
	Note	Share capital	Capital reserve	Legal	Retention	Retained earnings	Equity valuation adjustment	Total	Participation of non-controlling shareholders	Net equity
On January 1, 2021		2,977,983	-	60,428	1,477,424	-	(636,478)	3,879,357	4,374,299	8,253,656
Net profit for the period		-	-	-	-	44,289		44,289	287,094	331,383
Comprehensive income for the period				-		- 1,205	173,945	173,945	256,948	430,893
Total comprehensive income for the period		-	-	-	-	44,289	173,945	218,234	544,042	762,276
Additional dividends proposed		-	-	-	-	-	-	-	(150,050)	(150,050)
Dividends reversed		-	-	-	279,302	-	-	279,302	-	279,302
Unclaimed dividends and interest on equity				-					107	107
Contributions and distributions to shareholders			-		279,302	-		279,302	(149,943)	129,359
As of September 30, 2021		2,977,983	<u> </u>	60,428	1,756,726	44,289	(462,533)	4,376,893	4,768,398	9,145,291
On January 1, 2022		3,000,836	-	63,365	1,798,576	-	(405,374)	4,457,403	4,589,112	9,046,515
					-	-		-	-	-
Net profit for the period		-	-	-	-	221,260	-	221,260	4,214	225,474
Comprehensive income for the period		<u>-</u>	-	-	-	-	(11,761)	(11,761)	-	(11,761)
Total comprehensive income for the period		-	-	-	-	221,260	(11,761)	209,499	4,214	213,713
Increase in share capital										
Reverse merger VGE measured at fair value	1.1.2 (b)	1,131,678	1,223,216	-	-	-	-	2,354,894	-	2,354,894
Merger of CESP chares - economic value	1.1.2 (e)	307,623	4,207,156	-	-	-	-	4,514,779	(4,593,326)	(78,547)
Increase in share capital - CPP Investments	1.1.2 (c)	1,500,000	-			-	-	1,500,000		1,500,000
Additional dividends proposed	1.1.2 (j)		-		(86,048)	-		(86,048)		(86,048)
Contributions and distributions to shareholders		2,939,301	5,430,372	-	(86,048)	-		8,283,625	(4,593,326)	3,690,299
As of September 30, 2022		5,940,137	5,430,372	63,365	1,712,528	221,260	(417,135)	12,950,527	-	12,950,527

# Condensed interim statement of value added Periods ended September 30



In thousands of reais

(A free translation of the original in Portuguese)

			Consolidated		Parent company
	Note	1/1/2022 to	1/1/2021 to	1/1/2022 to	1/1/2021 to
		9/30/2022	9/30/2021	9/30/2022	9/30/2021
Generation of added value Gross revenue	6	4 505 350 00	2.345.359		
	6	4.585.258,00	(176.794)	-	-
Provision for reimbursement		(32.616)		-	-
Other operating revenues	6	16.782,00	(74.051)	<u>-</u>	
la acida	7	4.569.424,00	2.094.514	-	-
Inputs  Energy purchased and power grid sharges	/	(2.622.654)	(021 212)		
Energy purchased and power grid charges		(2.622.654)	(921.312)	-	-
Hydrologic risk renegotiation  Materials		(12.000)	781.974	-	-
		(13.068)	(11.706)	(24.225)	(21.298)
Third party services		(147.318)	(88.698)	(34.325)	
Other operating costs		(5.439)	(3.604)	(16.280)	(3.685)
		(2.788.479)	(243.346)	(50.605)	(24.983)
Gross added value		1.780.945	1.851.168	(50.605)	(24.983)
Retention	7				
Depreciation and amortization		(470.980)	(409.563)	(60.847)	(2.703)
Amortization of capital gains		(26.671)	(26.218)	-	-
Energy futures contracts		180.344	(3.599)	-	-
		(317.307)	(439.380)	(60.847)	(2.703)
				(111 150)	(07.000)
Net added value generated		1.463.638	1.411.788	(111.452)	(27.686)
Transfers	42 (1.)	126 201		204.424	64.662
Share of results of investee	13 (b)	136.291	-	284.134	64.662
Financial revenues	8	302.721	60.696	152.526	24.006
Post-employment benefits migration		20.148	-	-	-
	_	459.160	60.696	436.660	88.668
Others	7	(== 0.10)			
Reversal (provision) for litigation		(77.210)	450.631	-	-
Judicial deposits written-off		(2.486)	(44.328)	-	-
(Provision) reversal of impairment of fixed and intangible assets			(299.452)	-	-
Insurance		(9.261)	(6.585)	-	-
Dissolution fee		(54.000)	-	-	-
Tax credits		9.962	- (5.050)	-	-
Other net operating revenues (expenses)		(23.122)	(6.950)		-
		(156.117)	93.316		-
Added value to be distributed		1.766.681	1.565.800	325.208	60.982
Added value distribution		217 001001	1.555.555	525.200	00.502
Personnel	7				
Direct remuneration	,	96.344	37.858	27.710	2.602
Social charges		47.242	18.707	10.636	1.597
Benefits		16.308	12.898	2.347	546
belletits		159.894	69.463	40.693	4.745
Third-party capital remuneration		133.634	05.403	40.053	4.743
Interest and indexation charges	8	348.920	301.800	30.439	_
Other financial expenses	8	358.742	320.356	49.246	10.947
Rents	7	11.636	7.642	43.240	10.547
Nems	,	719.298	629.798	79.685	10.947
Intrasectoral - Regulatory charges	6	715.250	023.736	75.005	10.547
Financial compensation for the use of water resources - CFURH	0	29.185	27.949		
Research and Development - R&D		12.734	11.563		
Rate of supervision of electricity services - TFSEE		5.525	5.382	_	_
Global Reversion Reserve - RGR		1.321	1.333		
Global Neversion Neserve - NGN		48.765	46.227		
Taxes and social contributions		40.705	-10.227		
Federal		516.236	488.820	(16.430)	1.001
State		96.728	-		-
Municipal		286	109		-
·		613.250	488.929	(16.430)	1.001
Facility and a section					
Equity remuneration		224 260	44.289	221.260	44.289
Net profit of the period attributable to non-controlling shareholders		221.260	44.203	221.200	44.203
		4.214	287.094		-
				221.260	-
		4.214	287.094	-	44.289



#### 1 Operations

Auren Energia S.A., "Companhia" or "Auren", (formerly, VTRM Energia Participações S.A. "VTRM") based in the city of São Paulo - SP, is a holding company operating as an investment platform for the acquisition and development of new renewable energy generation assets in Brazil. Its investees are dedicated to planning, construction, installation, operation and maintenance of wind, solar and hydroelectric power generation systems, as well as the sale of the energy produced and also energy acquired for trading purposes.

The Company is jointly controlled by Votorantim S.A. ("VSA") and the Canada Pension Plan Investment Board ("CPP Investments").

The Company was granted, on February 25, 2022, a registration in category "A" as a publicly held company by the Brazilian Securities Commission ("CVM") and sought a listing with B3 S.A. - Brasil, Bolsa, Balcão ("B3") to allow it to trade its shared in the Novo Mercado segment. The shares began trading on March 28, 2022, under the ticker symbol AURE3.

The activities of its operating subsidiaries are regulated and inspected by the National Electric Energy Agency ("ANEEL").

#### 1.1 Main corporate events in the period ended September 30, 2022

#### 1.1.1 Main operating events

#### (a) Full resumption of operations at the Ventos do Araripe III

In the 1st half of 2022, the Ventos do Araripe III complex fully resumed operations and on April 25, 2022, the repair of the power transformer (transformer) referring to the second occurrence of the incident of the collector substation that interconnects the companies of the Ventos complex do Araripe III was completed, as mentioned in note 23 (i).

#### (b) Authorization to start commercial and testing operation - Ventos do Piauí Complex II and III

Located in the states of Piauí and Pernambuco, the complexes have an installed capacity of 409 MW, with 93 wind turbines which are expected to become commercially operational in November 2022. In the second quarter of 2022, ANEEL released the generating units of the complexes VDP II and III, for the start of the operation in the testing phase and for the start of the operation in the commercial phase, according to the orders listed below:

# Auren Energia S.A. Explanatory notes

#### **Periods ended September 30**

In thousands of reais, except as otherwise indicated



ANEEL Dispatch	Date	Unit	Location	Generating unit and installed capacity	Operation
1.356	05/19/2022	Ventos de Santo Antero Energias Renováveis S.A.	Araripina e Ouricuri – PE	UG8 to UG11 – 17.600 kW	Test
1.384	05/20/2022	Ventos de São Bernardo Energias Renováveis S.A.	Ouricuri – PE	UG5 to UG10 – 26.400 kW	Test
1.472	06/01/2022	Ventos de São Bernardo Energias Renováveis S.A.	Ouricuri -PE	UG1 to UG4 – 17.600 kW	Test
1.535	08/06/2022	Ventos de Santo Antero Energias Renováveis S.A.	Araripina e Ouricuri -PE	UG1 to UG7 – 30.800 kW	Test
2.244	08/16/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG9 to UG11 – 13.200 kW	Test
2.370	08/29/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG7 and UG8 – 8.800 kW	Test
2.385	08/30/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG10 and UG11 – 8.800 kW	Test
2.468	09/05/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG5 and UG6 – 8.800 kW	Test
2.548	09/12/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG3 and UG4 – 8.800 kW	Test
2.654	09/19/2022	Ventos de São Ciro	Betânia do Piauí e Curral Novo do Piauí – PI	UG1 to UG3 - 13.200 kW	Test
2.655	09/19/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG1 and UG2 - 8.800 kW	Test
2.670	09/20/2022	Ventos de São Caio Energias Renováveis S.A.	Betânia do Piauí e Paulistana - Pl	UG8 - 4.400 kW	Test
2.671	09/20/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG4 and UG5 - 8.800 kW	Test
2.705	09/22/2022	Ventos de São Caio Energias Renováveis S.A.	Betânia do Piauí e Paulistana - PI	UG7 - 4.400 kW	Test
2.740	09/23/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – Pl	UG3 - 4.400 kW	Test
2.797	09/29/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – Pl	UG1 and UG2 - 4.400 kW	Test

ANEEL Dispatch	Date	Unit	Location	Generating unit and installed capacity	Operation
1.497	06/03/2022	Ventos de Santo Apolinário Energias Renováveis S.A.	Curral Novo do Piauí – PI	UG1 to UG5 – 22.000 kW	Commercial
1.703	06/24/2022	Ventos de Santa Alexandrina Energias Renováveis S.A.	Curral Novo do Piauí – Pl	UG1 to UG10 – 44.000 kW	Commercial
2.240	08/15/2022	Ventos De Santo Alfredo Energias Renováveis S.A.	Curral Novo do Piauí – PI	UG1 to UG7 - 30.800 kW	Commercial
2.247	08/16/2022	Ventos de Santo Apolinário Energias Renováveis S.A.	Curral Novo do Piauí – Pl	UG6 to UG8 – 13.200 kW	Commercial
2.425	09/01/2022	Ventos de Santo Alderico Energias Renováveis S.A.	Betânia do Piauí – PI	UG1 to UG6, UG8 and UG9 – 35.200 kW	Commercial
2.497	09/06/2022	Ventos de Santo Alderico Energias Renováveis S.A.	Betânia do Piauí – PI	UG7 - 4.400 kW	Commercial
2.672	09/20/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – Pl	UG6 to UG9,- 17.600 kW	Commercial
2.803	09/29/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – Pl	UG11 - 4.400 kW	Commercial

#### (c) Conclusion of the voluntary migration plan of subsidiary CESP

As disclosed in the Company's latest annual financial statements, the voluntary migration of the beneficiaries of CESP's the Pension Plan, progressed as part of the plan to eliminate the deficit of the defined benefit plan. This, allowed participants to transfer their funds from PSAP/CESP B1, a defined benefit plan – BD, to CESP CD Plan, a defined contribution plan.

In December 2021, members of the Electric Energy Industry Trade Union in Campinas, the Adecon Institute, the Trade Union of Engineers in the State of São Paulo and the Trade Union of Employees in the Generation, Transmission and Distribution of Electricity in the Municipality of Bauru/SP, filed a lawsuit (process nº 1139986-11.2021.8.26.0100), aiming to suspend the process of voluntary migration of the beneficiaries.



In January 2022, a provisional decision was issued (advance guardianship) suspending the voluntary migration process. This decision was partially revoked by the Court of Justice of the State of São Paulo, after an appeal filed by CESP, and the adhesion period ended on March 24, 2022.

In May 2022, a sentence was issued in favor of CESP, and claims found to be without merit. This allowed, the migration to proceed being concluded on July 1, 2022, when the voluntary migration process from the PSAP plan to the CESP CD Plan was completed.

Upon completion of the process, on July 1, 2022, there was the migration of 1,208, being 17.6% of participants. This migration caused a reduction in the net actuarial liabilities of R\$ 326,163, reflecting the balance transferred to the CD plan, as a proportion of the mathematical reserves of the participants who opted for migration. The amount payable, updated by Vivest on the date of the migration was R\$ 306,015 as documented in new agreement. The amount, was settled by the Company in advance on August 1, 2022. A corresponding, gain of R\$ 20,148 was recorded to reflect the reduction of the cost of the past service, in "Other operating income (expenses) net" net of tax effects (Note 25).

Following the partial migration, all future obligations, legal or constructive, were eliminated in relation to all or part of the benefits offered by the defined benefit plan, in proportion to the participants migrated.

#### (d) Approval of the Sol do Piauí and Jaíba V Projects

On August 11, 2022, through subsidiaries, the Company obtained approval at a Board of Directors Meeting to carry out the development of the solar power generation projects Sol do Piauí – Híbrido and Jaíba V.

With the implementation of the projects add 548 MW to Auren's installed capacity, with potential operational and selling scale and synergy gains.

#### 1.1.2 Main corporate events

#### (a) Corporate reorganization - consolidation of energy assets and listing of shares in the Novo Mercado

On October 18, 2021, Votorantim S.A. and CPP Investments announced their intention to consolidate energy assets in Brazil and seek to list its shares on B3's Novo Mercado.

As part of the reorganization, member companies of the Votorantim group, namely Companhia Brasileira de Alumínio ("CBA"), Votorantim Cimentos S.A. ("Cimentos") and Nexa Resources ("Nexa"), took over the management the energy generating assets that had previously been under the management of Votorantim Energia ("VGE").

The consolidation took place through two main stages, Operation VTRM and Operation CESP, which we detail in the following topics:



#### The VTRM Operation:

#### (b) Reverse merge of Votorantim Geração de Energia S.A. ("VGE")

On February 3, 2022, Auren performed a reverse (downstream) merger of its then parent company VGE, extinguishing that entity, and became the owner of the following assets:

- (i) 50% equity interest in Pinheiro Machado Participações S.A. ("Pinheiro Machado"), whose generation asset includes Machadinho UHE, represented by all its preferred shares;
- (ii) 66.6667% equity interest in CBA Energia Participações S.A. ("CBA Energia"), whose generation assets include Campos Novos UHE and Barra Grande ESU, represented by all its preferred shares;
- (iii) 66.6667% equity interest in Pollarix S.A. ("Pollarix"), whose generation assets include Amador Aguiar I and II UHE (Capim Branco Consortium), PHE Picada, Igarapava UHE (Igarapava Consortium) and Campos Novos UHE, represented by all its preferred shares;
- (iv) 100% equity interest in Auren Comercializadora Comercializadora de Energia Ltda. ("Auren Comercializadora").

As a result of this reverse merger, the 992,547,439 shares issued by Auren owned by VGE were cancelled and replaced by an equal number of Auren's shares and attributed to VSA, VGE, being the sole shareholder. Upon the merger of the assets by Auren, 612,874,904 new common shares of Auren were issued, which were also granted to VSA ("New Auren Shares").

The economic value attributed (equity value) to VGE's assets (excluding VGE's equity interest in Auren) was R\$ 2,735,548. The reverse merger and equity balances are summarized below:

Reverse merger - VGE	Value
Capital increase in Auren based on VGE's remaining assets and liabilities on the valuation date (i)	1,131,678
Economic fair value of VGE constituted as a capital reserve	1,540,542
Equity variation between the date of evaluation of the report and the effective operation (i)	63,328
Economic fair value of VGE (Note 5(a))	2,735,548
	-
Deferred taxes liabilities on capital gains	(380,654)
Total increase in Auren's shareholders' equity related to the reverse merger	2,354,894

(i) VGE's remaining assets and liabilities of R\$ 1,131,678 plus R\$ 63,328, is the balance of VGE's shareholders' equity on the date of the transaction, of R\$ 1,195,006.

The reverse merger and fair value of assets balances held by VGE:

# Auren Energia S.A. Explanatory notes

#### **Periods ended September 30**

In thousands of reais, except as otherwise indicated



	1/31/2022		1/31/2022
Assests		Liabilities	
Current		Current	
Cash and cash equivalent	24,994	Dividends payable	44,341
Dividends to be received	72,274	Other current liabilities	13,614
Other current assets	4,845		57,955
	102,113		
Non-current		Non-current	
Investiments		Other non-current liabilities	9,126
CBA Energia Participações S.A.	221,726		9,126
Pollarix S.A	248,073		
Pinheiro Machado Participações S.A.	13,051	Total liabilities	67,081
Votener Votorantim Comercializadora de Energia Ltda.	122,230		
Investment goodwill			
CBA Energia Participações S.A.	316,248		
Pollarix S.A.	231,135		
Other non-current assets	4,864	Total net equity	1,195,006
Asset	625	· ·	
Intangible	207		
Rentals	1,815		
	1,159,974		
Total asset	1,262,087	Total liabilities	1,262,087

#### (c) Capital contribution by CPP Investments

On February 3, 2022, Auren's capital increased by R\$ 1,500,000, upon issuance of 365,803,013 new shares, fully subscribed by CPP Investments, paid in in Reais.

#### (d) Auren Register as a public company and listing process on the B3 Novo Mercado

On February 25, 2022, the Company was registered as a publicly-held company category "A" with the Brazilian Securities Commission ("CVM" and "Abertura de Capital") and was granted the request for listing with B3 S.A. - Brasil, Bolsa, Balcão ("B3"), with the admission of its shares to trading on the special New Market segment ("Novo Mercado Listing").

#### Companhia Energética de São Paulo ("CESP") operation:

#### (e) Proposal for the merger of CESP's shares by Auren

As an act subsequent to the IPO, and in order to allow CESP's non-controlling shareholders to participate in Auren, a proposal was presented for the merger of all the shares issued by CESP by Auren, and consequent attribution, to the other shareholders of CESP, of these new actions.

On October 21, 2021, the Board of Directors of subsidiary CESP approved the creation of an independent Special Committee CESP ("Committee") which, in compliance with the guidelines provided for in CVM Guidance Opinion No 35, to negotiate the non-binding proposed corporate reorganization by VSA and by CPP Investments to merger all the shares by Auren.

The Committee concluded with Auren's Management the negotiations of the exchange ratio of shares issued by CESP for shares issued by Auren within the scope of the merger of shares of CESP ("Exchange Ratio"), and submitted, on



January 7, 2022, to the CESP's Board of Directors the recommendation unanimously agreed by the members of the Committee for the replacement ratio.

The Replacement ratio was freely negotiated between Auren's Management and the Committee and included the following assumptions:

- (i) the equity value attributed to VGE's assets to be contributed to Auren excluding the value of VGE's equity interest in Auren was approximately R\$ 2.8 billion;
- (ii) the cash resources to be contributed by CPP Investments at Auren was R\$ 1.5 billion;
- (iii) the economic value (equity value) attributed to Auren without considering Auren's equity interest in CESP and the effects of the transaction was approximately R\$ 4.5 billion;
- (iv) the economic value (equity value) attributed to CESP was approximately R\$ 9.1 billion, equivalent to approximately R\$ 27.93 per share (regardless of class or type and disregarding treasury shares);
- (v) to determine the economic values (equity value) indicated above, the base date of December 31, 2021 was considered and the discounted cash flow methodology was used; and
- (vi) the redemption value of redeemable preferred shares following the contribution of CESP shares, of R\$ 0.40 per share totaling approximately R\$ 78.5 million, considers estimates for non-resident investor taxes to be withheld by Auren for the transaction.

This Replacement Relationship structure was approved by the Committee and the CESP Board of Directors, on the date of the contribution of shares, in which the non-controlling shareholders of CESP were to receive, for each share issued by CESP, regardless of the class:

- (i) 6.567904669174 new common, nominative, book-entry and nominal value shares of Auren; and
- (ii) 0.095425888495 new preferred, nominative, book-entry and nominal value of Auren, mandatorily redeemable.

As the corporate reorganization contemplated the delivery to the CESP non-controlling shareholders of 4,405,478 mandatorily redeemable preferred shares of Auren, based on the replacement ratio and in the total amount of R\$ 78.547, Auren took on the following corporate structure (before the reverse split in item "f" below):

Number of shares	Participation
1,605,422,350	37.74%
1,358,350,459	31.93%
1,289,736,569	30.32%
4,253,509,378	100.00%
	1,605,422,350 1,358,350,459 1,289,736,569

The February 15, 2022 CESP Extraordinary General Meeting ("EGM") approved, the merger of all shares issued by CESP by its parent company Auren, excluding shares owned by Auren held by CESP in treasury or which carry CESP shareholders' rights of withdrawal ("Merger of Shares").

The merger of shares was carried out pursuant to the "Private Instrument of Protocol and Justification of Incorporation of Shares of CESP - Companhia Energética de São Paulo by Auren Energia Participações S.A." ("Protocol and Justification"), concluded between CESP and Auren.

Upon concluding the merger ('Incorporation of Shares'), CESP became a wholly owned subsidiary of Auren, with all shares held by Auren. The Company's shareholders received new shares in lieu of their existing shares issued by the Company, as described above. The preferred shares were immediately redeemed on the Closing Date (March 25, 2022) and settled in cash on April 7, 2022 to shareholders.



Concurrently to the merger of CESP shares on March 23, 2022, a capital increase was made of R\$ 307,623, with the issuance of 307,622,529 Auren shares being 303,217,051 common shares and 4,405,478 preferred shares that were immediately redeemed. A capital reserve was also recorded for R\$ 4,207,156, reflecting the economic value of CESP, as appraised by an Independent Committee. The redemption of shares of non-controlling shareholders, is shown below:

Merger of CESP shares	Value
Capital increase - issuance of new shares	307,623
Constitution of capital reserve related to the participation of non-controlling shareholders of CESP	4,248,320
Constitution of capital reserve in Auren referring to asset capital gains	37,383
Redemption of shares of non-controlling shareholders	(78,547)
	4,207,156
	4,514,779

#### (f) Reverse split of shares

On March 23, 2022 the Board of Directors Meeting ratified the reverse split of Auren shares, being one of the conditions precedent provided for in the Protocol and Justification, as proposed at the EGM held on February 15, 2022. The reverse split resulted in each 4.253509378 shares of Auren being replaced by one share, without affecting the balance of share capital. As a result, Auren's share capital was represented by 696,782,949 common, nominative, book-entry and nominal value shares.

Accordingly, CESP's non-controlling shareholders will receive for every share held as issued by CESP, regardless of type of share:

- (i) 1.544114302635 new common, nominative, book-entry and nominal no par value shares of Auren;
- (ii) 0.022434625149 new preferred, nominative, book-entry and nominal shares of Auren, mandatorily redeemable.

Following the reverse split, Auren's share ownership structure is:

Shareholders	Number of shares	Participation
VSA	377,434,774	37.74%
CPP Investments	319,348,175	31.93%
Other shareholders	303,217,051	30.32%
Total	1,000,000,000	100.00%

#### (g) Redemption of CESP Preferred Shares and right of withdrawal by non-controlling shareholders

The Replacement Relationship proposed and approved at the CESP EGM with respect to the merger of CESP shares by Auren, that CESP shareholders who did not approve the Incorporation of Shares, either by rejection, abstention or being absent at the EGM, are assured the right to withdraw from the Company, pursuant to Articles 137, 252 - § 2nd and 264 - § 3, of Law 6.404/76.

The shareholders could exercise the right of withdrawal in relation to all or part of the shares issued by CESP, once ownership was ascertained, subject to penalties, within 30 days, from the publication of the minutes of the EGM, that is, by March 18, 2022. As no shareholder had exercised the right of withdrawal within the 30 day limit, no repayments will be made.



Auren recorded against its capital reserve the mandatory redemption of all redeemable preferred shares held by the non-controlling shareholders of CESP, of R\$ 78,547. These were settled in full on April 7, 2022 for R\$ 78,537, of which R\$ 59,838 related to the principal, and R\$ 18,699 refers to income tax withheld by shareholders.

#### (h) Disposal of a invested in Auren to Votorantim Cimentos S.A. ("Cimentos")

On March 4, 2022, after complying with the conditions precedent in the Shareholders' Purchase and Sale Agreement dated December 28, 2020, as amended on September 27, 2021, Auren signed a Shareholders' Agreement with Cimentos for the disposal of 49% of the equity interest of Ventos de Santo Ângelo Energias Renováveis S.A., for R\$ 44,360.

The purpose of the operation is to supply Cimentos with an average of 55,45 MW of electricity for a period of ten years. Thus, the Company retains control over the entire return on these investments, and, accordingly, continues to account for its equity share in the results of the equity in its statement of operations (Note 13 (a)).

Additionally, the Shareholders' Agreement provides the Company with a call option to acquire all of its shares, which may be exercised unilaterally before the end of the ten year period in certain cases and for a price determined in the same agreement.

The balance receivable from the sale of shares will be received in four equal annual installments as of January 2023, and the balance payable for the future purchase option will be settled in a single installment. Both balances are recorded at present value and were calculated using a risk-free discount rate based on the annual inflation rate projected in Brazil.

On September 30, 2022, the balance of non-current assets is R\$ 47,618 and the balance of non-current liabilities is R\$ 34,835, both net of the adjustment to present value (Note 26 - Related parties).

#### (i) Capital transactions - subsidiaries

In the period ended September 30, 2022, the following transaction were carried out:

	Date	Paid-in amount
ontrolled		
Via bank transfers		
Ventos de São João Paulo II Energias Renováveis S.A.	01/25/2022	42,000
Ventos de Santo Apolinário Energias Renováveis S.A.	01/25/2022	4,000
Hélios IV geração de Energia Ltda.	02/08/2022	100
Auren Comercializadora de Energia Ltda.	02/09/2022	53,300
Jaíba V Holding S.A.	01/25/2022	13,000
Ventos de Santo Anselmo Energias Renováveis S.A.	06/29/2022	7,620
Ventos de Santo Ângelo Energias Renováveis S.A.	05/16/2022	5,217
Ventos de São Ciríaco Energias Renováveis S.A.	06/29/2022	3,784
Ventos de Santos Estevão Holding S.A.	06/29/2022	14,500
Ventos de Santa Alexandrina Energias Renováveis S.A.	05/16/2022	3,495
Ventos de São Crispim I Energias Renováveis S.A.	06/29/2022	9,847
Ventos de Santo Antero Energias Renováveis S.A.	05/16/2022	9,756
Ventos de São João Paulo II Energias Renováveis S.A.	06/29/2022	31,146
Ventos de Santo Alderico Energias Renováveis S.A.	06/29/2022	2,500
Sol Do Piauí Geração de Energia Ltda	06/29/2022	6,100
Ventos de São João Paulo II Energias Renováveis S.A.	07/19/2022	2,000
Ventos de Santo Alderico Energias Renováveis S.A.	07/19/2022	2,500
Hélios IV Geração de Energia Ltda.	07/29/2022	6,000
Ventos de São João Paulo II Energias Renováveis S.A.	08/01/2022	3,000
Ventos de Santa Alexandrina Energias Renováveis S.A.	08/10/2022	2,500
Ventos de Santo Antero Energias Renováveis S.A.	08/10/2022	1,000
Ventos de Santo Alderico Energias Renováveis S.A.	08/10/2022	1,500
Auren Comercializadora de Energia Ltda.	09/01/2022	54,000
Ventos de São João Paulo II Energias Renováveis S.A.	09/14/2022	13,000



		291,865
Via assets transfer		
Hélios IV Geração de Energia Ltda.	07/29/2022	11,920

#### (j) Distribution of supplementary dividends

On April 11, 2022, at a Meeting of the Board of Directors, the proposal for the payment of dividends by the Company was approved for the year ended December 31, 2021, as follows:

- (i) supplementary dividend of R\$ 41,850 from retained earnings for the year ended December 31, 2021 (investment reserve) equivalent to R\$ 0.041850 per share; and
- (ii) supplementary dividend of R\$ 44,198, to be paid from the profit retention reserve constituted in the year ended December 31, 2021, equivalent to R\$ 0.044198 per share.

The supplementary dividends in (i) and (ii), added to the Company's mandatory minimum dividend, R\$ 13,952, equivalent to R\$ 0.013952 per share, comprise 25% of the adjusted net income for the year, as approved at the Meeting of the Board of Directors of March 25, 2022. This was submitted for approval by the Company's Annual and Extraordinary Shareholders' Meeting to be held on March April 29, 2022. Accordingly, the total dividends payable in the 2022 of R\$ 100,000, equivalent to R\$ 0.10 per share.

On May 3, 2022, the Company paid R\$ 99,987, to persons registered as shareholders as of May 3, 2022.

#### (k) Acquisition of investments - Aquarela

On June 7, 2022, the subsidiary Auren Comercializadora (Note 1.1.2 (n)) made its second investment in technology and data intelligence linked to the sale of energy products and solutions, entering into a share purchase and sales agreement to acquire a 28.27% interest in Aquarela Inovação Tecnológica do Brasil S.A. ("Aquarela"), upon the subscription of 125,735 new preferred shares with voting rights, acquiring 29,063 common shares and 56,180 preferred shares with voting rights.

Aquarela is a scale up firm, considered to be a benchmark in Brazil in advanced analytics and artificial intelligence application in large companies, national and global, in various sectors. Aquarela aims to simplify complex data in an innovative way.

The acquisition will allow Auren Comercializadora to expand the use of analytics/big data in the development of new products, services and energy solutions for free market customers.

The transaction was concluded on August 5, 2022, with payment by bank transfer in the amount of R\$9,858, after compliance with the usual obligations and conditions precedent, as well as obtaining approval from the Administrative Council for Economic Defense - CADE.



#### (I) Approval and receipt of dividends from investees

#### (i) CBA Energia

On April 29, 2022, at the Annual General Meeting, additional dividends were declared of R\$ 98,232 to be settled by December 31, 2022 depending on cash availability. Due to the disproportionality of the dividend for the preferred shareholders (66.67% of total shares) who received a 10% premium, the company was attributed a dividend of R\$ 67,535.

On June 15, 2022, dividends of R\$ 45,241 were received, of which R\$ 22,511 related to mandatory minimum dividends and R\$ 22,730 to the additional dividends.

#### (ii) Pollarix

On April 29, 2022, at the Annual General Meeting, additional dividends were declared of R\$ 102,921. Due to the disproportionality of the dividend for the preferred shareholders (66.67% of total shares) who received a 25% premium, the company was attributed a dividend of R\$ 73,511.

On May 27, 2022 and September 28, 2022, dividends of R\$ 62,172 were received, of which 35,861 related to mandatory minimum dividends and R\$ 26,311 to the additional dividends.

#### (m) Change of company name - Auren Comercializadora

On June 28, 2022, in order to align the governance of Votener Comercializadora de Energia Ltda ("Votener") and Auren, Votener's statutes were updated. The documents of incorporation were also modified to reflect the new company's name of Auren Comercializadora de Energia Ltda. ("Auren Comercializadora").

## 2 Presentation of consolidated and individual condensed interim financial statements and summary of accounting practices

#### 2.1 Declaration of conformity

#### (a) Consolidated and individual condensed interim financial statements

The consolidated and parent company condensed interim financial statements as of September 30, 2022 were prepared based on the provisions of Technical Pronouncement CPC 21 - (R1) Interim Statement, and with the international accounting standard IAS 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB) for the purposes of the Quarterly Information (ITR). These conform to the regulations of the Brazilian Exchange Commission ("CVM") including circular letter CVM/SNC/SEP 003 of April 28, 2011, which allows entities to omit explanatory notes when the same information was already disclosed in the annual financial statements.

The condensed consolidated and individual interim financial statements as of September 30, 2022, therefore, do not incorporate all the notes and disclosures required by the accounting standards for the annual financial statements and, consequently, should be read in conjunction with the financial statements for the year ended December 31, 2021. These are available on the Investor Relations page (ri.aurenenergia.com.br) and upon consultation of companies listed in B3. They were prepared in accordance with Interim Financial Reporting Standards (IFRS), as issued



by the IASB, and in accordance with accounting practices adopted in Brazil as approved by the Accounting Pronouncements Committee (CPC) and the standards issued by the CVM.

All information of relevance to the consolidated and individual condensed interim financial statements is presented and is consistent with the information used by the Company's Management in the performance of its duties.

#### (b) Approval of financial statements

The Company's Board of Directors approved the issuance of these condensed interim financial statements on October 26, 2022.

#### 2.2 Functional currency and presentation currency

The Company's functional and presentation currency is the Brazilian Real/Reais (R\$).

#### 2.3 Consolidation

The Company consolidates all entities over which it has control, that is, when it is exposed or entitled to variable returns or has the ability to direct its operations.

#### (a) Controlled

The subsidiaries are fully consolidated from the date on which the control is transferred to the Company.

Transactions, balances and results of transactions between subsidiaries are eliminated. In the acquisition, the accounting policies of the subsidiaries are changed when necessary, to ensure consistency with the policies adopted by the Company.

Following the merger of VGE on February 3, 2022, Auren Comercializadora is a wholly owned subsidiary of the Company and was consolidated in these consolidated condensed interim financial statements as at and for the period ended September 30, 2022.

Due to the process of incorporation of CESP shares cited in note 1.1.2 (e) Auren now held a 100% stake in CESP's share capital and, thus, from the condensed interim financial statements consolidated as of March 31, 2022, it ceased to present the prominence of the share of non-controlling shareholders in the disclosure of shareholders' equity.

#### (b) Subsidiaries

Investments in affiliates are accounted for by the equity method and are initially recognized at cost; this includes goodwill determined on acquisition, net of impairment provisions.

Dilution gains and losses, from the reverse (downstream) mergers, are recognized in the statement of operations.

Following the reverse merger of VGE on February 3, 2022, Auren became an equity investor in its related companies, listed below:

- (i) 50% equity interest Pinheiro Machado"), represented by all its preferred shares;
- (ii) 66.6667% equity interest in CBA Energia, represented by all its preferred shares; and



#### (iii) 66.6667% equity interest in Pollarix, represented by all its preferred shares

Additionally, the subsidiary Auren Comercializadora holds 50% of the total and voting capital of Way2 Serviços de Tecnologia S.A. ("Way2") and 28,7% of Aquarela's total and voting share capital.

#### (c) Joint operation

In a joint operation the joint operator's parties holding shared control of the business have rights over its assets and are subject to obligations for liabilities related to the business.

Joint transactions are recorded in the financial statements to represent the Company's contractual rights and obligations. Hence, assets, liabilities, income and expenses related to joint operating interests are recorded individually in the financial statements.

The Company's subsidiaries that participate in Piauí I, II and III wind farms have an equity interest in the jointly controlled companies Consórcio Ventos do Piauí, Consórcio Ventos do Piauí II and Consórcio Ventos do Piauí III ("consortia")

These consortia were formed for the construction, maintenance, operation and use of certain common assets, especially the collector substation, the sectioning/elevator substation, the transmission line and the medium voltage network, among others, serving all consortium members.

#### 2.4 New accounting standards, changes and interpretations of standards issued by the CPC and IASB

There were no changes to accounting standards and practices in the period ended September 30, 2022, when compared to the annual financial statements as of December 31, 2021.

#### 3 Critical accounting estimates and judgments

The consolidated and individual condensed interim financial statements were prepared in a manner consistent with the accounting policies disclosed in the annual financial statements for the year ended December 31, 2021.

Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances.

There was no change in estimates and assumptions that presented significant risk, with probability of causing a significant adjustment in the book values of assets and liabilities for the period ended September 30, 2022, in relation to those in the latest annual financial statements for the year ended December 31, 2021.



#### 4 Presentation of information by business segment

The Company discloses financial information by operating segments, consistent with that provided to the chief operation decision maker, respecting their areas of activity:

- 1. Wind generation (wind farms for Ventos do Piauí I, II and III and Ventos de Araripe III)
- 2. Hydro power generation (CESP Geradora and other water assets from the downstream merger)
- 3. Sale of energy (Auren Comercializadora and CESP Comercializadora)
- 4. Holding and Pipeline projects (Auren's and other projects in the structuring / construction phase).

#### (a) Income statement and EBITDA - By business segment

					1/7	/2022 a 30/9/2022
	Wind power generation	Water power generation	Commercialization (i)	Holding + Pipeline	Eliminations	Consolidated
Net revenue	148.984	424.630	1.218.969	-	(253.682)	1.538.901
Electricity and operation costs	(75.859)	(263.433)	(1.148.468)		253.682	(1.234.078)
Gross profit	73.125	161.197	70.501	-	-	304.823
General and administrative expenses	(1.548)	(26.059)	(31.336)	(40.868)	-	(99.811)
Other operating income (expenses), net	(496)	29.342	478.371	(29.573)	(340.771)	136.873
Operating profit (loss)	71.081	164.480	517.536	(70.441)	(340.771)	341.885
Depreciation and amortization	33.778	95.671	442	31.462	-	161.353
Reversal of provision for legal risks	-	(1.662)			-	(1.662)
Expenses with judicial deposits	-	767	-	-	-	767
Other additions (exclusions) and exceptional items	-	15.714	-	-	-	15.714
Vivest Migration	-	(20.148)	-	-	-	(20.148)
Adjusted EBITDA	104.859	254.822	517.978	(38.979)	(340.771)	497.909
Depreciation, amortization and amortization of capital gains						(161.353)
Other additions (exclusions) and exceptional items						5.329
Share of results of investee						52.300
Net financial income						(53.053)
Income tax and social contribution						(111.046)
Net income for the period						230.086

						1/7/2021 a 30/9/2021
	Wind power generation	Water power generation	Commercialization (i)	Holding + Pipeline	Eliminations	Consolidated
Net revenue	44.132	366.194	307.052	-	(101.184)	616.194
Electricity and operation costs	(60.980)	(310.450)	(322.679)	-	101.184	(592.925)
Renegotiation of hydrological risk	-	781.974	-	-	-	781.974
Gross profit (loss)	(16.848)	837.718	(15.627)	-	-	805.243
General and administrative expenses	(1.936)	(25.098)	(2.729)	(8.967)	-	(38.730)
Other operating income (expenses), net	310	(54.709)	10.836	(16.249)	-	(59.812)
Operating profit (loss)	(18.474)	757.911	(7.520)	(25.216)	-	706.701
Depreciation and amortization	33.610	110.844	40	12.518	-	157.012
Renegotiation of hydrological risk	-	(781.974)	-	-	-	(781.974)
Reversal of provision for legal risks	-	(239.822)		-	-	(239.822)
Expenses with judicial deposits	-	4.547	-	-	-	4.547
Fixed asset impairment reversal	-	299.452		-	-	299.452
Adjusted EBITDA	15.136	150.958	(7.480)	(12.698)	-	145.916
Depreciation, amortization and amortization of capital gains						(157.012)
Other additions (exclusions) and exceptional items						717.797
Net financial income						(151.574)
Income tax and social contribution						(238.601)
Net income for the period						316.526

# Auren Energia S.A. Explanatory notes Poriods and d Sentember

**Periods ended September 30** 

In thousands of reais, except as otherwise indicated



						1/1/2022 a 9/30/2022
	Wind power generation	Water power generation	Commercialization (i)	Holding + Pipeline	Eliminations	Consolidated
Net revenue	398,752	1,269,003	2,945,357	-	(582,298)	4,030,814
Electricity and operation costs	(205,034)	(710,323)	(2,810,567)	-	582,298	(3,143,626)
Gross profit	193,718	558,680	134,790	-	-	887,188
General and administrative expenses	(5,273)	(81,281)	(79,548)	(99,455)		(265,557)
Other operating income (expenses), net	(1,183)	(46,688)	469,018	(84,478)	(340,771)	(4,102)
Operating profit (loss)	187,262	430,711	524,260	(183,933)	(340,771)	617,529
Depreciation and amortization	101,118	307,542	1,472	87,519		497,651
Reversal of provision for legal risks	-	77,210		-	-	77,210
Expenses with judicial deposits	-	2,486		-	-	2,486
Dividends and interest on equity received	-	107,413		-	-	107,413
Vivest Migration	-	(20,148)		-	-	(20,148)
Adjusted EBITDA	288,380	905,214	525,732	(96,414)	(340,771)	1,282,141
Depreciation, amortization and amortization of capital gains						(497,651)
Other additions (exclusions) and exceptional items						(166,961)
Share of results of investee						136,291
Net financial income						(404,941)
Income tax and social contribution						(123,405)
Net income for the period						225,474

						1/1/2021 a 9/30/2021
	Wind power generation	Water power generation	Commercialization	Holding + Pipeline	Eliminations	Consolidated
Net revenue	202,691	1,122,458	769,424	-	(237,772)	1,856,801
Electricity and operation costs	(178,716)	(713,931)	(764,176)	-	237,772	(1,419,051)
Renegotiation of hydrological risk	-	781,974	-	-	-	781,974
Operating profit (loss)	23,975	1,190,501	5,248	-	-	1,219,724
General and administrative expenses	(5,338)	(72,920)	(7,832)	(23,424)	-	(109,514)
Other operating income (expenses), net	-	118,908	(3,600)	(35,232)	-	80,076
Operating profit (loss)	18,637	1,236,489	(6,184)	(58,656)	-	1,190,286
Depreciation and amortization	100,748	305,945	166	28,922	-	435,781
Renegotiation of hydrological risk		(781,974)		-	-	(781,974)
Reversal of provision for legal risks	-	(450,631)		-	-	(450,631)
Expenses with judicial deposits	-	44,328		-	-	44,328
Fixed asset impairment reversal	-	299,452		-	-	299,452
Adjusted EBITDA	119,385	653,609	(6,018)	(29,734)	-	737,242
Depreciation, amortization and amortization of capital gains						(435,781)
Other additions (exclusions) and exceptional items						888,825
Net financial income						(561,460)
Income tax and social contribution						(297,443)
Net income for the period						331,383

The companies Votorantim Energia and Cesp, before the formation of Auren, individually held contracts for the purchase and sale of energy in their respective traders and of the generation assets. During the last months, Auren has been restructured in the Marketing segment with the objective of consolidating these contracts at Auren Comercializadora. In this context, the following initiatives were implemented by 30 September 2022:

- 1. Transfer of approximately 85% of future energy purchase and sale contracts with third parties (except transactions with contractual or regulatory restrictions) from generation assets to Auren Comercializadora; and
- 2. Creation of intercompany contracts for the sale of surplus energy with the aim of equalizing Auren's energy balance.



This consolidation brought opportunities to simplify the management of these contracts, segregate the risk profiles and return of the generation and marketing business, and capture the relevant synergies in the optimization of this portfolio.

As Auren Comercializadora classifies and measured contracts for the purchase and future sale of energy with third parties and intercompany as financial instruments at fair value through profit or loss, a non-recurring gain of R\$ 340,771 in "Other operating revenues (expenses) net" in the Marketing Segment resulting from the effect of the initial market marking of these contracts was recorded, by September 2022.

Considering also that the Company's accounting policies, are consistent with those of Company and thus, consolidation of contracts did not any effect consolidated results. Hence, future energy purchase and sale contracts continue to be classified according to their initial classification, thus:

Wholesale contracts: are contracts classified outside the scope of CPC 48 since they continue to be maintained for the purpose of receiving or delivering non-financial items, and are not marked to the market, and

**Trading contracts**: are contracts classified within the scope of CPC 48 and are classified as financial instruments recognized at fair value on the date on which a contract is concluded and subsequently marked on the market.

The eliminations column includes R\$ 340,771 for the segmented related to the elimination of non-recurring effects. In the consolidated result, the remaining mark to market effect refers to the trading activity.

#### 5 Business combination

Business combinations are recorded using the acquisition method at the time of the transfer of control to the Company. The transferred consideration is measured at fair value, as well as the identifiable net assets acquired, identifying any goodwill supported by the expectation of future profitability or gains from advantageous purchases.

Pursuant to CPC 15 (R1) / IFRS 3 – Business Combinations, the Company measures the fair value of assets acquired and liabilities assumed at the time of business combinations carried out in the year, with the support of external consultants.

Pursuant to CPC 15 (R1) / IFRS 3, when the initial allocation in a business combination is not final the provisional amounts are reported. The acquirer retrospectively adjusts the provisional amounts recognized at the date of acquisition to reflect any new information relating to facts and circumstances existing on the date of acquisition, affecting the measurement of the recognized values. The acquirer also recognize additional assets or liabilities when new information becomes available for circumstances existing at the date of acquisition, which, had they been known on that date, would have resulted in the recognition of those assets and liabilities on that date. The measurement period ends as soon as the acquirer obtains the final information and circumstances existing on the date of acquisition, or when he concludes that more information cannot be obtained. However, the measurement period cannot exceed one year from the date of acquisition.

#### (a) VGE reverse merger

On February 3, 2022, Auren carried out a reverse merger of VGE (Note 1.1.2 (b)), merging with its assets and liabilities, including its equity investments in Pinheiro Machado, CBA Energia, Pollarix and Auren Comercializadora companies.

Under IFRS3 / CPC 15 (R1) - "Business Combination", the acquirer measures the identifiable assets acquired and the liabilities assumed at the respective fair values at the date of acquisition. VSA requested an independent appraisal for the fair values of assets owned by VGE at the date of the transaction. The amounts derived from the independent



appraiser's a report were recognized as a capital reserve in Auren and the balance at book value was as considered as share capital:

	Appraised fair value	Deferred taxes	Net value
VGE's economic fair value			
Capital gains CBA Energy	259,114	(88,099)	171,015
Capital gains Pollarix	738,226	(250,997)	487,229
Capital gains Pinheiro Machado	122,233	(41,558)	80,675
Goodwill from Auren Comercializadora	420,969	-	420,969
VGE's economic fair value, net of taxes	1,540,542	(380,654)	1,159,888
Net worth at VGE's remaining book value	1,131,678	-	1,131,678
Equity variation between valuation date and capital increase	63,328	-	63,328
Auren's total equity increase	2,735,548	(380,654)	2,354,894

The capital gains recognized are being amortized over the concession periods for each plant in which the affiliates have an equity interest.

#### Assumptions used in the fair value measurement of the purchase price allocation

The economic and financial assessment of VGE's assets was based on the cash flow method (on the base date of September 30, 2021), updated to January 31, 2022 for the purpose of the reverse merger on February 3, 2022.

Free cash flows to the firm ("FCFF") were discounted at present value by the weighted average cost of capital (Weighted Average Cost of Capital - WACC) of each investment ranging from 14.3% to 10.1% p.a. and deducted from non-operating assets and liabilities on the base date.

Investment	Assumptions used for revenue valuation.
Auren Comercializadora	Volume: projection calculated by the year 2037, maximum term of existing contracts.
	Average price: for existing contracts, the weighted average price of contracts was used, for the new ones the average curve of the DCIDE plus R\$ 6.65 / MWh.
CBA Energia	Volume: projection calculated from the physical guarantee until March 2040, concession deadline.
	Average price: for the years 2021 to 2027 based on contracts already signed and from 2028 based on the average dcide curve, plus IPCA.
Pollarix	Volume: projection calculated from the physical guarantee until November 2042, concession deadline.
	Average price: for the years 2021 to 2032 based on contracts already signed and from 2033 based on the average dcide curve, plus IPCA.
Pinheiro Machado	Volume: projection calculated from the physical guarantee until November 2032, concession deadline.
	Average price: for the years 2021 to 2027 based on contracts already signed and from 2028 based on the average dcide curve, plus IPCA.

# Auren Energia S.A. Explanatory notes

#### **Periods ended September 30**

In thousands of reais, except as otherwise indicated



Item	Assumptions used for the valuation of investments
Taxes	For all investments:  Taxable profit regime, based on a 34% rate and carryforward tax losses;  Projected based on gross revenue rates (historical average):
	- PIS / COFINS: 9,25% Sector charges (TFSEE, R&D and CFURH).
Depreciation	For all investments: Existing and new assets: the average book rate (historical average) was considered, depreciation and linear amortization
Capex	For all investments: The projected CAPEX considered only the investment needed for the maintenance of the assets.
Opex	For all investments:  Segregated between fixed and variable costs and expenses according to the average history of each asset plus IPCA.

#### (b) Merger of CESP shares

The February 15, 2022 CESP EGM approved the contribution of all shares issued by CESP by its parent company Auren, excluding Auren treasury shares held in CESP or which are the subject of the exercise of the right of withdrawal by CESP shareholders ("Incorporation of Shares"), under the corporate reorganization (1.1.2 (d)). With the implementation of the Stock Merger, CESP became a wholly owned subsidiary of Auren, with all shares of its issue held by Auren, and CESP's non-controlling shareholders received new shares issued by Auren.

For the Incorporation of Shares, an Independent Committee was formed to assess CESP's economic value, which resulted in a net worth of R\$ 9,142,189, as at September 30, 2021. The participation of CESP's non-controlling shareholders was 59.9942%, which corresponds to an economic value of R\$ 5,484,783; the difference between the accounting balance of CESP's shareholders' equity, at the date of the operation, and the economic value was the goodwill, as shown below:

Merger of CESP shares	Value
Economic fair value of CESP assessed by the Independent Committee	9,142,189
Cesp's economic fair value - paricipation of non-controlling shareholders 59.9942% Goodwill in capital transaction	5,484,783 (928,840)
Participation of cesp non-controlling shareholders recognized in Auren's investment	4,555,943
Constitution of capital reserve in Auren referring to asset capital gains from acquisition in 2018	56,641
Deferred taxes on asset capital gains from acquisition in 2018  Constitution of capital reserve in Auren referring to asset capital gains	(19,258) 37,383
Value per share	17.8296
Redemption of Preferred Shares - in a thousand shares Redemption of shares of non-controlling shareholders	<u>4,405</u> (78,539)
Total increase in Auren's shareholders' equity	
Total increase in Auren's shareholders' equity	4,514,787

#### 6 Revenue

The contracts for the sale of energy of the Company's subsidiaries are carried out in the free and regulated Brazilian market, with CCEE as a regulator agent responsible for the recording and liquidation of the Brazilian Integrated System (BIS).

Bilateral contracts: the sale of energy to consumers and commercial agents in a free-to-sell environment.



**Wind Energy** Auctions: revenue from the generation of energy from the wind farms, in the scope contracted by the regulated market, according to participation in new energy auctions ("LEN") and reserve energy auctions ("LER").

**Water Energy Auctions:** the sale of energy from hydro power generation, by the subsidiary CESP, to distributors under contracts signed in the regulated environment, according to participation in auctions.

**Water Energy Auctions:** represented by the sale of energy from water generation, by the subsidiary CESP, to distributors under contracts signed in the regulated environment, according to participation in auctions.

**Trading operations:** represented por energy trading in the free market.

**Short-term energy CCEE:** the accounting of the short-term market, bong differences between resources and energy requirements, valued at the Settlement Price of Differences ("PLD").

	7/1/2022	to 9/30/2022	7/1/2021	7/1/2021 to 9/30/2021		1/1/2022 to 9/30/2022		1/1/2021 to 9/30/2021	
	MWh (*)	R\$ Thousand	MWh (*)	R\$ Thousand	MWh (*)	R\$ Thousand	MWh (*)	R\$ Thousand	
Gross revenue	( /	1110404114		mousuna		mousuna		1110400114	
Energy sale									
Bilateral contracts	1,417,508	372,044	1,074,298	415,988	4,594,602	1,155,664	4,696,600	1,242,192	
Trading operations	3,275,279	711,431	154,027	86,486	7,328,830	1,613,010	940,729	225,090	
Related Parties (Note 26)	1,039,560	379,117	54,805	27,643	2,764,141	957,095	244,992	75,358	
Water Energy Auctions	486,483	144,645	488,938	127,471	1,497,965	422,170	1,497,965	382,296	
Wind Energy Auctions	587,778	132,639	619,961	121,176	1,737,076	396,701	1,737,076	360,092	
Provision for reimbursement (Note 23)	-	(12,970)	-	(86,619)	-	(32,616)		(176,794)	
Short-term energy - CCEE	-	22,094		33,803		40,618		60,331	
	6,806,608	1,749,000	2,392,029	725,948	17,922,614	4,552,642	9,117,362	2,168,565	
Other revenues									
Derivative financial instruments	-	-	-	(30,206)	-	(5)	-	(76,427)	
Quota supply - UHE Paraíbuna	-	5,490	-	-	-	7,671	-		
Carbon credit sale	-	26	-	-	-	3,394	-		
Services - related parties (Note 26)	-	841		-	-	2,344	-		
Other revenues		1,004		966		3,378	-	2,376	
		7,361		(29,240)		16,782	-	(74,051)	
	6,806,608	1,756,361	2,392,029	696,708	17,922,614	4,569,424	9,117,362	2,094,514	
Deductions on gross revenue									
PIS and COFINS on operating revenues	_	(151,192)		(65,565)		(392,831)		(191,377)	
ICMS on operating revenues		(50,168)	_	-	_	(96,728)			
Financial Compensation for the Use of Water									
Resources - CFURH	-	(9,467)	-	(8,805)	-	(29,185)	-	(27,949)	
Research and development - R&D	-	(4,274)	-	(3,857)	-	(12,734)		(11,563)	
Quota for the global reversal reserve - RGR	-	(440)	-	(441)	-	(1,321)		(1,333)	
Inspection fee for electricity services - TFSEE	-	(1,817)	-	(1,798)	-	(5,525)	-	(5,382)	
Service tax - ISS		(102)		(48)		(286)		(109)	
		(217,460)		(80,514)	<u> </u>	(538,610)	-	(237,713)	

(\*) Mwh - Megawatt-hour, not reviewed by the audit.

The variation, mainly, in trading operations and related parties refer to operations carried out by Auren Comercializadora, which as of February 2022 became part of the consolidated balance (Note 1.1.2(b)).



#### 7 Costs and expenses

					7/1/2022	Consolidated
					to	7/1/2021 to
	Electricity cost (Note 7,1)	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	9/30/2022 Total	9/30/2021 Total
Renegotiation of hydrological risk	-	-		-		781,974
Purchased energy	(990,013)	-	_	_	(990,013)	(357,496)
Depreciation and amortization	-	(128,165)	(3,846)	(20,475)	(152,486)	(145,397)
Provision for impairment		-	-		-	(299,452)
Electricity network charges	(66,584)	-	_	_	(66,584)	(54,711)
Reversal (provision) for litigation (Note 24)	-	-	_	1,662	1,662	239,822
Employee benefits	_	(10,794)	(49,005)	-	(59,799)	(23,174)
Operation and maintenance services - O&M	_	(19,650)	(13,003)	_	(19,650)	(13,893)
Goodwill amortization	_	(15,050)	_	(8,867)	(8,867)	(11,615)
Rentals and leases	_	(2,541)	(2,278)	(0,007)	(4,819)	(2,399)
Insurance	_	(2,343)	(1,156)	_	(3,499)	(2,790)
Materials, maintenance and conservation		(2,442)	(3,529)	_	(5,971)	(2,409)
Write-off of judicial deposits	_	(2,442)	(3,323)	(767)	(767)	(4,547)
Energy futures contracts (Note 20)	-	-	_	188,284	188,284	10,837
Early settlement amount of the contract		•		(54,000)	(54,000)	10,657
•	-	-	•			-
Tax recovery	-	-	-	9,962	9,962	-
CPC33 migration effect	-	(7.500)	(0.720)	20,148	20,148	(4.52)
Other Income (Expense)		(7,568)	(9,729)	926	(16,371)	(153)
	(1,056,597)	(177,481)	(99,811)	136,873	(1,197,016)	
	(1,056,597)	(177,481)	(99,811)	136,873	1/1/2022	90,507 Consolidated
	(1,056,597)	(177,481)	(99,811)	136,873		
	Electricity cost (Note		General and Administrative	Other net operating income	1/1/2022 to 9/30/2022	Consolidated 1/1/2021 to 9/30/2021
	Electricity	(177,481)	General and	Other net operating	1/1/2022 to	Consolidated 1/1/2021 to 9/30/2021
Renegotiation of hydrological risk	Electricity cost (Note 7,1)		General and Administrative	Other net operating income	1/1/2022 to 9/30/2022	Consolidated  1/1/2021 to 9/30/2021  Total  781,974.00
Purchased energy	Electricity cost (Note	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039)	Consolidated  1/1/2021 to 9/30/2021  Total  781,974.00 (777,220)
Purchased energy Depreciation and amortization	Electricity cost (Note 7,1)		General and Administrative	Other net operating income	1/1/2022 to 9/30/2022	Consolidated  1/1/2021 to 9/30/2021  Total  781,974.00 (777,220) (409,563)
Purchased energy Depreciation and amortization Provision for impairment	Electricity cost (Note 7,1) - (2,445,039)	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980)	Total 781,974.00 (777,220) (409,563) (299,452)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges	Electricity cost (Note 7,1)	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980)	Consolidated  1/1/2021 to 9/30/2021  Total  781,974.00 (777,220) (409,563)
Purchased energy Depreciation and amortization Provision for impairment	Electricity cost (Note 7,1) - (2,445,039)	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980)	Total 781,974.00 (777,220) (409,563) (299,452)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges	Electricity cost (Note 7,1) - (2,445,039)	Operation cost	General and Administrative Expenses	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation	Electricity cost (Note 7,1) - (2,445,039)	Operation cost - (404,594)	General and Administrative Expenses - (11,786) - -	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980) (177,615) (77,210)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits	Electricity cost (Note 7,1) - (2,445,039)	Operation cost - (404,594) (23,759)	General and Administrative Expenses - (11,786) (136,135)	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total - (2,445,039) (470,980) (177,615) (77,210) (159,894)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services	Electricity cost (Note 7,1) - (2,445,039)	Operation cost - (404,594) - (23,759) (15,810)	General and Administrative Expenses - (11,786) (136,135)	Other net operating income (expenses)	1/1/2022 to 9/30/2022 Total - (2,445,039) (470,980) - (177,615) (77,210) (159,894) (98,689)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M	Electricity cost (Note 7,1) - (2,445,039)	Operation cost - (404,594) - (23,759) (15,810)	General and Administrative Expenses - (11,786) (136,135)	Other net operating income (expenses)  (54,600)  (77,210)	1/1/2022 to 9/30/2022 Total 	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity	Electricity cost (Note 7,1) - (2,445,039)	Operation cost  (404,594)  - (23,759) (15,810) (48,629) (7,087) (5,846)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980) (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00) (9,261)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases	Electricity cost (Note 7,1) - (2,445,039)	Operation cost  (404,594)  - (23,759) (15,810) (48,629) (7,087)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549)	Other net operating income (expenses)  (54,600)  (77,210)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980) (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity	Electricity cost (Note 7,1) - (2,445,039)	Operation cost  (404,594)  - (23,759) (15,810) (48,629) (7,087) (5,846)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980) (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00) (9,261)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity Taxes, fees and contributions	Electricity cost (Note 7,1) - (2,445,039) - (177,615)	Operation cost - (404,594) - (23,759) (15,810) (48,629) (7,087) (5,846) (1,396)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415) (4,014)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)	1/1/2022 to 9/30/2022 Total (2,445,039) (470,980) (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00) (9,261) (5,439)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585) (3,604)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity Taxes, fees and contributions Materials, maintenance and conservation	Electricity cost (Note 7,1) - (2,445,039) - (177,615)	Operation cost - (404,594) - (23,759) (15,810) (48,629) (7,087) (5,846) (1,396)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415) (4,014)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)  (29)	1/1/2022 to 9/30/2022 Total - (2,445,039) (470,980) - (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00) (9,261) (5,439) (13,068)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585) (3,604) (11,706)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity Taxes, fees and contributions Materials, maintenance and conservation Write-off of judicial deposits	Electricity cost (Note 7,1) - (2,445,039) - (177,615)	Operation cost - (404,594) - (23,759) (15,810) (48,629) (7,087) (5,846) (1,396)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415) (4,014)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)  (29)  (2,486)	1/1/2022 to 9/30/2022 Total  - (2,445,039) (470,980) - (177,615) (77,210) (159,894) (98,689) (48,629) (26,671) (11,636.00) (9,261) (5,439) (13,068) (2,486)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585) (3,604) (11,706) (44,328)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity Taxes, fees and contributions Materials, maintenance and conservation Write-off of judicial deposits Energy futures contracts	Electricity cost (Note 7,1) - (2,445,039) - (177,615)	Operation cost - (404,594) - (23,759) (15,810) (48,629) (7,087) (5,846) (1,396)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415) (4,014)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)  (29)  (2,486) 180,344	1/1/2022 to 9/30/2022 Total - (2,445,039) (470,980) - (177,615) (77,210) (159,884) (98,689) (48,629) (26,671) (11,636.00) (9,261) (5,439) (13,068) (2,486) 180,344	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585) (3,604) (11,706) (44,328)
Purchased energy Depreciation and amortization Provision for impairment Electricity network charges Reversal (provision) for litigation Employee benefits Third party services Operation and maintenance services - O&M Goodwill amortization Rentals and leases Insurance indemnity Taxes, fees and contributions Materials, maintenance and conservation Write-off of judicial deposits Energy futures contracts Early settlement amount of the contract	Electricity cost (Note 7,1) - (2,445,039) - (177,615)	Operation cost - (404,594) - (23,759) (15,810) (48,629) (7,087) (5,846) (1,396)	General and Administrative Expenses  - (11,786) (136,135) (82,879) - (4,549) (3,415) (4,014)	Other net operating income (expenses)  (54,600)  (77,210)  (26,671)  (29)  (2,486) 180,344 (54,000)	1/1/2022 to 9/30/2022 Total  (2,445,039) (470,980)  (177,615) (77,210) (159,884) (98,689) (48,629) (26,671) (11,636.00) (9,261) (5,439) (13,068) (2,486) 180,344 (54,000)	Total 781,974.00 (777,220) (409,563) (299,452) (144,092) 450,631 (69,463) (51,777) (36,921) (26,218) (7,642) (6,585) (3,604) (11,706) (44,328)

(i) On September 30, 2022, there was a change in the balance of the provision for litigation, with the amount of R\$77,210 being provisioned against the reversal of R\$450,631 on September 30, 2021, for more information, see note 24 (a).

(520,972)

(265,557)

(4,102)

(3,413,285)

(666,515)

(ii) On September 30, 2021, there was an adhesion to the renegotiation of the hydrological risk in the subsidiary CESP, in the amount of R\$ 781,974, positively impacting energy costs. In addition, there

Management's explanatory notes are an integral part of the condensed consolidated and individual interim financial statements

(2,622,654)



was a provision for impairment of HPP Porto Primavera, in the amount of R\$ (299,452), recognized under the heading "Other operating income (expenses), net". There are no impacts from the renegotiation of the hydrological risk and the provision for impairment in the period ended September 30, 2022.

				Parent company
			7/1/2022 to	1/1/2021 to
	General and		9/30/2022	9/30/2021
	Administrative	Other net operating		
	Expenses	income (expenses)	Total	Total
Depreciation and amortization	(2.198)	(20.475)	(22.673)	(901)
Third party services	(9.718)	-	(9.718)	(9.708)
Employee benefits	(15.576)	-	(15.576)	(654)
Tax, fees and contributions	(162)	-	(162)	-
Materials, maintenance and conservation	(4.617)	-	(4.617)	-
Other net operating income (expenses)	(2.836)	(3.873)	(6.709)	(5.212)
	(35.107)	(24.348)	(59.455)	(16.475)

				Parent company
			1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	General and Administrative Expenses	Other net operating income (expenses)	Total	Total
Depreciation and amortization	(6.247)	(54.600)	(60.847)	(2.703)
Employee benefits	(40.693)	-	(40.693)	(4.745)
Third party services	(34.325)		(34.325)	(21.298)
Materials, maintenance and conservation	(5.105)	-	(5.105)	(648)
Tax, fees and contributions	(867)		(867)	(154)
Rents and leases	(1.753)	-	(1.753)	-
Other expenses	(4.627)	(3.928)	(8.555)	(2.883)
	(93.617)	(58.528)	(152.145)	(32.431)

#### 7.1 Purchased energy and electricity use charges

				Consolidated
	7/1/2022 a 9/30/2022	7/1/2021 a 9/30/2021	1/1/2022 a 9/30/2022	1/1/2021 a 9/30/2021
Purchased energy				
Energy purchased for resale	(135,430)	(278,308)	(318,062)	(501,568)
Renegotiation of hydrological risk	-	781,974	-	781,974
Energy purchased for resale - related shares	(67,770)	17,196	(203,361)	(20,362)
Related parties	-	-	-	(2,231)
Trading operations	(772,879)	(82,987)	(1,864,985)	(219,867)
Services of operation - trading	(5,448)	-	(28,067)	-
Hydrological risk renegotiation award	(7,272)	(6,607)	(21,579)	(19,606)
Short-term energy - CCEE	(734)	(6,715)	(8,382)	(10,720)
Other costs	(459)	(75)	(603)	(2,866)
	(990,013)	424,478	(2,445,039)	4,754
Use of the electricity grid				
Charges for the use of the electricity grid	(66,584)	(54,711)	(177,615)	(144,092)
	(66,584)	(54,711)	(177,615)	(144,092)
	(1,056,597)	369,767	(2,622,654)	(139,338)

Changes in trading operations and related parties balances refer to operations carried out by Auren Comercializadora, which as of February 2022 was consolidated (Note 1.1.2(b)).

Management's explanatory notes are an integral part of the condensed consolidated and individual interim financial statements



#### 8 Net financial result

					Consolidated
	Note	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Financial revenues					
Income on cash equivalents, financial investments and reserve account (i)		104,811	17,209	266,639	32,540
Adjustment to present value of the sale of investees		3,735	20,265	29,160	20,455
Interest accruals on judicial deposits	11	4,432	3,244	10,526	6,718
( ) DIS and COPINS on Reportal Liverage		(4.035)	(452)	(0.000)	(074)
(-) PIS and COFINS on financial income		(4,035)	(452)	(9,899)	(971)
Other financial revenues		3,816	945	6,295	1,954
		112,759	41,211	302,721	60,696
Financial expenses					
Interest paid on loans and financing (ii)		(83,987)	(58,327)	(202,292)	(165,096)
Interest/ indexation on debentures (iii)		9,919	(54,300)	(146,628)	(136,704)
Interest/ indexation on provisions for litigation (iv)	24	(17,706)	(17,147)	(93,866)	(145,406)
Update of post-employment benefit balance		(41,844)	(39,530)	(118,049)	(118,591)
Bank contractual termination (v)		-	-	(27,999)	-
Charges on discount operations		(12,101)	-	(33,974)	-
Adjustment to present value of the sale of investees		(3,585)	(8,490)	(16,267)	(8,765)
Interest/ indexation on reimbursement provision	23	1,032	-	(10,074)	-
Appropriation of funding costs		(3,867)	-	(11,375)	(10,168)
Write-off of judicial deposits		4,313	(5,957)	(2,497)	(7,789)
Adjustment to present value on social and environmental obligations and asset demobilization	22	(4,285)	(3,295)	(12,883)	(9,815)
Interest/ indexation on court settlements		(571)	(1,745)	(3,705)	(8,114)
Adjustment to present value on UBP	21	(1,281)	(1,318)	(4,162)	(4,278)
Interest/ indexation charges on suppliers		(1,513)	(926)	(3,873)	(2,045)
Other financial expenses, net		(10,336)	(1,750)	(20,018)	(5,385)
		(165,812)	(192,785)	(707,662)	(622,156)
		(53,053)	(151,574)	(404,941)	(561,460)

				Parent company
	7/1/2022 to 9/30/2022	7/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Financial revenues				
Income on cash equivalents, financial investments and reserve account (i)	51,236	2,047	128,283	3,927
Adjustment to present value of the sale of investees	2,978	20,175	28,967	20,175
(-) PIS and COFINS on financial income	(2,404)	(97)	(6,026)	(187)
Other financial revenues	1,151	33	1,302	91
	52,961	22,158	152,526	24,006
Financial expenses				
Interest paid on loans and financing (ii)	(11,850)	-	(30,439)	-
Bank contractual termination (v)	-	-	(27,999)	-
Adjustment to present value of the sale of investees	(3,441)	(8,350)	(15,839)	(8,350)
Appropriation of funding costs	(153)	-	-	-
Interest/ indexation charges on suppliers	(1,513)	(926)	(3,873)	(2,045)
Other financial expenses, net	(516)	(3)	(1,535)	(552)
	(17,473)	(9,279)	(79,685)	(10,947)
	35,488	12,879	72,841	13,059

- (i) The increase in the balance of income on cash equivalents, financial investments and reserve account refers substantially to CDBs and investment quotas, arising from the capital increase in Auren and the drawdown of a BNDES loan for VDP II and III.
- (ii) Interest on loans, financing and debentures, as of September 30, 2022, was R\$ 246,616, of which R\$62,324 was capitalized in property, plant and equipment, resulting in a net effect on consolidated financial expenses of R\$ 202,292. The capitalization of interest in the comparative period (September 2021) was R\$9,379.

Management's explanatory notes are an integral part of the condensed consolidated and individual interim financial statements



- (iii) There is no recognition of interest on debentures in the Parent Company in the period ended September 30, 2021, as the issuance took place in December 2021.
- (iv) Lower interest/ indexation charges due to reversals of civil and labor provisions in the first half of 2021 and settlements made (Note 24 (a)).
- (v) Credit line expenses are for financing not used by the Company.

#### 9 Cash and cash equivalents, financial investments and liquidity fund - repayment account

		Consolidated		Parent company
	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Brazilian Reais				
Cash and banks	43,258	24,520	173	54
	43,258	24,520	173	54
Cash equivalents				
Bank Deposit Certificates - CDBs	1,607,715	1,251,551	910,984	324,943
Financial Treasury Bills - LFTs	-	49,085	-	-
Bonded operations	-	35,020	-	-
Investment fund shares (a)	1,227,382	235,642	595,350	58,152
	2,835,097	1,571,298	1,506,334	383,095
Cash and cash equivalents	2,878,355	1,595,818	1,506,507	383,149
Financial investments				
Financial Treasury Bills - LFTs	102,612	77,751	-	-
	102,612	77,751	-	-
Liquidity fund - Reserve account (i)				
Current	2,729	6,153	-	-
Non-current	119,098	100,048	-	-
	121,827	106,201	-	-
	3,102,794	1,779,770	1,506,507	383,149

The increase of R\$ 1,323,024 in the consolidated balance of cash and cash equivalents refers substantially to the capital increase made by the shareholder CPP Investments, in cash (Note 1.1.2 (c)) partially offset by payments of loans, financing and debentures, as well as acquisitions of fixed and intangible assets.

As of September 30, 2022, financial investments have an average rate of return from 99% to 106% of the CDI rate.

(iii) The loans and financing of the subsidiaries of Piauí I, Piauí III (only Ventos de Santa Alexandrina, São Bernardo, Santo Antero, Santo Apolinário e Santo Alfredo) and Araripe III require the maintenance of the liquidity fund in a reserve account as a guarantee, corresponding to 3 (three) times the value of the debt service provision.

#### (a) Investment fund quotas

The investment fund shares are owned by the Votorantim Group's exclusive fund and the Aquilae Fund. Operations are composed substantially of government securities and leveraged transactions, which had an average remuneration rate of 100.29% CDI in the period ended September 30, 2022.

### Auren Energia S.A. Explanatory notes

**Periods ended September 30** 

In thousands of reais, except as otherwise indicated



	9/30/2022	Consolidated 12/31/2021	9/30/2022	Parent company 12/31/2021
Investment fund shares				
Compromised operations	330,454	6,510	281,865	6,510
Public bonds	896,928	229,132	313,485	51,642
	1,227,382	235,642	595,350	58,152

#### 9.1 Credit quality of financial assets

The table presents the credit quality of issuers and counterparties in cash and cash equivalent sums, liquidity fund - reserve account:

		Consolidated		Parent company
		Local rating		Local rating
	9/30/2022	12/31/2021	9/30/2022	12/31/2021
AAA	3,016,856	1,663,551	1,481,169	383,145
AA+	-	29,700	-	-
AA	85,924	86,510	25,338	4
No rating	14	9		
	3,102,794	1,779,770	1,506,507	383,149

Ratings extracted from rating agencies (Standard & Poor's, Moody's and Fitch Ratings) using their criteria.

#### 10 Accounts receivable from customers

#### a) Composition

		Consolidated
	9/30/2022	12/31/2021
Trading operations	243,385	41,054
Bilateral contracts	118,652	145,701
Related parties (Note 26)	113,547	11,171
Hydro Power Auctions	68,252	62,398
Wind Energy Auctions	55,856	55,609
Short-term energy - CCEE	26,224	12,698
	625,916	328,631

As of February 2022, Auren held a 100% interest in Auren Comercializadora and the change in the period refers substantially to the effect of including this subsidiary in the consolidation, with corresponding increases in trading operations and related parties (Note 1.1.2 (b).

#### b) Accounts receivable maturities

		Consolidated
	9/30/2022	12/31/2021
Yet to become due	623,663	326,894
Overdue up to 3 months	950	1,737
Overdue over 6 months	1,303	-
	625,916	328,631

Management reviewed the outstanding balances of accounts receivable from customers and concluded that there is no history of loss, so there is no evidence of estimated loss with doubtful settlement credit of accounts receivable from customers.

Management's explanatory notes are an integral part of the condensed consolidated and individual interim financial statements



#### 11 Judicial deposits and security deposits

							Consolidated
						1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Civil	Labor	Тах	Other deposits	Collateral	Total	Total
Opening balance for the period	161,273	19,533	13,273	16	1,873	195,968	260,496
Additions	10	6,497	22	45	1,128	7,702	8,525
Updates	8,227	2,106	154	6	33	10,526	6,719
Converted / Raised	(18,868)	(18,407)	(5)	(33)	(689)	(38,002)	(9,939)
(-) Write-offs	(3,937)	(1,023)		(23)		(4,983)	(52,117)
Closing balance	146,705	8,706	13,444	11	2,345	171,211	213,684

The reduction in the balance of judicial deposits occurred, substantially, by the conversion of judicial deposits, referring to civil and labor proceedings, due to the finalization of cases, which, for the most part, were already provisioned in liabilities, under the provision item for litigation.

#### 12 Asset subject to indemnification

						Consolidated
					9/30/2022	12/31/2021
	Três Irmãos	Ilha Solteira	Jupiá	Jaguari	Total	Total
Composition of the asset subject to indemnification						
Asset subject to indemnification	3,529,080	2,165,858	642,318	27,589	6,364,845	6,364,845
Adjustment for impairment	-	(1,657,484)	(337,826)	(7,818)	(2,003,128)	(2,003,128)
Contingent asset adjustment	(1,811,718)	(506,346)	(304,492)		(2,622,556)	(2,622,556)
Asset subject to indemnification (net)	1,717,362	2,028	-	19,771	1,739,161	1,739,161

This is an amount to be received by the subsidiary CESP from the Federal Government for indemnification of the concession contracts terminated from the Três Irmãos, Jupiá, Ilha Solteira and Jaguari Plants. There were no changes in ongoing discussions in the period (Note 9 to the annual financial statements for the year ended December 31, 2021).

On 16/08/2022, a decision was rendered by the lower court judge, in the process that discusses the amount of compensation for the reversibility of the Três Irmãos HPP, which did not accept the Federal Union's request for the issuance of a new expert report, considering it sufficient the referred technical evaluation existing in the process. However, the judge considered it necessary to appoint a new judicial expert, with expertise in the area of electrical engineering and experience in generation and pricing, in order to issue a supplementary report that clarifies, specifically, the occurrence of possible amortization of costs investment with the fees collected.

Therefore, in the best assessment and interpretation of the Company, a supplementary report should be issued only referring to the point, so that, currently, the appointment of the new expert for such act is awaited.



#### 13 Investments

#### a) Composition

						Consolidated
			Information as of	September 30, 2022	Income equity	Balance
	Net equity	Net profit (loss) for the period	Percentage of total interest (%)	Percentage of voting interest (%)	1/1/2022 a 30/9/2022	3/31/2022
Investments valued under the equity accounting method						
Associates						
CBA Energia Participações S.A.	301,608	81,958	66.67	-	50,751	204,940
Pollarix S.A.	358,878	108,513	66.67	-	77,971	252,532
Pinheiro Machado Participações S.A.	47,294	23,565	50.00	-	10,596	23,647
WAY2 Serviços de Tecnologia Ltda.	8,079	(1,409)	50.00	50.00	(1,412)	4,040
Aquarela Inovacao Tecnologica do Brasil S.A.	4,376	(1,615)	28.27	28.27	(822)	1,237
Goodwill						
CBA Energia Participações S.A.					-	316,248
Pollarix S.A.					-	231,135
WAY2 Serviços de Tecnologia Ltda.					(793)	36,301
Aquarela Inovacao Tecnologica do Brasil S.A.						7,800
					136,291	1,077,880

### Auren Energia S.A. Explanatory notes Periods ended September 30

In thousands of reais, except as otherwise indicated



Parent company Information as of September 30, 2022 Income equity Balance Percentage of Percentage of Net profit (loss) for 1/1/2022 to 1/1/2021 to total interest voting interest Net equity the period 9/30/2022 9/30/2021 9/30/2022 12/31/2021 (%) (%) Investments valued under the equity accounting method CESP - Companhia Energética de São Paulo 7,633,165 61,364 100,00 100,00 55,118 197,225 7,633,165 3,033,865 Auren Comercializadora de Energia Ltda. (iii) 535,895 306,728 100,00 100,00 81,454 310,986 Jaíba V Holding S.A. 53,413 (1,460)100,00 100,00 (1,460)53,413 41,870 Hélios IV Geração de Energia Ltda. 14,779 (3,241)100,00 100,00 (3,241)14,779 1 Sol do Piauí Geração de Energia Ltda. 6.420 67 100.00 100.00 (43) 6.420 253 MRTV Comercializadora de Energia Ltda. 1,017 22,00 100,00 100,00 22 1,017 994 Ventos do Araripe III Ventos de Santo Estevão Holding S.A. 451,004 (7,884)100,00 100,00 (7,885)(142,454) 451,004 444,388 Ventos do Piauí I Ventos de São Vicente Participações Energias Renováveis S.A. 340,403 37,095 100.00 100.00 37.095 27.921 340.403 303.310 Ventos do Piauí II 100.00 Ventos de São João Paulo II Energias Renováveis S.A. 179,637 1.441 100.00 1.441 (1,513)179.637 87.050 Ventos de Santo Ângelo Energias Renováveis S.A. (i) 101,555 2,675 51,00 100,00 2,675 (875) 101,555 93,664 Ventos de Santo Isidoro Energias Renováveis S.A. (i) 29,532 907 51,00 100,00 907 (264)29,532 28,626 Ventos de São Crispim I Energias Renováveis S.A. 57,499 (1,700)50,00 50,00 (850) (199) 28,750 19,752 50,00 50,00 (532) (187) Ventos de Santo Alderico Energias Renováveis S.A. 51,564 (1,064)25,782 19,814 Ventos de São Ciríaco Energias Renováveis S.A. 45,855 (1,270)50,00 50,00 (635)(197)22,927 19,778 Ventos de São Caio Energias Renováveis S.A. 38,802 (630)50,00 50,00 (315) (247)19,401 19,716 Ventos do Piauí III Ventos de Santo Anselmo Energias Renováveis S.A. (i) 108,918 1,281 51,00 100,00 1,281 (789) 108,918 100,017 Ventos de Santo Antero Energias Renováveis S.A. 62,689 1,615 50,00 50,00 808 (260)31,345 19,781 50,00 50,00 1,805 (195) Ventos de Santa Alexandrina Energias Renováveis S.A. 55,300 3,610 27,650 19,851 Ventos de Santo Apolinário Energias Renováveis S.A. 49,013 1,310 50,00 50,00 655 (179)24,507 19,851 **Associated** 66,67 Pollarix S.A. (ii e iii) 358,878 108,513 77,971 252,532 CBA Energia Participações S.A. (ii e iii) 301,608 81,958 66,67 50,751 204,940 Pinheiro Machado Participações S.A. (ii e iii) 47,294 23,565 50,00 10,596 23,647 Goodwill Auren Comercializadora de Energia Ltda. 420,969 CBA Energia Participações S.A. 316,248 Pollarix S.A. 231,135 Ventos de Santo Estevão Holding S.A. (4,318)(4,319)88,722 93,040 CESP - Companhia Energética de São Paulo 39,822 (19, 276)(8,763)77,187

(i) Sale of investments, however, contractual clauses provide the Company control over the entire return on these investments, and it is fully consolidated.

284,134

64,662

11,026,571

4,405,443

Management's explanatory notes are an integral part of the condensed consolidated and individual interim financial statements



- (ii) The equity in results of investment do not agree directly with the percentage corresponding to the Downstream merger at September 30, 2022, as the calculation of equity considers disproportional dividends: (a) CBA Energia, pays preferred dividends 10% higher than common shares; (b) Pollarix pays preferred dividends 25% higher than common shares from the investment contribution; and (c) Pinheiro Machado, pays preferred dividends 50% higher than common shares. The Company only has preferred shares of these affiliates, therefore, there is no percentage of voting participation.
- (iii) The equity in earnings of Auren Comercializadora, CBA Energia, Pollarix and Pinheiro Machado refers to the months of February and September 2022, after the capital contribution and the transfer of shares to Auren, from the downstream merger of VGE on February 3, 2022 (Note 1.1.2 (b)).
- (iv) The equity result in Auren Comercializadora does not reflect the percentage of participation, as there is the purge of unrealized profits related to the derecognition of the market marking of operations with CESP Comercializadora (Note 4 (a)) in the amount of R\$ 340,771, net of deferred taxes of R\$ 115,862, totaling R\$ 224,909.



#### b) Transaction

		Consolidated		Parent company
	Note	1/1/2022 to 9/30/2022	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Opening balance		-	4,405,443	3,943,471
Equity in results of investee Adjustment of equity valuation of remeasurement of CESP's retirement benefits		136,291	284,134 - 11,761	64,662 156,962
Equity valuation adjustment of derivative financial instruments		-	-	18,316
Interest in loss of investee		-	-	- 1,333
Reverse merger VGE - equity balances of investments				
CBA Energia Participações S.A.	1.1.2 (b)	221,726	221,726	-
Pollarix S.A.	1.1.2 (b)	248,073	248,073	-
Pinheiro Machado Participações S.A.	1.1.2 (b)	13,051	13,051	-
Auren Comercializadora Votorantim Comercializadora de Energia Ltda.	1.1.2 (b)	-	122,230	-
Reverse merger VGE - balances of goodwill and investments				
CBA Energia Participações S.A.	1.1.2 (b)	316,248	316,248	-
Pollarix S.A.	1.1.2 (b)	231,135	231,135	-
Auren Comercializadora Votorantim Comercializadora de Energia Ltda.	5 (a)	-	420,969	-
Merger of CESP shares - at economic value				
Merger of CESP chares - economic value	5 (b)	-	4,555,943	-
Added value of fixed assets	5 (b)	-	56,641	-
Merged company included in the consolidation		42,544	-	-
Investment acquisition - Aquarela Inovação Tecnológica do Brasil S.A.	1.1.2 (k)	9,858	-	-
Capital increase in subsidiaries - via bank transfer	1.1.2 (i)	-	291,865	246,866
Capital increase in subsidiaries - via asset transfer		-	11,920	188,659
Partial spin-off in subsidiary		-	-	- 32,384
Resolution of additional dividends Ventos de São Vicente				- 38,210
Interest on equity highlighted by CESP				- 102,572
Resolution of additional dividends CBA Energia	1.1.2 (I)	- 67,535	- 67,535	-
Resolution of additional dividends Pollarix	1.1.2 (I)	- 73,511	- 73,511	-
Closing balance		1,077,880	11,026,571	4,444,437



#### 14 Asset

#### a) Composition and movement

											Consolidated		Parent company
										1/1/2022 to 9/30/2022	1/1/2021 to 6/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 6/30/2021
	Land and terrain	Buildings, constructions and improvements	Machines, equipment and installations	Reservoirs, dams and pipelines	Wind turbines	Asset demobilization	Vehicles	Furniture and utensils	Construction in progress	Total	Total	Construction in progress (i)	Construction in progress
Opening balance													
Cost	265.789	2.065.691	2.536.183	8.120.326	2.738.398	255.868	6.984	5.179	724.851	16.719.269	16.074.008	3.331	159.969
Accumulated depreciation	(21.681)	(1.492.078)	(1.624.459)	(4.086.143)	(552.989)	(52.671)	(5.327)	(3.105)	-	(7.838.453)	(7.377.255)	-	-
Adjustment to fair value of property, plant and equipment in the purchase price allocation - CESP Accumulated fair value adjustment amortization	858.924 (83.730)		312.619 (89.137)	(982.722) 83.512		-	-	-		188.821 (89.355)	188.821 (60.156)	-	-
Net opening balance	1.019.302	573.613	1.135.206	3.134.973	2.185.409	203.197	1.657	2.074	724.851	8.980.282	8.825.418	3.331	159.969
Additions (i)	-	-				5.257			1.394.317	1.399.574	597.335	10.804	10.712
Additions of asset retirement in progress	-	-	-	-	-	21.033				21.033		-	-
Write-off			(734)	-	-	-	-	-		(734)	(3.070)	-	-
Depreciation	(5.844)	(36.167)	(27.432)	(161.431)	(91.804)	(17.532)	(235)	(256)	-	(340.701)	(342.005)	-	-
Amortization of fair value adjustment	(21.237)	-	(23.571)	22.455		-	-	-	-	(22.353)	(21.899)	-	-
Reverse incorporation effect	-	-	-	-	-	-	-	-	625	625		625	-
Merged company included in the consolidation	-	443	385	-	-	-	-	1.534	30.192	32.554		-	-
Transfers (ii)	-	892	181.727	-	418.292,00	-	-	-	(601.784)	(873)	(156.764)	-	(156.274)
Reclassification to assets held for sale			-	-	-	-	-	-	-		(8.487)	(134)	-
	992.221	538.781	1.265.581	2.995.997	2.511.897	211.955	1.422	3.352	1.548.201	10.069.407	8.890.528	14.626	14.407
Cost	265.789	2.067.026	2.717.561	8.120.326	3.156.690	282.158	6.984	6.713	1.548.201	18.171.448	16.503.022	14.626	14.407
Accumulated depreciation	(27.525)	(1.528.245)	(1.651.891)	(4.247.574)	(644.793)	(70.203)	(5.562)	(3.361)	-	(8.179.154)	(7.719.260)	-	-
Adjustment to fair value of property, plant and equipment in the purchase price allocation - CESP Accumulated fair value adjustment amortization	858.924 (104.967)	-	312.619 (112.708)	(982.722) 105.967	-	-	-	-	-	188.821 (111.708)	188.821 (82.055)	-	-
Net closing balance	992.221	538.781	1.265.581	2.995.997	2.511.897	211.955	1.422	3.352	1.548.201	10.069.407	8.890.528	14.626	14.407
Average annual depreciation rates - %	3	3	5	2	5	10	20	20	-	-	-	-	-

- (i) The consolidated costs of loans and financing, net of income from financial investments, capitalized in property, in the nine-month period ended September 30, 2022, totaled R\$ 62,269 (R\$ 9,379 in September 2021). There was no interest capitalization in the comparative period.
- (ii) In September 2022, fixed assets in progress transfers, of R\$ 452,892 were made, to "Wind Turbines", "Machine and Equipment" and "Buildings, constructions and improvements", upon start up of commercial operations of Ventos de Santa Alexandrina and Ventos de São Bernardo wind farms, once fixed assets had been itemized by a specialized company. Transfers of "Software" were made of the intangible assets.



1/1/2022 a 9/30/2022 Works in progress 3,331	1/1/2021 a 9/30/2021 Works in progress
3 331	
3 331	
3,331	159,969
3,331	159,969
10,804	10,712
625	-
(134)	(156,274)
14,626	14,407
14,626	14,407
14,626	14,407
	3,331 10,804 625 (134) 14,626

(i) The amount of R\$ 156,274 refers to transfers made by Auren of its fixed assets in progress, as a capital contribution to the subsidiaries of VDP II and III, in the period ended September 30, 2021.

#### b) Works in progress

	9/30/2022	12/31/2021
Projects		
Construction of wind farms - VDP II and III	1,459,176	680,195
Project Corumbá - GO (i)	30,447	-
Modernization	55,102	43,995
Others	3,476	661
	1,548,201	724,851

(i) The Corumbá Project refers to the assets under construction in Auren Comercializadora to build small hydroelectric plants ("SHPs") on the Corumbá River, in the state of Goiás. In 2017 and 2018, following a competitive bid conducted by ANEEL, of the total of 17 SHPs of the project, the subsidiary Auren Comercializadora was awarded 11 SHPs, with a total installed capacity of approximately 265 MW and 160 average MW of assured energy.



#### 15 Intangible

#### a) Composition and movement

												Consolidated
											1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Development and natural resource rights	ANEEL Authorization	Power Purchase Agreement	Renegotiation of hydrological risk	Softwares	Granting rights	Right to grant water investments (i)	Auren Comercializ adora goodwill (i)	UBP	Intangible in progress (ii)	Total	Total
Opening balance												
Cost	255,687	17,633	96,778	508,656	31,165	1,398,703	-	-	183,119	117,719	2,609,460	1,911,781
Accumulated amortization	(11,277)	(2,180)	(19,416)	(44,944)	(24,127)	(124,902)		-	(16,182)		(243,028)	(141,013)
Net opening balance	244,410	15,453	77,362	463,712	7,038	1,273,801			166,937	117,719	2,366,432	1,770,768
Additions (i)		-	-			-	1,119,574	420,969	449	10,039	1,551,031	783,882
Amortization	(5,792)	(52)	-	(31,520)	(3,344)	(28,545)	(54,600)		(3,742)	-	(127,595)	(66,389)
Amortization of fair value adjustment	-	(423)	(3,895)	-	-	-	-	-	-	-	(4,318)	(4,319)
Impairment provision	-			-	-	-	-	-	-	-		(299,452)
Reverse incorporation effect			-		207	-	-	-	-	-	207	-
Merged company included in the consolidation	-		-		1,742			-	-	-	1,742	-
Transfers (ii)	-	-	-	-	1,241	-	-	-	-	(368)	873	490
Closing balance	238,618	14,978	73,467	432,192	6,884	1,245,256	1,064,974	420,969	163,644	127,390	3,788,372	2,184,980
Cost	255,687	17,633	96,778	508,656	34,355	1,398,703	1,119,574	420,969	183,568	127,390	4,163,313	2,396,701
Accumulated amortization	(17,069)	(2,655)	(23,311)	(76,464)	(27,471)	(153,447)	(54,600)	•	(19,924)	•	(374,941)	(211,721)
Net closing balance	238,618	14,978	73,467	432,192	6,884	1,245,256	1,064,974	420,969	163,644	127,390	3,788,372	2,184,980
Annual average amortization rates - %	3			8	5	3	3		3			



						Parent company
					1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Development and natural resource rights	Software	Right to grant water investments	Intangible in progress	Total	Total
Opening balance						
Cost	210,926	-	-	74,637	285,563	123,261
Accumulated amortization	(3,815)				(3,815)	(294)
Net opening balance	207,111	-		74,637	281,748	122,967
Additions (i)			1,119,573	3,657	1,123,230	-
Write-off				(78,294)	(78,294)	
Amortization	(4,833)	(52)	(54,600)	-	(59,485)	(2,641)
Reverse merged effect		207	-	-	207	-
Transfers		135			135	
Closing balance	202,278	290	1,064,973		1,267,541	120,326
Cost	210,926	342	1,119,573		1,330,841	123,261
Accumulated amortization	(8,648)	(52)	(54,600)		(63,300)	(2,935)
Net closing balance	202,278	290	1,064,973		1,267,541	120,326
Annual average amortization rates - %	3	5	5			

- (i) Refers to the adjustment to the fair value of the assets incorporated by Auren, and is composed of: (i) R\$ 1,119,573 of water investment concession right, in relation to the added value of the invested CBA Energia, Pollarix and Pinheiro Machado; and (ii) R\$ 420,969 of Auren Comercializadora goodwill, according to note 5(a) of business combination.
- (ii) The balance of intangible assets in progress refers to solar and wind projects acquired from third parties.



#### 16 Leases

#### a) Right of use over lease agreements

					Consolidated				Parent company
				1/1/2022 a 9/30/2022	1/1/2021 a 9/30/2021			1/1/2022 a 9/30/2022	1/1/2021 a 9/30/2021
	Real estate, commercial buildings and rooms	Land and terrain	Vehicles	Total	Total	Real estate, commercial buildings and rooms	Vehicles	Total	Total
Opening balance									
Cost	8,943	-	275	9,218	8,826	-	275	275	275
Accumulated amortization	(3,687)	-	(248)	(3,935)	(2,393)	-	(248)	(248)	(165)
Net Opening balance	5,256		27	5,283	6,433		27	27	110
New contracts	4,074	76,005	-	80,879	-	2,719	-	2,719	-
Write-off	(4,447)	-	(16)	(4,463)	-	-	-	-	-
Contract remeasurement	-	-	-	-	392	-	-	-	-
Amortization	(2,657)	-	(27)	(2,684)	(1,155)	(1,335)	(27)	(1,362)	(62)
Reverse merger effect Incorporated company included in the consolidation	1,815 281	-	- 16	1,815 297	-	1,815	-	1,815	-
Closing balance	4,322	76,005	-	80,327	5,670	3,199	-	3,199	48
Cost	15,656	76,005	275	91,936	9,218	8,619	275	8,894	275
Accumulated amortization	(11,334)	-	(275)	(11,609)	(3,548)	(5,420)	(275)	(5,695)	(227)
Net closing balance	4,322	76,005	-	80,327	5,670	3,199	-	3,199	48
Average annual amortization rates - %	49	3	20			49	20		



#### b) Leases – Liability

		Consolidated		Parent company	
	1/1/2022 a 9/30/2022	1/1/2021 a 9/30/2021	1/1/2022 a 9/30/2022	1/1/2021 a 9/30/2021	
Opening balance	5,498	6,607	31	118	
New contracts (i)	80,079	-	2,719	-	
Write-off	(4,618)	-	-	-	
Settlements	(2,735)	(1,311)	(1,558)	(70)	
Contract remeasurement	-	392	-	-	
Realization of the adjustment to present value	249	181	115	5	
Reverse merger effect	1,921	-	1,921	-	
Incorporated company included in the consolidation	268	-			
Closing balance	80,662	5,869	3,228	53	
Current	3,448	1,845	955	53	
Non-current	77,214	4,024	2,273	-	
	80,662	5,869	3,228	53	

(i) The new contracts refer substantially to the leases of the areas where the structures of the Jaíba V solar complex which is under development will be built (note 1.1.1(d)). The incremental interest rate, at the average cost of bonds, for land is 4.477%; for buildings: 7.95%; and for vehicles: 7.7%.

#### c) Maturity profile

					Consolidated
Up to 1 year	Between 1 and 2 years	Between 3 and 5 years	Between 5 and 10 years	Over 10 years	Total
3,212	2,480	4,278	9,116	61,576	80,662
					Parent company
Up to 1 year	Between 1 and 2 years	Between 3 and 5 years	Between 5 and 10 years	Over 10 years	Total
955	205	471	1,546	51	3,228

#### 17 Loans, financing and debentures

#### a) Composition

										Consolidated
										9/30/2022
					Current				Non-current	
Tuno	Average interest rate		Funding				Funding			
Туре	Average interest rate	Charges	cost	Principal	Total	Charges	cost	Principal	Total	Total
BNDES	TJLP+2.53%	5,281	(7,217)	109,008	107,072	-	(60,926)	1,445,040	1,384,114	1,491,186
BNDES	TLP+4.56%	-	(1,502)	32,371	30,869	-	(33,525)	1,518,768	1,485,243	1,516,112
Debentures	IPCA+4.61% / CDI+1.56%	27,335	(6,878)	78,190	98,647	31,903	(40,812)	2,631,752	2,622,843	2,721,490
		32,616	(15,597)	219,569	236,588	31,903	(135,263)	5,595,560	5,492,200	5,728,788

										Consolidated
										12/31/2021
					Current				Non-current	
Tuno	Average interest rate		Funding				Funding			
Туре	Average interest rate	Charges	cost	Principal	Total	Charges	cost	Principal	Total	Total
BNDES	TJLP+2.53%	5,433	(7,217)	101,861	100,077	-	(66,333)	1,521,611	1,455,278	1,555,355
BNDES	TLP+4.56%	-	(72)	198	126	-	(18,824)	568,641	549,817	549,943
Debentures	IPCA+4.62% / CDI+1.56%	38,011	(6,256)	77,001	108,756	1,464	(46,517)	2,541,873	2,496,820	2,605,576
		43,444	(13,545)	179,060	208,959	1,464	(131,674)	4,632,125	4,501,915	4,710,874

Management's explanatory notes are an integral part of the financial statements intermediate and condensed individual and consolidated individuals.



						Parent company
						9/30/2022
					Non-current	
Туре	Average interest rate		Charges	Funding cost	Principal	Total
Debentures	CDI+1.48%		31,903	(1,398)	300,000	330,505
		_	31,903	(1,398)	300,000	330,505

Type Average interest rate Charges Funding cost Principal							Parent company
Type Average interest rate Charges Funding cost Principal							12/31/2021
						Non-current	
Delications (4 700)	Туре	Average interest rate	Charg	ges	Funding cost	Principal	Total
Debentures CDI+1.48% 1,464 (1,790) 300,000 29	Debentures	CDI+1.48%	1,4	464	(1,790)	300,000	299,674
1,464 (1,790) 300,000 29			1/	464	(1.790)	300.000	299,674

BNDES - National Bank for Economic and Social Development

CDI - Interbank Deposit Certificate

IPCA - Broad National Consumer Price Index

TLP - Long-Term Interest Rate

TJLP - Long-Term Interest Rate, set by the National Monetary Council

#### b) Winning profile

										Consolidated
									As of	
Modality	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
Brazilian Reais										
BNDES - TJLP+2.53%	30,713	102,364	108,480	112,946	117,412	130,797	151,584	166,899	569,991	1,491,186
BNDES - TLP+4.56%	148	45,900	69,179	69,179	69,179	69,179	69,179	69,179	1,054,990	1,516,112
Debentures - IPCA+4.61% /										
CDI+1.64%	85,899	86,029	537,395	81,801	7,284	7,284	603,560	603,560	708,678	2,721,490
	116,760	234,293	715,054	263,926	193,875	207,260	824,323	839,638	2,333,659	5,728,788
	2%	4%	12%	5%	3%	4%	14%	15%	41%	100%

#### c) Changes in balances

		Consolidated	Parent company
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022
Opening balance	4,710,874	3,749,688	299,674
Fundraising	902,943	538,842	-
Interest accrual	264,616	167,203	30,439
Indexation accrual	146,628	136,704	-
Appropriation of funding costs	11,375	10,168	464
Addition funding costs	(17,016)	(19,198)	(72)
Interest paid	(211,695)	(179,046)	-
Liquidations	(78,937)	(79,881)	<u> </u>
Closing balance	5,728,788	4,324,480	330,505

#### d) Funds raised

In 2021, the VDP II and III wind farms executed loan contracts with BNDES for R\$ 1.6 billion for the construction of wind farms, with a term of 23 years. Maturity of the first installment of principal is due in December 2022, bearing interest at IPCA + 4.56% p.a. Through to September 30, 2022, R\$ 902,566 of this loan had been drawdown.



#### e) Warranties

Subsidiary	Туре	Guarantee
Piauí I	BNDES	Votorantim S.A. <sup>(i)</sup> and Ventos de São Vicente Participações Energias Renováveis S.A. Reserve accounts; Pledge of assets and shares; Fiduciary assignment of credit rights and rights arising from authorizations.
Piauí I	Debentures	Votorantim S.A. guarantee
Piauí II and III	BNDES	Votorantim S.A. <sup>(i)</sup> and VTRM Energia Participações S.A. guarantee; Reserve accounts; Pledge of assets and shares; Fiduciary assignment of credit rights and rights arising from authorizations.
Araripe III	BNDES onlending	VTRM Energia Participações S.A. and Ventos de Santo Estevão Holding S.A. guarantee Reserve accounts; Pledge of assets and shares; Fiduciary assignment of credit rights and rights arising from authorizations.
Araripe III	Debentures	Guarantee SPEs <sup>(ii)</sup> ; Corporate Guarantee Auren Energia S.A.;; Reserve accounts; Pledge of assets and shares; Fiduciary assignment of credit rights and rights arising from authorizations.

- (i) Guarantees will be released after the fulfillment of certain obligations under the contracts.
- (ii) Companies comprising the Ventos do Araripe III wind farms.

#### f) Restrictive covenants

Loans, financing and debentures obtained by the Company's subsidiaries are require to comply with certain financial restrictive clauses, under penalty of early maturity of the related debts. Failure to comply with the obligations or restrictions may lead to default in relation to other contractual obligations (cross default), depending on each loan and financing agreement. Additionally, loans and financing contain non-financial restrictive clauses, all of which were being compiled at the last measurement period.

The subsidiary CESP has debenture agreements, the Deed of issue of which does not provide for any type of financial restrictive clause, normally applicable to this type of operation. However, other restrictive clauses contained in the Deed of Issue are constantly monitored. Debenture obligations, including pecuniary obligations, may be declared overdue in advance, which could result in an adverse impact on CESP's cash flow.

Additionally, loans and financing in force as of September 30, 2022 contain restrictive financial clauses, which require the obligation to maintain the Debt Service Coverage Index (ICSD) at 1.2 times at each year's close.

The Company's Management and its subsidiaries monitor these rates systematically and constantly so that the conditions are met, and on September 30, 2022 there is no non-compliance with these restrictive clauses.



#### 18 Suppliers

		Consolidated		Parent company
	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Current				
Energy purchased for resale	332,384	105,398	-	-
Energy purchased for resale - Related parties (Note 26)	23,259	2,770	-	-
Material and service providers	86,534	88,167	7,047	3,910
Material and service suppliers - Related parties (Note 26)	2,614	1,950	144	1,155
Acquisition of projects and investments	754	3,081	754	3,081
Charges for use of the power grid	22,428	24,212	-	-
	467,973	225,578	7,945	8,146
Non-current				
Acquisition of projects and investments	78,089	74,216	78,089	74,216
Material and service providers	293	-	-	-
	78,382	74,216	78,089	74,216
	546,355	299,794	86,034	82,362

As mentioned in note 1.1.2 (b), as of February 2022, Auren started to hold 100% interest in Auren Comercializadora, and the increase in the balance of this item in the period refers substantially to the effect of the inclusion of this subsidiary in the consolidation, in the amount of R\$259,271 as of September 30, 2022, with energy operations for resale.

#### 19 Current and deferred income tax and social contribution

#### (a) Reconciliation of income tax/ social contribution expense

The income tax and social contribution amounts shown in the results for the nine-month periods ended September 30, 2022 and 2021 show the following reconciliation based on the nominal rate:

				Consolidated
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Profit before income tax and social contribution	341,132	555,127	348,879	628,826
Nominal rates	34%	34%	34%	34%
Indianal control for the format of the forma	(445.005)	(100 = 10)	(****	(212.221)
IRPJ and CSLL calculated at nominal rates	(115,985)	(188,743)	(118,619)	(213,801)
Reconciling items				
Share of results of investee	17,782	-	46,339	-
Tax loss and carryforwards not recognized as asset	(5,632)	(9,190)	(18,847)	(22,243)
Temporary tax differences not recognized as assets	(2,241)	(19,131)	(7,252)	(19,843)
Subsidiaries taxed by under the presumed profit regime	716	(20,433)	(3,044)	(35,931)
Tax incentive	(92)	(245)	87	-
Write-off of deferred tax related to reverse merger	-	-	(4,820)	-
Other permanent differences net	(5,594)	(859)	(17,249)	(5,625)
IRPJ and CSLL expense/benefit	(111,046)	(238,601)	(123,405)	(297,443)
Current	9,139	23,141	(40,293)	(11,384)
Deferred	(120,185)	(261,742)	(83,112)	(286,059)
IRPJ and CSLL expense/ benefit	(111,046)	(238,601)	(123,405)	(297,443)

#### Auren Energia S.A. Explanatory notes September 30, 2022

In thousands of reais, except as otherwise indicated



				Parent company
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Profit before income tax and social contribution	220,679	85,272	204,830	45,290
Nominal rates	34%_	34%	34%	34%
Reconciling items	(75,031)	(28,992)	(69,642)	(15,399)
Adjustments for the calculation of the effective IRPJ and CSLL				
Share of results of investee	83,180	30,215	96,606	21,985
Tax loss carryforwards not recognized as assets	2,101	(4,628)	(2,834)	(9,981)
Temporary tax differences not recognized as assets	(2,241)	(495)	(7,252)	(1,207)
Write-off of deferred tax related to reverse merger	-	-	(4,820)	-
Other permanent diferences, net	1,398	873	4,372	3,601
IRPJ and CSLL expense/ benefit	9,407	(3,027)	16,430	(1,001)
Current	-	-	-	40
Deferred	9,407	(3,027)	16,430	(1,041)
IRPJ and CSLL expense/ benefit	9,407	(3,027)	16,430	(1,001)

#### (b) Composition of deferred tax balances

		Consolidated		Parent company
	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Income tax and social contribution				
Tax credits				
Tax loss carryforwards	1,070,282	1,035,256	-	-
Provision for impairment	588,560	588,560	-	-
Regulatory asset provision	461,031	461,031	-	-
Provision for lawsuits	481,816	451,982	-	-
Post-employment benefits accruals	-	74,085	-	-
Energy future contracts	-	2,790	-	-
Hedge accounting	-	4,318	-	-
Other provisions	73,883	72,149	-	-
Tax liabilities on temporary differences				
Recognition and realization of goodwill	(392,893)	(34,445)	(388,335)	(14,136)
Gain on CESP advantageous purchase (negative goodwill)	(312,805)	(312,805)	(312,805)	(312,805)
Renegotiation of hydrological risk	(243,872)	(254,587)	-	-
Judicial deposit accruals	(16,376)	(18,291)	-	-
Disposal of investees	(14,648)	(4,774)	(8,520)	(4,057)
Energy futures contracts	(70,716)	-	-	-
Post-employment benefits accruals	(12,066)	-	-	-
Effect in other comprehensive income	-	-	-	-
Post-employment benefits	539,043	532,985	-	-
Assigned cost of fixed assets	445,904	458,615	-	-
Net	2,597,143	3,056,869	(709,660)	(330,998)
Deferred tax net assets same legal entity	3,370,826	3,408,893	-	-
Deferred tax net liabilities same legal entity	(773,683)	(352,024)	(709,660)	(330,998)

#### (c) Changes in deferred income tax and social contribution balances

		Consolidated		Parent company
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Opening balance	3,056,869	3,597,442	(330,998)	(330,317)
Effects on income	(83,112)	(286,059)	16,430	(1,041)
Reverse merger VGE - equity balances	4,820	-	4,820	-
Reverse merger VGE - concession added value	(380,654)	-	(380,654)	-
Merger of CESP shares - asset value added	-	-	(19,258)	-
Merged company included in the consolidation	(6,839)	-	-	-
Effects on comprehensive income				
Hedge accounting	-	(18,126)	-	-
Employee pension entity	6,059	(202,119)	-	-
Closing balance	2,597,143	3,091,138	(709,660)	(331,358)

Management's explanatory notes are an integral part of the financial statements intermediate and condensed individual and consolidated individuals.



#### 20 Energy futures contracts

#### (a) Composition

						Consolidated
			9/30/2022			12/31/2021
	Assets	Liabilities	Total	Assets	Liabilities	Total
Current	1,613,118	(1,441,749)	171,369	270,815	(282,619)	(11,804)
Non-current	3,319,202	(3,282,584)	36,618	341,292	(337,697)	3,595
	4,932,320	(4,724,333)	207,987	612,107	(620,316)	(8,209)

#### (b) Changes in balances

		Consolidated
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Opening balance	(8,209)	(21,444)
Mark-to-Market	116,716	20,702
Realization	63,628	(24,301)
Other operating income, net (Note 7)	180,344	(3,599)
Incorporated company included in the consolidation	35,852	-
Closing balance	207,987	(25,043)

#### 21 UBP - Use of the Public asset

#### (a) Composition and changes in balances

				Consolidated
			1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
		(-) Adjustment to	Net	Net
	UBP	present value	Liabilities	Liabilities
Opening balance	140,548	(10,554)	129,993	155,364
Realization current value adjustment (Note 8)	-	4,162	4,162	4,278
Reassessment of the disbursement flow	467	(18)	449	1,325
Payments	(31,894)		(31,893)	(31,808)
Closing balance	109,121	(6,410)	102,711	129,159
Current	43.842	_	43.842	40,421
Non-current	65,279	(6,410)	58,869	,
Non-current				88,738
	109,121	(6,410)	102,711	129,159



#### 22 Social and environmental obligations and asset demobilization

#### (a) Composition and changes in balances

							Consolidated
						1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Asset	Environmental	Conduct adjustment	Social and environmental	(-) Adjustment to present		
	demobilization	license	term	obligations	value	Total	Total
Opening balance	721,998	217,492	53,916	6,052	(685,117)	314,341	263,813
Additions (i)	512,245	-	-	-	(491,212)	21,033	-
Payments	-	(14,400)	(6,975)	-	-	(21,375)	(12,491)
Realization current value adjustment (Note 8)	-	-	-	-	12,883	12,883	9,815
Closing balance	1,234,243	203,092	46,941	6,052	(1,163,446)	326,882	261,137
Current	-	39,335	5,403	6,052	-	50,790	40,441
Non-current	1,234,243	163,757	41,538	-	(1,163,446)	276,092	220,696
	1,234,243	203,092	46,941	6,052	(1,163,446)	326,882	261,137

(i) In September 2022, there was the recognition of the provision for demobilization of assets in the amount of R\$ 21,033, net of adjustment to present value, had been booked for the wind farms of the Ventos do Piauí II and III Complexes that came into operation until September 30, 2022. These long term obligations (over than 30 years), require estimated current costs to be readjusted for inflation (IPCA rate represents the best estimate of future costs) and discounted to present value using the NTN-B with a maturity coinciding whit the authorizations terms.

#### 23 Provision for reimbursement

#### (a) Composition and changes in balances

			1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Annual reimbursement	Four-year reimbursement	Total	Total
Opening balance	204,824	128,703	333,527	140,803
Additions (i)	17,453	15,163	32,616	176,261
Realizations (ii)	-	-	-	533
Interest accruals (Note 8)	8,052	2,022	10,074	-
	25,505	17,185	42,690	176,794
Closing balance	230,329	145,888	376,217	317,597
Current	230,329	120,198	350,527	307,779
Non-current		25,690	25,690	9,818
	230,329	145,888	376,217	317,597

(i) On February 12, 2021, an incident which occurred at the substation that connects the Ventos do Araripe III companies, caused the power transformer (traffic) in this substation to be shut down. This caused the total interruption of the flow of energy generation of the complex, since the other transformer was not operating due to an accident in June 2020. The unit began operating commercially on April 29, 2021 when the first transformer came on line following its repairs.

The interruption of the energy was reflected in the provision for annual compensation that the companies calculate monthly due to the effective energy generation, with consequential reduction in net revenue until the date the situation was normalized. This impact was mitigated by the subsidiaries' insurance policy for risks associated with the assets, including damage to transformers, with coverage for material damage and loss of profits.

Auren Energia S.A. Explanatory notes September 30, 2022





Management contacted the insurance company accessor to quantify the appropriate indemnity. The decision will depend on the final opinion of the expert witness conducted by the insurance company. Up to the date of approval of these interim financial statements, Management had not received the opinion of the insurer regarding the indemnity.

(ii) ANEEL issued Order No. 2,303/2019 ordering that CCEE suspend the reimbursements in the Contracting of Electric Energy in the Regulated Environment for contractual years from August 2019, until such time as a final decision is rendered from Public Hearing No. 034/2019, which aims to regulate the procedures and criteria for determining the constrained-off operation restriction of wind farms. On April 29, 2022, ANEEL approved version 2.0 of the sales protocols that regulate the methodology for calculating non-supplied energy resulting from the constrained-off of wind farms, through Order 1,151/2022. However, on May 13, 2022, the CCEE issued notice 355/22 informing that is carrying out the adjustments and systemic tests, as well as the exchange of information and validation of input parameters with the National Electric System Operator (ONS). CCEE will present to the market the operational schedule of the recalculations, through a new notice.

#### 24 Provisions

#### (a) Changes in balances

						Consolidated
					1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
	Civil	Labor	Environmental	Tax	Total	Total
Opening balance	1,164,728	92,104	66,909	5,671	1,329,412	1,748,306
Accruals (Note 8)	87,572	4,311	1,744	239	93,866	145,406
Provision / (reversal) (Note 7)	34,149	12,687	30,573	(199)	77,210	(450,631)
(-) Payments	(55,455)	(29,674)	(190)	(15)	(85,334)	(118,189)
Merged company included in the consolidation	355	1,605	-	-	1,960	-
Closing balance	1,231,349	81,033	99,036	5,696	1,417,114	1,324,892

The provisions are constantly evaluated in relation to the underlying lawsuits and updated as soon as new information is available. Thus, the Company and its subsidiaries seek to reflect in their financial statements, with as little delay as possible, the current status of their passive portfolio (which justifies the quarterly fluctuations in the amounts disclosed in this regard).

#### (b) Lawsuits with a possible risk of loss

The lawsuits and claims with a possible risk of loss for which no provisions are recorded are as follows:

		Consolidated
	9/30/2022	12/31/2021
Civil	897,635	1,307,636
Tax	452,500	436,983
Environmental	353,837	347,162
Labor	33,003	51,404
	1,736,975	2,143,185

Changes in balances in relation to 2021 are mainly due to management's review of estimates for the procedural evolution of the cases, judicial agreements and favorable decisions obtained in the period. The main movement in the nine-month period ended September 30, 2022 is due to the agreements made for several indemnification actions, from the construction of the Porto Primavera Plant. Regardless of the prognosis, the Company and its subsidiaries continue to seek opportunities for settlements and negotiations when attractive and viable, to reduce litigation liabilities following technical criteria and financial discipline.

Management's explanatory notes are an integral part of the financial statements intermediate and condensed individual and consolidated individuals.



Management, under the advice of its legal counsel, believes that there are no significant risks that are not adequately provided against in its financial statements or that may result in a significant impact to its cash flow.

#### 25 Post-employee benefits

The liabilities refer to the defined benefit plans obligations at present value less the fair value of the plan assets.

#### (a) Reconciliation of assets and liabilities

		Consolidated
	9/30/2022	12/31/2021
Net actuarial liability value	6,617,160	7,897,265
Fair value of plan assets	(5,094,887)	(6,111,766)
Aurter update	27,660	
Total net liabilities	1,549,933	1,785,499

#### (b) Changes in balances of actuarial liabilities

		Consolidated
	1/1/2022 to 9/30/2022	1/1/2021 to 9/30/2021
Opening balance	1,785,499	2,412,379
Current service cost	93	1,314
Interest on the actuarial obligation (Note 8)	118,049	118,591
Contributions paid	(45,365)	(443)
Actuarial measurement update (i)	17,820	(594,467)
CD plan migration effect (Note 1.1.1 (c))		
Payment	(306,015)	-
Reversal of the actuarial balance provision	(20,148)	-
Closing balance	1,549,933	1,937,374

(i) The update of the actuarial measurement was recognized in contra-entry to the item "Adjustment to equity valuation", in Shareholders' Equity, as comprehensive income for the period ended September 30, 2022 in the amount of R\$ 11,761 net of tax effects (R\$ (392,349) as of September 30, 2021).



#### (c) Actuarial assumptions

Based on the actuarial assessment prepared by an independent actuary on June 30, 2022, following the criteria determined by CPC 33 (R1) / IAS 19, the composition of assets and liabilities related to the coverage of defined benefit plans - BD is as follows:

			2022			2021	
	BSPS	BD	CV	BSPS	BD	CV	
Premises:							
Rate used for discounting the actuarial liability to present value	9.27%	9.27%	9.27%	8.68%	8.68%	8.68%	
Expected rate of return on plan assets	9.27%	9.27%	9.27%	8.68%	8.68%	8.68%	
Actual rate used for discounting the actuarial liability to present value	5.83%	5.83%	5.83%	5.26%	5.26%	5.26%	
Salary growth rate		Eliminated due to	o settlement	El	Eliminated due to settlement		
Long-term inflation rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
Turnover rate		Eliminated due to	o settlement	El	iminated due to	settlement	
Mortality table	A	AT 2000 segregate	ed by gender	AT	2000 segregate	d by gender	
Table of entry into disability	LIGHT-LOW SMOOTHED BY 30%			80% LIGHT-LOW SMOOTHED E		HED BY 30%	
Mortality table for the disabled	AT - 19	949 - Male aggrav	ated by 10%	AT - 194	9 - Male aggrava	ited by 10%	

#### (d) Actuarial evaluation

In the actuarial evaluation of the plans, the projected unit credit method was adopted. The net asset of the benefit plans is evaluated by market values (market marking).

The subsidiary CESP recognizes actuarial gains or losses in shareholders' equity, in other comprehensive results.

#### BSPS Plan - Coverage in force until December 31, 1997

This is coverage in the defined benefit modality related to a Benefit Paid off on December 31, 1997, thus covering only the participants enrolled up to that date, and which was based on the coverage of 100% of the final salary average. The responsibility for actuarial insufficiencies is exclusive to sponsor CESP.

#### BD Plan - Coverage in force after December 31, 1997

This is coverage in the defined benefit modality, on the basis of 70% of the final average salary for those enrolled after December 31, 1997 and proportional service time accumulated after December 31, 1997 for those enrolled to date. The responsibility for actuarial shortfalls follows current legislation, which refers to the proportion of contributions made to the plan by the Sponsor and participants (including beneficiaries), which results in less than 50% as the responsibility of sponsor CESP.

#### CV Plan - Coverage in force after December 31, 1997

This is additional supplementation will be granted together with the other benefits to be based on the balance of the participant's total retirement account, multiplied by a conversion factor, which will depend on the participant's option. The options for receiving income are:

- 1. Monthly lifetime income without continuation to beneficiaries;
- 2. Lifetime monthly income with continuation to beneficiaries;
- 3. Monthly income for a certain period that may be 10.15 or 20 years;
- 4. Monthly income as a percentage of the balance from 0.10% to 2.00%

The participant may choose to receive up to 25% of the account balance in single payment, provided that the remaining balance does not generate an income of less than 10% of the reference unit of the subsidiary CESP.

Management's explanatory notes are an integral part of the financial statements intermediate and condensed individual and consolidated individuals.



#### (e) Calculation and movements

Sensitivity Analysis	BSPS	BD	CV	Total
Effect on defined benefit obligation if:				
Discount rate is reduced by 0.5%	7,073,066	1,127,011	164,846	8,364,923
Discount rate is increased by 0.5%	6,533,318	1,016,552	148,383	7,698,253
Projected cash flows	BSPS	BD	CV	Total
Estimated employer contributions to the plan (Oct/2022 to Dec/2022)	12,470	-	314	12,7848
Expected benefit payments from the plans:				
2022	132,120	17,224	3,172	152,516
2023	536,698	70,949	13,009	620,656
2024	544,158	73,241	13,260	630,659
2025	550,726	75,376	13,611	639,713
2026	556,231	77,654	13,907	647,792
2027 to 2031	2,816,360	421,582	74,248	3,312,190

#### (f) Estimated expenditure for 2022

The estimated expenditure for the period October to December 2022, based on the actuarial assessment of June 2022 is a follow:

				Consolidated
				2022
	BSPS	BD	CV	Total
Current service cost	-	-	13	13
Interest cost on the obligation	131,691	21,509	3,283	156,483
Expected return on plan assets	(93,889)	(18,603)	(2,160)	(114,652)
stimated expense for the year	37,802	2,906	1,136	41,844



#### **26** Related parties

										Consolidated
	Ass	ets	Liabi	lities	Sales and s	service (Note 6)	Purch	ase and service		Financial result
					1/1/2022 to	1/1/2021 to	1/1/2022 to	1/1/2021 to	1/1/2022 to	1/1/2021 to
	9/30/2022	12/31/2021	9/30/2022	12/31/2021	9/30/2022	9/30/2021	9/30/2022	9/30/2021	9/30/2022	9/30/2021
Cash equivalents										
Banco Votorantim S.A.	60,223	65,344	-	-	-	-	-	-	5,165	2,218
Accounts receivable from customers (Note 10) – Energy										
sales and service										
Auren Comercializadora	-	10,558	-	-	-	67,285	-	-	-	-
Votorantim Cimentos S.A.	51,627	-	-	-	415,213	-	-	-	-	-
Votorantim Cimentos N/NE S.A.	4,158	-	-	-	89,985	-	-	-	-	-
Companhia Brasileira de Alumínio	41,457	-	-	-	335,539	-	-	-	-	-
CBA Itapissuma	-	-	-	-	4	-	-	-	-	-
Citrosuco S.A. Agroindústria	5,223	613	-	-	36,102	-	-	-	-	-
Citrosuco Serviços Portuários S.A.	-	-	-	-	2,542	8,073	-	-	-	-
Mineração Dardanelos Ltda.	-	-	-	-	14,995	-	-	-	-	-
Pollarix S.A.	5,685	-	-	-	33,642	-	-	-	-	-
CBA Energia Part. S.A.	2,599	-	-	-	8,749	-	-	-	-	-
Baesa-Energética Barra Grande S.A.	1,065	-	-	-	8,590	-	-	-	-	-
Campos Novos Energia S.A.	1,597	-	-	-	12,885	-	-	-	-	-
Nexa Resources	136	-	-	-	641	-	-	-	-	-
Metalex Ltda.	-	-	-	-	552	-	-	-	-	-
Dividends receivable										
CBA Energia Part. S.A.	51,680	-	-	-	-	-	-	-	-	-
Pollarix S.A.	47,204	-	-	-	-	-	-	-	-	-
Disposal of investment in investees (i)										
Companhia Brasileira de Alumínio	51,960	46,331	41,760	36,373	-	-	-	-	408	9,874
CBA Itapissuma	13,746	12,259	11,669	10,285	-	-	-	-	(63)	1,951
Votorantim Cimentos S.A. (Nota 1.1.2 (h))	47,618	-	34,835	-	-	-	-	-	12,783	-
Citrosuco S.A. Agroindústria	7,660	11,399	17,953	17,524	-	-	-	-	(235)	(135)
Suppliers (Note 18) – Energy purchase and service										
Auren Comercializadora de Energia Ltda.	-	-	-	2,770	-	-	(3,939)	(22,593)	-	-
Companhia Brasileira de Alumínio	-	-	21,957	-	-	-	(161,397)	-	-	-
Citrosuco S.A. Agroindústria	-	-	1,302	-	-	-	(6,520)	-	-	-
Votorantim Cimentos N/NE S.A.	-	-	-	-	-	-	(13,195)	-	-	-
Baesa-Energética Barra Grande S.A.	-	-	-	-	-	-	(7,939)	-	-	-
Campos Novos Energia S.A.	-	-	-	-	-	-	(11,908)	-	-	-
Votorantim S.A.	-	-	2,552	912	-	-	(14,273)	(5,585)	-	-
Votorantim Geração de Energia S.A.	-	-	-	1,038	-	-	(1,042)	(9,970)	-	-
L.C.G.S.P.E. Empreendimentos e Participações Ltda.	-	-	-	-	-	-	(2,050)	(2,095)	-	-
Interávia Táxi Aéreo Ltda.	-	-	-	-	-	-	(17)	-	-	-
Compart Serviços e Assessorias Ltda.	-	-	-	-	-	-	(2,160)	-	-	-
Reservas Votorantim Ltda.	-	-	62	-	-	-	(185)	-	-	-
Dividends payable										
Votorantim Geração de Energia S.A.	-	-	-	6,976	-	-	-	-	-	-
Votorantim S.A.	-	-	37,365	-	-	-	-	-	-	-
CPP Investments	-	-	-	6,976	-	-	-	-	-	-
Non controlling shareholders	-	-	235,748	235,740	-	-	-	-	-	-
	393,638	146,504	405,203	318,594	959,439	75,358	(224,625)	(40,243)	18,058	13,908

In thousands of reais, except as otherwise indicated



							P	arent Company
	Ass	Assets		ities	Purcha	ses and services	Financial i	ncome (Note 8)
	9/30/2022	12/31/2021	9/30/2022	12/31/2021	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Dividends receivable								
CESP	153,929	153,929	-	-	-	-	-	-
CBA Energia Part. S.A.	51,680	-	-	-	-	-	-	-
Pollarix S.A.	47,204	-	-	-	-	-	-	-
Ventos de São Vicente Participações Energias Renováveis S.A.	6,270	6,270	-	-	-	-	-	-
Ventos de Santo Estevão Holding S.A.	764	764	-	-	-	-	-	-
Disposal of investment in investees (i)	-	-	-	-	-	-	-	-
Companhia Brasileira de Alumínio	51,961	46,331	41,761	36,373	-	-	408	9,874
Votorantim Cimentos S.A.	47,618	-	34,835	-	-	-	12,783	-
CBA Itapissuma	13,746	12,259	11,669	10,285	-	-	(63)	1,951
Suppliers	-	-	-	-	-	-	-	-
Votorantim Geração de Energia S.A.	-	-	-	1,038	(1,042)	(9,970)	-	-
Reservas Votorantim Ltda.	-	-	61	-	(185)	-	-	-
Votorantim S.A.	-	-	59	117	(609)	(108)	-	-
Auren Comercializadora de Energia Ltda.	-	-	24	-	-	-	-	-
Compart Serviços e Assessorias Ltda.	-	-	-	-	(2,090)	-	-	-
Interávia Táxi Aéreo Ltda.	-	-	-	-	(17)	-	-	-
L.C.G.S.P.E. Empreendimentos e Participações Ltda.	-	-	-	-	(2,050)	(2,095)	-	-
Dividends payable	-	-	-	-	-	-	-	-
Votorantim S.A.	-	-	37,365	-	-	-	-	-
Votorantim Geração de Energia S.A.	-	-	-	6,976	-	-	-	-
CPP Investments	-	-	-	6,976	-	-	-	-
Non-controlling shareholders	-	-	13	-	-	-	-	-
Mutual with subsidiaries								
Ventos de Santa Alexandrina Energias Renováveis S.A.	-	-	-	-	-	-	235	-
Ventos de Santo Apolinário Energias Renováveis S.A.	-	-	-	-	-	-	457	-
Ventos de Santo Alderico Energias Renováveis S.A.	11,166	-	-	-	-	-	166	-
Ventos de Santo Antero Energias Renováveis S.A.	1,532	-	-	-	-	-	32	-
Ventos de São Bernardo Energias Renováveis S.A.	1,021	-	-	-	-	-	21	-
·	386,891	219,553	125,787	61,765	(5,993)	(12,173)	14,039	11,825

(i) The balances in "Current and non-current assets" and "Non-current liabilities" were reclassified upon sale of subsidiaries by Auren to CBA, Citrosuco and Cements net of adjustment to present value.



#### 26.1 Remuneration of key management staff

The remuneration of the key management personnel for September 30, 2022, totaled R\$ 27,086 (R\$ 7,357 - September 30, 2021), of which R\$ 23,474 related to fixed and variable remuneration (R\$ 5,783 In the period ended September 30, 2021) and R\$ 3,612 for social charges (R\$ 1,574 in the period ended September 31, 2021).

In March 2022, the following governance bodies were formed: (i) Statutory Board, composed of seven members; (ii) Board of Directors, composed of seven members, with the term of office ending in August/2023; and (iii) Statutory Audit Committee, composed of three members, with the term of office ending in March/2024.

#### 27 Equity

#### 27.1 Share capital

The paid-up capital on September 30, 2022 was R\$ 5,940.137 (R\$ 3,000,836 on December 31, 2021), divided into 1,000,000,000 common shares (1,985,094,892 common shares on December 31, 2021).

The Company's main shareholders, as of June 30, 2022, were:

		Consolidated and parent company				
		Number of shares - in units				
	Paid-up share capital	Ordinary	%			
Shareholders						
Votorantim S.A.	2,242,015	377,434,774	37,74%			
CPP Investments	1,904,401	320,598,904	32,06%			
	4,146,416	698,033,678	69,80%			
Other						
Outstanding shares	1,793,721	301,966,322	30,20%			
	1,793,721	301,966,322	30,20%			
	5,940,137	1,000,000,000	100%			

#### 27.2 Capital reserve

On September 30, 2022, the Company presented a capital reserve of R\$ 5,430,372 of, referring to the reverse merger of VGE (Note 1.1.2 (b)) for R\$ 1,223,216, and the merger of CESP shares (Note 1.1.2 (e)), for R\$ 4,207,156.

#### 27.3 Profit reserve

		Parent Company and Consolidated
	9/30/2022	12/31/2021
Legal reserve	63,365	63,365
Profit retention	1,712,528	1,798,576
	1,775,893	1,861,941

The change in the period ended September 30, 2022 refers to the additional dividends (Note 1.1.2 (j)).



#### 27.4 Equity valuation adjustment

The balance of other comprehensive income (loss) of R\$ (417,153) on September 30, 2022 and R\$ (405,374) December 31, 2021 refers to the proportional adjustments for the CESP actuarial liability recognized pursuant to CPC 33 (R1) - Employee benefits by the subsidiary CESP.

#### 28 Financial instrument and risk management

#### 28.1 Financial instruments by category

As of September 30, 2022 and December 31, 2021, the market values of the main financial instruments approximated their book values, as below:

			Consolidated		Parent company
	Note	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Assets					
At amortized cost					
Accounts receivable from customers	10	625,916	328,631	-	-
Related parties	26	120,984	69,989	127,044	58,590
Asset subject to indemnification	12	1,739,161	1,739,161	-	-
		2,486,061	2,137,781	127,044	58,590
At fair value through profit or loss					
Cash equivalents (i)	9	2,835,097	1,571,298	1,506,334	383,149
Financial investments (i)	9	102,612	77,751	-	-
Liquidity fund - Reserve account	9	121,827	106,201	-	-
Derivative financial instruments		42		-	-
Energy futures contracts	20	4,932,320	612,107	-	-
		7,991,898	2,367,357	1,506,334	383,095
		10,477,959	4,505,138	1,633,378	441,739post
Liabilities					
At amortized cost					
Loans, financing and debentures	17	5,728,788	4,710,874	330,505	299,674
Suppliers	18	546,355	299,794	86,034	82,362
Leases	16 (b)	80,662	5,498	3,228	31
Related parties	26	106,217	64,182	88,265	46,658
		6,462,022	5,080,348	508,032	428,725
At fair value through profit or loss					
Derivative financial instruments		122	-	-	-
Energy futures contracts	20	4,724,333	620,316	-	-
		4,724,455	620,316	-	-
At fair value through other comprehensive income					
Derivative financial instruments		-	12,699	-	-
		-	12,699	-	-
	_	11,186,477	5,713,363	508,032	428,725



#### 28.2 Liquidity Risk

The table presents the main financial liabilities of the Company and its subsidiaries by maturity.

						Consolidated
	Up to 1 year	Between 1 and 2 years	Between 3 and 5 years	Between 5 and 10 years	Over 10 years	Total
As of September 30, 2022						
Loans, financing and debentures (i)	492,000	1,136,537	1,444,129	3,547,604	1,380,527	8,000,797
Suppliers	467,973	78,382	-	-	-	546,355
Leases (i)	7,060	9,094	13,866	23,760	95,612	148,942
Derivative financial instruments	119	1	2	-	-	122
Energy futures contracts (i)	710,176	3,037,560	1,390,898	929,271	-	6,067,905
Sector charges	20,864		-	-	-	20,864
UBP - Use of a public asset (i)	43,842	52,132	13,147	-	-	109,121
, ,,	1,742,031	4,313,706	2,862,042	4,500,635	1,475,689	14,894,106
						Consolidated
		Between 1 and	Between 3 and	Between 5 and		
	Up to 1 year	2 years	5 years	10 years	Over 10 years	Total
As of December 31, 2021						
Loans, financing and debentures (i)	405,743	447,521	1,809,329	3,439,091	839,050	6,940,734
Suppliers	225,578	43,245	30,971	-	-	299,794
Energy futures contracts (i)	318,420	304,326	118,357	-	-	741,103
Leases (i)	1,825	3,312	828	-	-	5,965
Sector charges	20,170		-	-	-	20,170
UBP - Use of a public asset (i)	42,462	84,939	13,147	-	-	140,548
	1,014,198	883,343	1,972,632	3,439,091	839,050	8,148,314
						Parent company
		Between 1 and	Between 3 and	Between 5 and 10		Parent company
	Up to 1 year	2 years	5 years	years	Over 10 years	Total
As of September 30, 2022						
Loans, financing and debentures (i)	621	451,979	451,979	-	-	904,580
Suppliers	7,945	78,089	-	-	-	86,034
Leases (i)	1,029	371	781	1,952	241	4,374
	9,595	530,439	452,760	1,952	241	994,988
						Parent company
		Between 1 and	Between 3 and	Between 5 and 10		
	Up to 1 year	2 years	5 years	years	Over 10 years	Total
As of December 31, 2021						
Loans, financing and debentures (i)	-	-	388,918	-	-	388,918
Suppliers	8,146	43,245	30,971	-	-	82,362
Leases (i)	31	-	-	-	-	31
	8,177	43,245	419,889	-	-	471,311

(i) These are noncash transactions.



#### 28.3 Fair value estimation

The Company and its subsidiaries classify the fair values under the following measurement hierarchy:

- Level 1 Quoted (unadjusted) prices in active markets for identical assets and liabilities;
- **Level 2** Information, in addition to quoted prices, included in Level 1 that are adopted by the market for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);
- Level 3 Inputs for assets or liabilities that are not based on data adopted by the market (unobservable inputs).

As at September 30, 2022, financial assets and liabilities measured at fair values and classified in Levels 1 and 2:

							Consolidated
				Fair value mea	sured based on		
			Level 1		Level 2		Book value
	Note	9/30/2022	12/31/2021	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Assets							
Cash equivalents	9	2,835,097	1,571,298	-	-	2,835,097	1,571,298
Financial investments	9	102,612	77,751	-	-	102,612	77,751
Liquidity fund - Reserve account	9	121,827	106,201	-	-	121,827	106,201
Derivative financial instruments		-	-	42	-	42	-
Energy future contracts	20	-	-	4,932,320	612,107	4,932,320	612,107
		3,059,536	1,755,250	4,932,362	612,107	7,991,898	2,367,357
Liabilities							
Loans, financing and debentures	17	-	-	4,775,011	4,237,967	5,728,788	4,710,874
Derivative financial instruments		-	-	122	12,699	122	12,699
Energy futures contracts	20	-	-	4,724,333	620,316	4,724,333	620,316
				9,499,466	4,870,982	10,453,243	5,343,889

							Parent company
				Fair value mea	sured based on		
			Level 1		Level 2		Book value
	Note	9/30/2022	12/31/2021	9/30/2022	12/31/2021	9/30/2022	12/31/2021
Assets							
Cash and cash equivalents	9	1,506,334	383,095			1,506,334	383,095
		1,506,334	383,095	-	-	1,506,334	383,095
Liabilities				341,339	312,965	330,505	299,674
Loans, financing and debentures	17	-	-	341,339	312,965	330,505	299,674



#### 28.4 Sensitivity analysis statements

The main risk factors that impact the pricing of financial instruments in cash equivalents, loans and financing and derivative financial instruments are (i) interest rates CDI, TJLP and IPCA. The sensitivity scenarios have been developed using market sources and specialized sources.

The scenarios as of September 30, 2022, are as below:

Scenario I - Considers market quotations of September 30, 2022, according to the base scenario defined by management to December 31, 2022;

Scenario II – Stressed by + or - 25% in the market curves of September 30, 2022;

Scenario III - Stressed by + or - 50% in the market curves of September 30, 2022.

									Consolidated
							Нуро	thetical impacts o	on the income
					Scenario I			Sco	enarios II & III
Risk factors	Nature of the operation	Balance	Unit	Yield curves of 9/30/2022	Results scenario I	-25%	-50%	+25%	+50%
Interest rates									
CDI 13.15%	Cash equivalents, financial investments and liquidity fund – reserve account	3.059.537	BRL thousands	-1 bps	(382)	(104.407)	(208.813)	104.407	208.813
CDI 13.15%	Principal of derivative financial instruments (i)	1.653	BRL thousands	-1 bps	(20)	(86)	(182)	78	148
CDI 13.15%	Loans, financing and debentures (i)	644.522	BRL thousands	-1 bps	80	21.994	43.989	(21.994)	(43.989)
TJLP 7.01%	Loans, financing and debentures (i)	1.559.330	BRL thousands	19 bps	(2.963)	28.068	56.136	(28.068)	(56.136)
IPCA 11.89%	Loans, financing and debentures (i)	3.675.796	BRL thousands	-97 bps	35.655	65.889	131.777	(65.889)	(131.777)

							r	arent company
						Н	ypothetical impacts	on the income
				Scenario I			S	Scenarios II & III
			Yield					
			curves of	Results				
Nature of the operation	Balance	Unit	9/30/2022	scenario I	-25%	-50%	+25%	+50%
Cash equivalents	1,506,334	BRL thousands	-1 bps	(188)	(51,404)	(102,807)	51,404	102,807
Loans, financing and debentures (i)	331,903	BRL thousands	-1 bps	41	11,326	22,652	(11,326)	(22,652)
	Cash equivalents	Cash equivalents 1,506,334	Cash equivalents 1,506,334 BRL thousands	Nature of the operation Balance Unit 9/30/2022  Cash equivalents 1,506,334 BRL thousands -1 bps	Nature of the operation  Balance Unit  9/30/2022  Cash equivalents 1,506,334 BRL thousands -1 bps (188)	Nature of the operation Balance Unit 9/30/2022 Results scenario I -25%  Cash equivalents 1,506,334 BRL thousands -1 bps (188) (51,404)	Scenario     Yield curves of Results   Scenario     Properties of Results   Scenario     Properties of Results   Scenario   Properties of Results   Scenario   Properties of Results   Scenario   Properties of Results   Scenario   Properties of Results   Properties of R	Hypothetical impacts   Scenario     Scenario     Scenario     Scenario     Scenario     Scenario     Scenario     Scenario   Scena

<sup>\*</sup> BPS - basis points

- (i) The balances presented do not agree directly to the Note disclosures for derivatives, as the scenarios use interest rates on the principal amount of financial operations.
- (ii) Loans and financing do not include funding costs.



For future energy contracts, the main risk factor impacting their pricing is the exposure resulting from the difference between the prices of future purchase and sale contracts and market prices. Such exposures present considerable volatilities, reflecting variations in the Company's results.

To assess the possible variability of the result of marking to market the future energy contracts, a simulation was performed on the basis of the market price behavior over the last ten years. The possible result scenarios was divided into four quartiles. The first and third quartiles at a significance level of 75% of the sample analyzed, meaning that there is a possibility, that for every four occurrences, the result of future energy contracts is below the estimated value.

The following table demonstrates the sensitivity analysis for future energy contracts at position on September 30, 2022 under the following scenarios:

- I. Base scenario, as defined by the Administration for September 30, 2022;
- II. Represents the variation between the base scenario and the 25th percentile of the distribution;
- III. Represents the variation between the base scenario and the 75th percentile of the distribution.

						Consolidated
				Ну	pothetical impact	on the income
Risk factors	Nature of the operation	Balance	Unit	Scenario I	Scenario II	Scenario III
Purchase and sale contracts - fair value	Energy futures contracts	207,987	BRLthousands	207,987	191,973	220,801

#### 29 Explanatory notes not presented herewith

The explanatory notes below were previously disclosed in the annual financial statements as at and for the year ended December 31, 2021, with assumptions and policies which did not differ from those in these financial statements:

Explanatory note	Ledger account
7	Research and Development
15 (d)	Realization of deferred tax
17	Sector charges
28.2	Effect of financial derivatives on the balance sheet, cash flow and income
29	Insurance
30	Long-term commitment



#### 30 Subsequent events

#### (f) Release for the beginning of the commercial operation and tests - Ventos do Piauí II and III Complexes

In October 2022, ANEEL released the generating units of the VDP II and III complexes, to start the operation in the testing phase and to start the operation in the commercial phase, according to the orders listed below:

ANEEL Dispatch	Date	Unit	Location	Generating unit and installed capacity	Operation
2.882	10/05/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG7 a UG11 - 22.000 kW	Commercial
2.917	10/07/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG5 e UG6 - 8.800 kW	Commercial
2.918	10/07/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG5 - 4.400 kW	Commercial
2.924	10/10/2022	Ventos de São Ciro Energias Renováveis S.A.	Betânia do Piauí – PI	UG8 - 4.400 kW	Test
2.964	10/13/2022	Ventos de São Crispim I Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG1 a UG4 - 17.600 kW	Commercial
2.984	10/14/2022	Ventos de São Ciro Energias Renováveis S.A.	Betânia do Piauí – PI	UG3 - 4.400 kW	Commercial
3.021	10/19/2022	Ventos de São Ciro Energias Renováveis S.A.	Betânia do Piauí – Pl	UG1 e UG2 - 8.800 kW	Commercial
3.063	10/21/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG1 a UG4 - 17.600 kW	Commercial
3.074	10/24/2022	Ventos de São Ciríaco Energias Renováveis S.A.	Betânia do Piauí e Curral Novo do Piauí – PI	UG10 - 4.400 kW	Commercial

\* \* \*