

Earnings Presentation 3Q23

October/2023





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3Q23 Highlights

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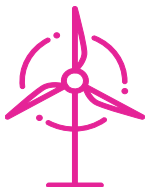
Innovation & Socio-
Environmental Performance

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Closing Remarks



Operational



- **A 17.7% increase in hydroelectric generation in 3Q23**, due to better hydrological conditions in the period;
- **Consolidated wind generation was 13.9% higher than in 3Q22**, due to the start-up of the Ventos do Piauí II and III wind complexes. **Reduction of 10.2% in generation on a comparable basis, due to the lowest wind resource in the historical series since 2011.**

Finance



- **Adjusted EBITDA of R\$453.2 million in 3Q23, an increase of 46.4% compared to 3Q22**, with an increase of 7.7 p.p. in the Adjusted EBITDA Margin, due to the entry of Ventos do Piauí II and III, receipt of dividends from investees and better results from the Commercialization segment;
- **Accounting effect of the recognition of IR/CSLL and PIS/COFINS on the Três Irmãos HPP indemnity**, which resulted in a non-recurring accounting expense of R\$1,037 million and a cash outlay of R\$578 million.

Growth and Innovation



- **Sol do Piauí planned to start commercial operation in November;**
- Construction of **Sol de Jaíba** progressing as planned.

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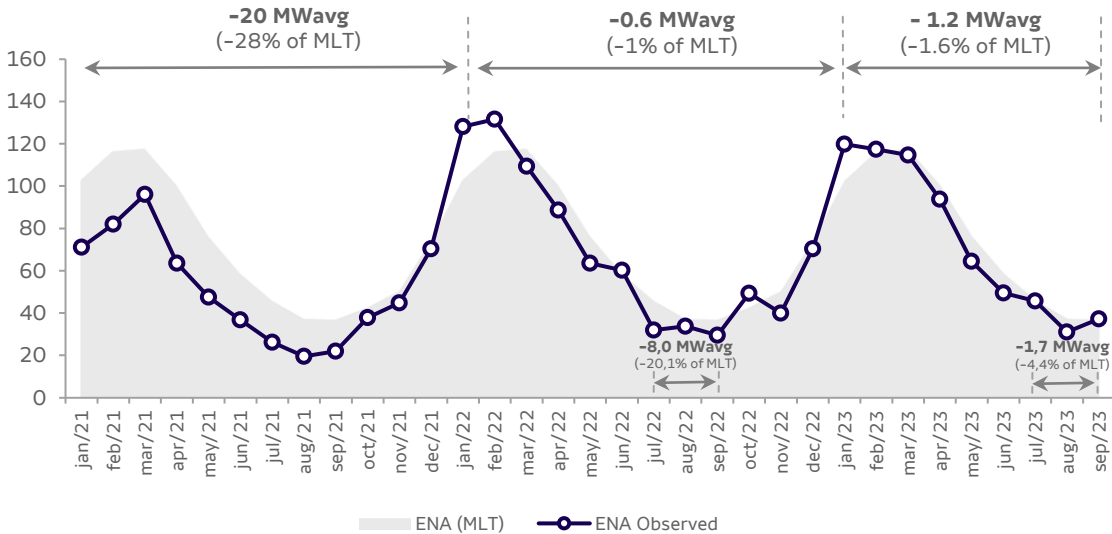
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Closing Remarks

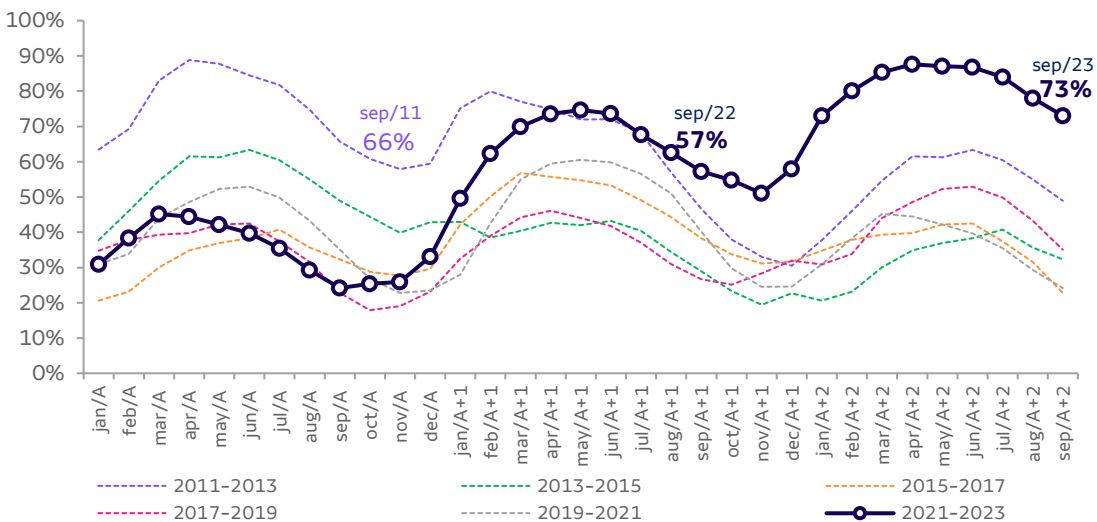


Due to flows close to the historical average, storage remained high

Natural Energy Inflow - SIN (MWavg)



Evolution of Stored Energy - SIN (% EARmax)



- **ENA⁽²⁾** of the National Interconnected System - SIN of **95.0% of the Long Term Average (MLT) in 3Q23**, above the 79% of the MLT verified in 2022;
- The SIN's **inflow** in **9M23** was **98%** of the MLT, the same level as in 2022 and higher than the 72% in 2021.

- **Stored Energy** of the SIN of **73% of maximum storage capacity at the end of 3Q23** versus 57% in 3Q22;
- 3Q23 ended with **the highest level of storage** on record since 2000.

Performance of the National Interconnected System- SIN

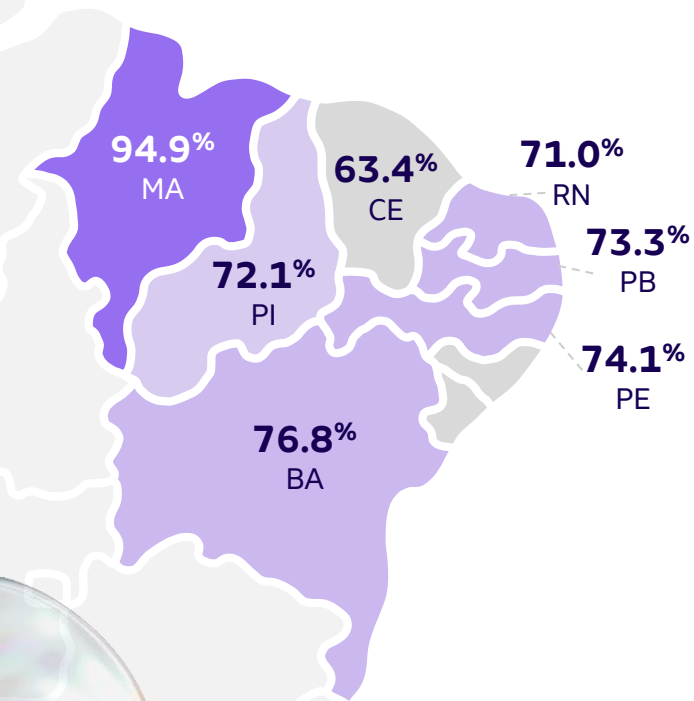
Wind generation in the quarter was impacted by lower wind availability

Generation vs PG per State⁽²⁾

Generation/Physical guarantee

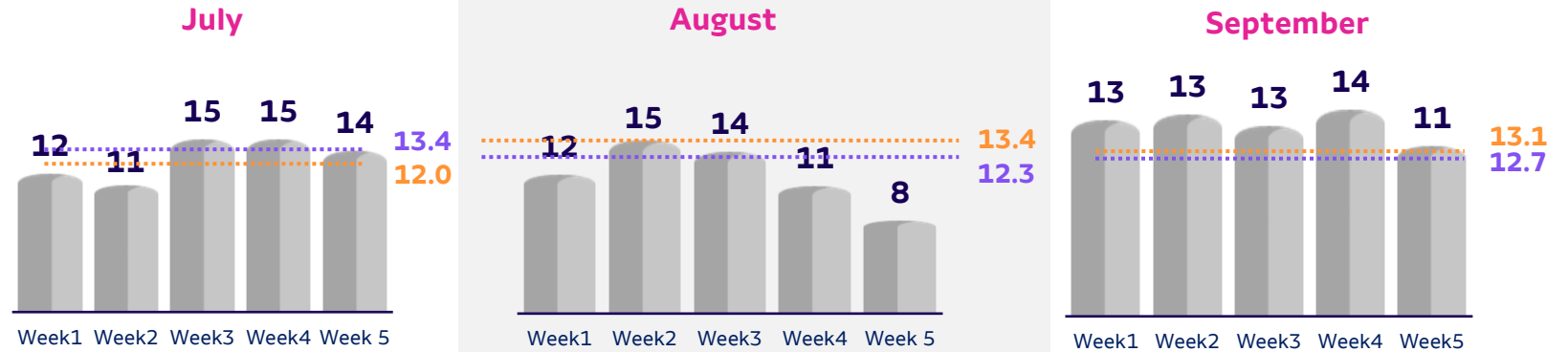
63.4%

94.9%

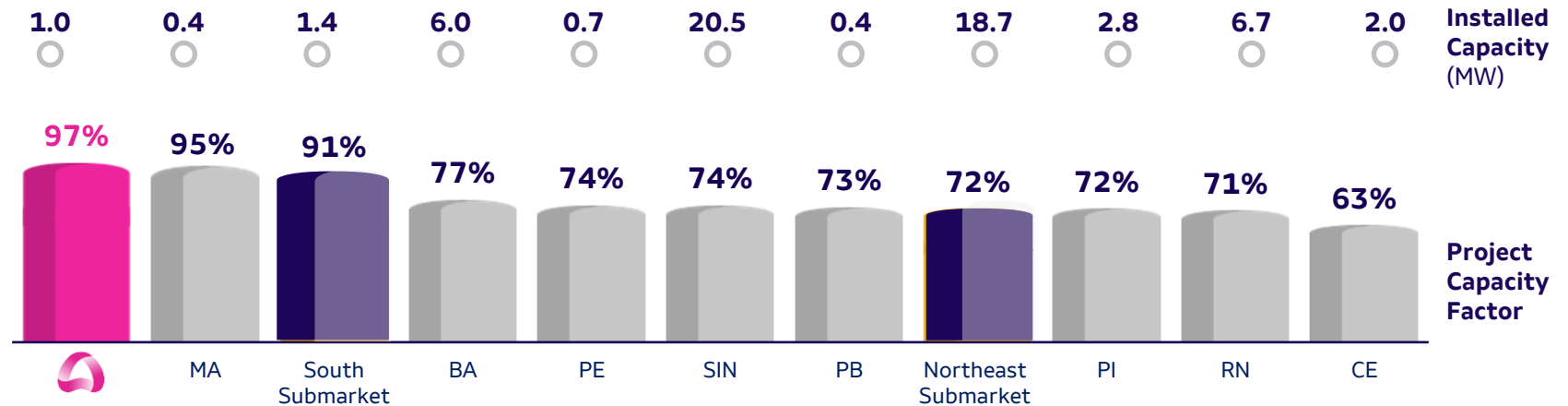


SIN Wind Generation per week in 3Q23 (GWavg)

..... Average Generation Physical Guarantee



Generation vs. Seasonal Physical Guarantee per region⁽¹⁾

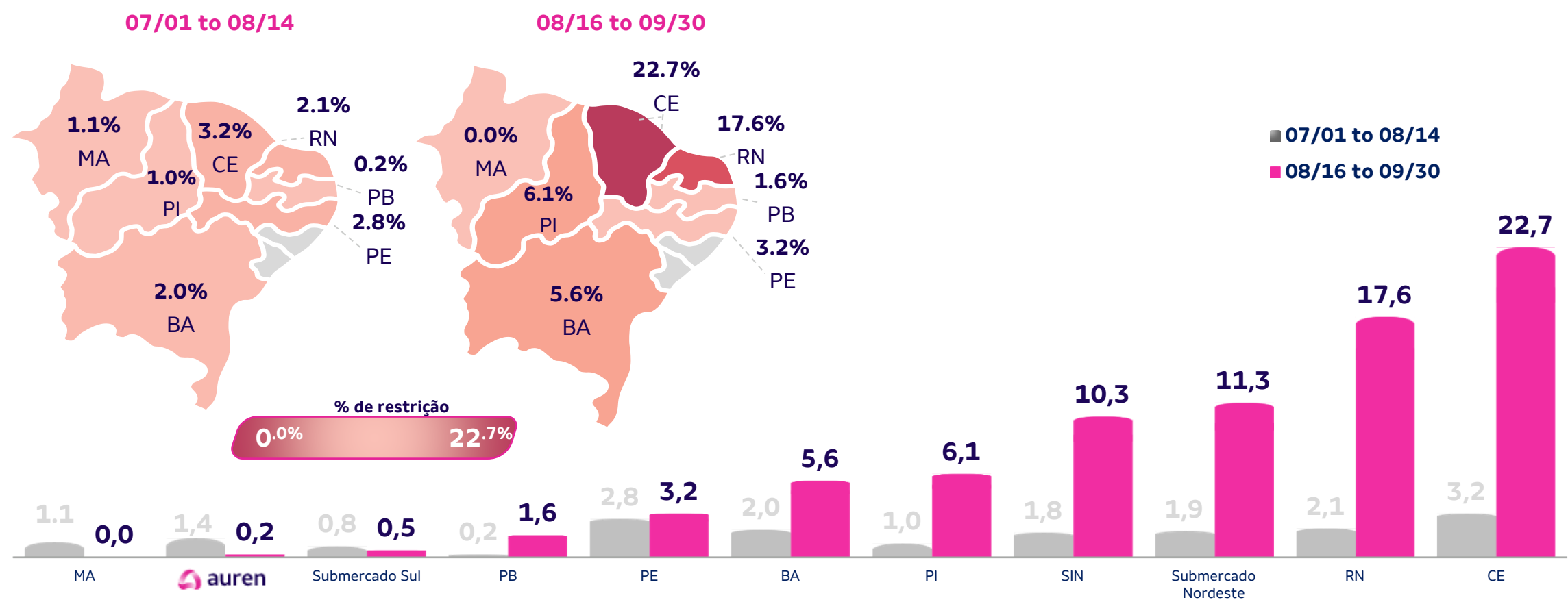


Notes: (1)) Considers physical guarantee seasonalized by the agents' historical generation profile. PROINFA plants and plants under construction were not included in the analysis; (2) PG = Physical Guarantee.

Performance of the National Interconnected System- SIN

Curtailment wind generation in the Northeast region intensified after August 15th

Generation restriction due to curtailment (generation%)



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Operating Performance – Hydroelectric Assets

Energy generation 18% higher than 3Q22, due to more favorable hydrological conditions in the Paraná River basin

1,540MW

Porto Primavera HPP

GSF⁽¹⁾

80% in 3Q23 vs. 75% in 3Q22

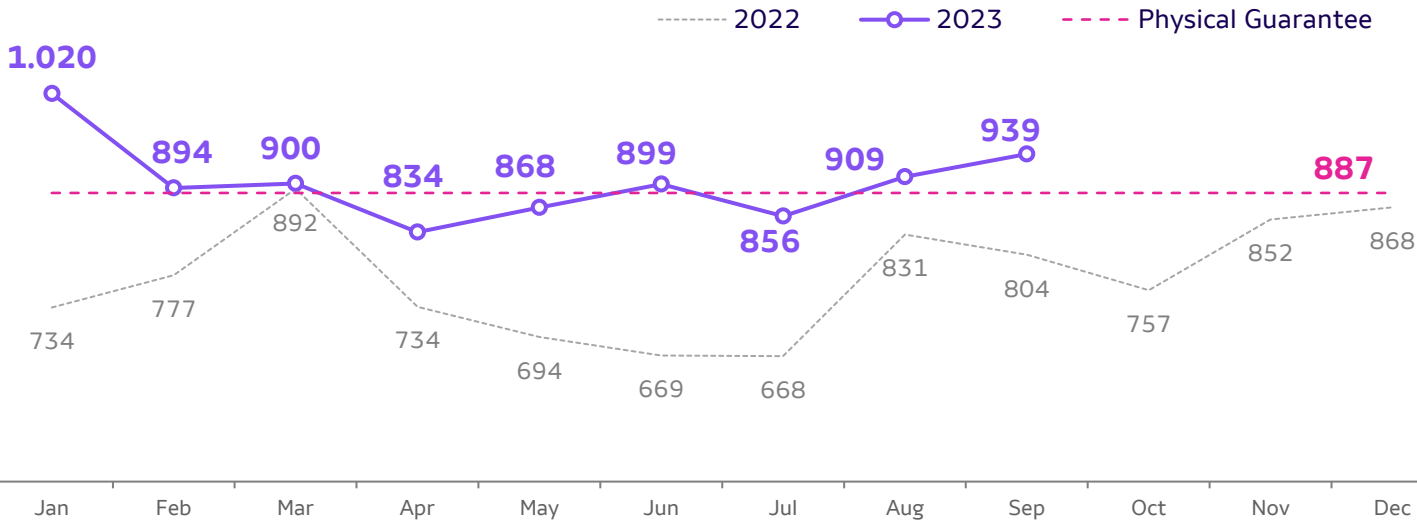
Generation

102% of physical guarantee in 3Q23

Availability

96.7% versus ANEEL reference of 92.3%

Porto Primavera HPP generation (average MW)

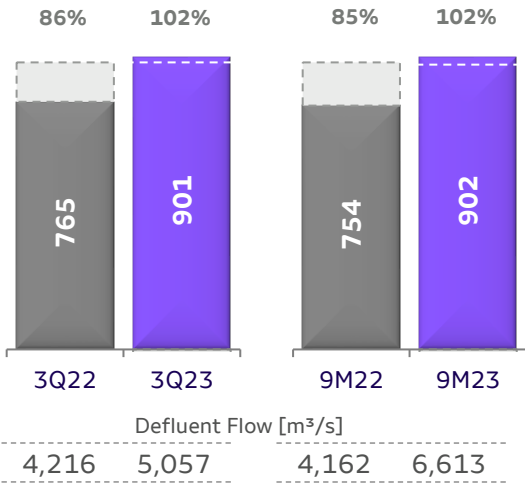


Vazão Defluente [m³/s]

2022	3,976	4,300	5,040	4,067	3,809	3,614	3,621	4,603	4,432	4,155	4,770	4,853
2023	7,805	9,879	9,308	7,360	5,233	4,998	4,728	5,118	5,333			

Generation vs. Physical Guarantee

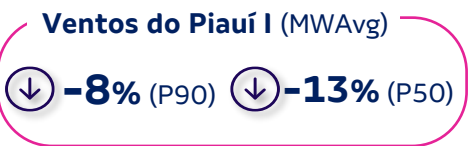
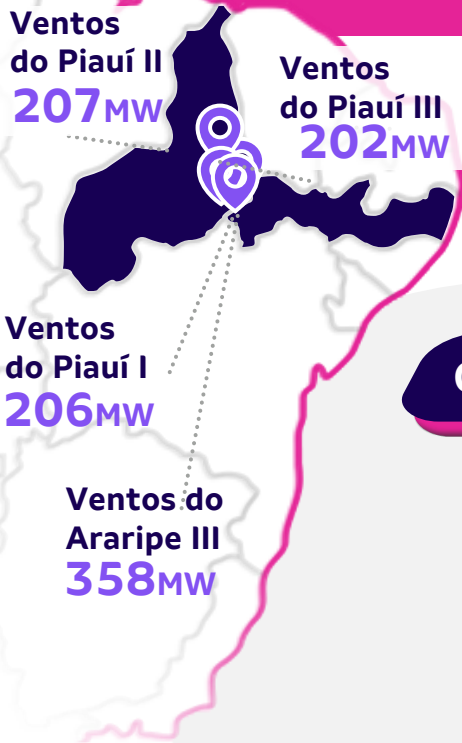
GF: 887 MWavg



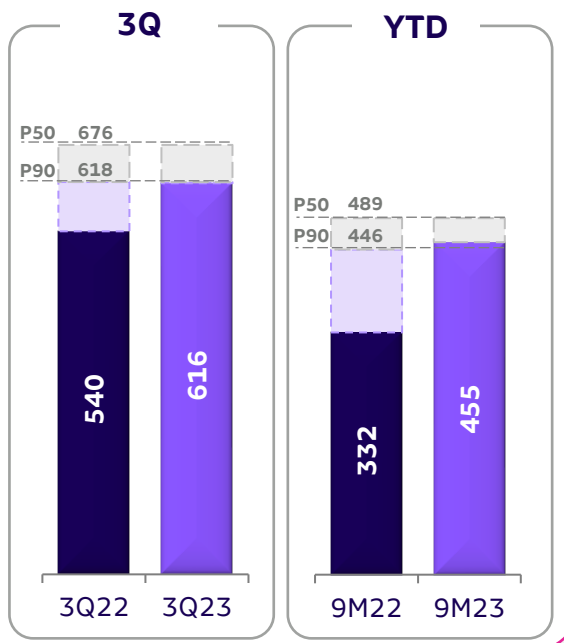
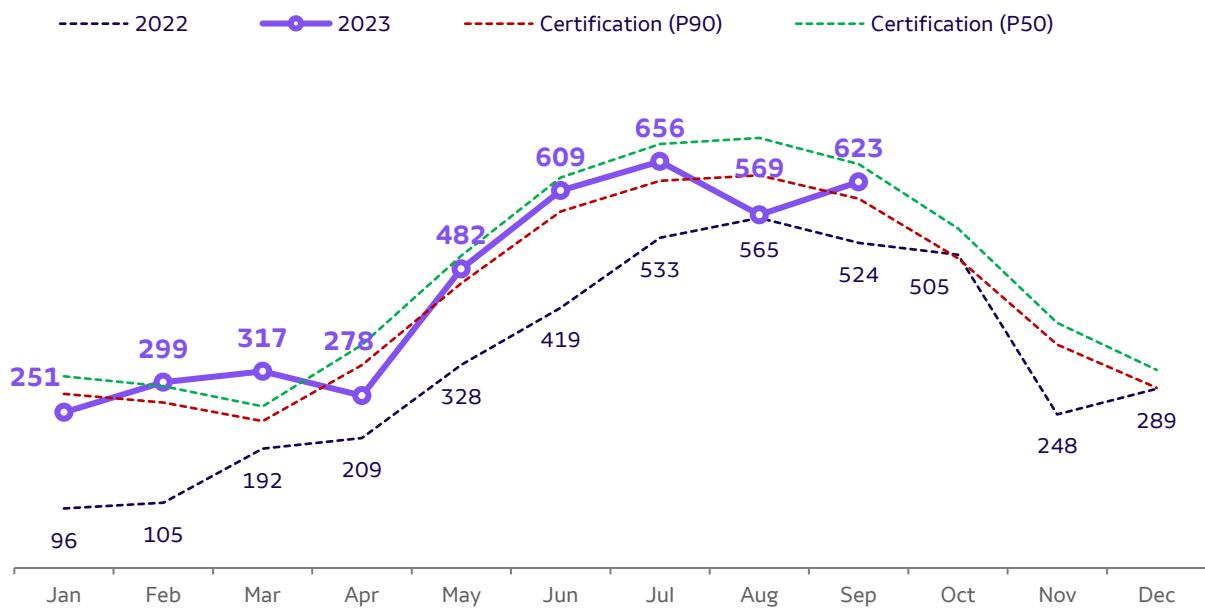
Nota: (1) Generation Scaling Factor.

Operational Performance - Wind Assets

Generation in line with P90 due to the low wind resource observed in 3Q23, especially in August



Generation of Wind Assets (average MW)

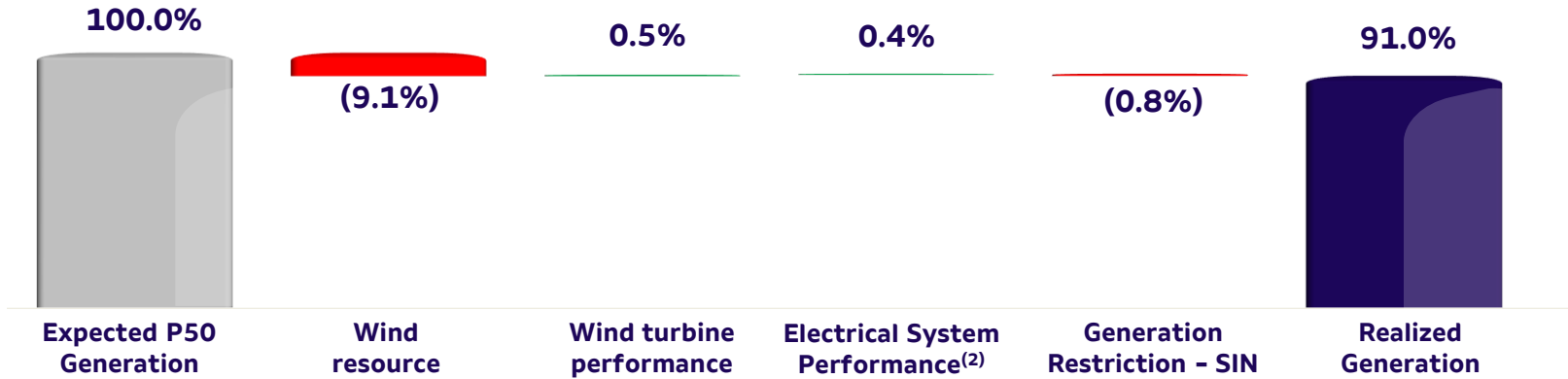


Operational Performance – Wind Assets⁽¹⁾

The performance of wind assets in 3Q23, when compared to the technical parameters of the projects, was impacted by the lower availability of wind resources

Wind farms – Performance in 3Q23

(P50 in base 100)



Aggregate wind production in 3Q23 is in line with the P90 average generation expectation and 9% lower than P50



In terms of the project's technical parameters, the wind resource was **9.1%** below the 20-year average forecast



Wind turbines performed **0.5%** above expectations, driven by the Ventos do Piauí II and III complexes



The high availability of the parks' electrical system contributed to a performance **0.4%** higher than expected

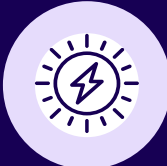


Limitations on the flow of generation due to SIN restrictions and external events impacted the P50 average generation expectation by **0.8%**

Notes: (1) Includes Ventos do Araripe III, Ventos do Piauí I, II and III; (2) The Electrical System refers to the internal system made up of the medium-voltage network (34.5kV), the collecting substation (34.5/230kV), the transmission line to the sectioning substation (230/500kV) and the National Interconnected System (SIN).

Consolidated Portfolio – Generation and Comercialization

Auren maintains its leadership position in the energy trading segment

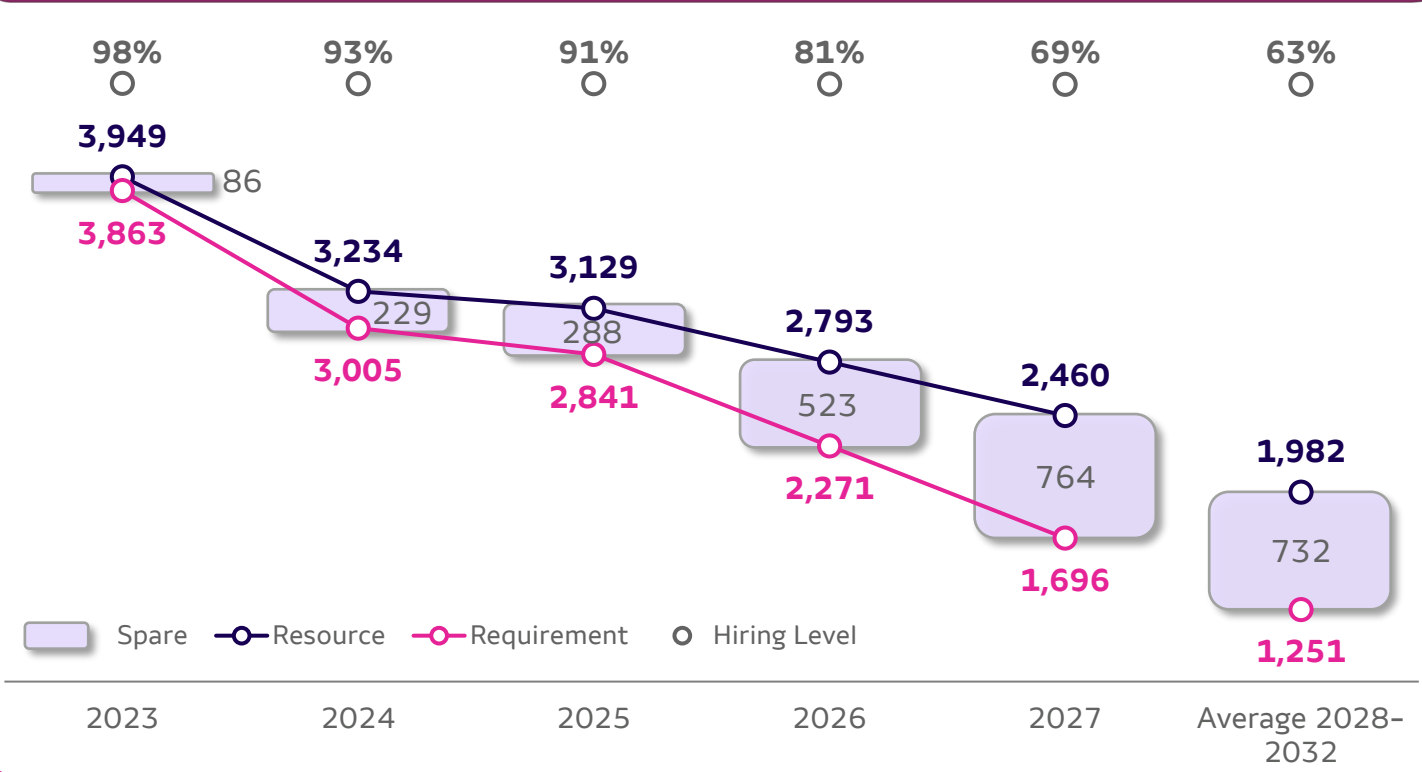


3.9 GWm
of energy traded in 2023

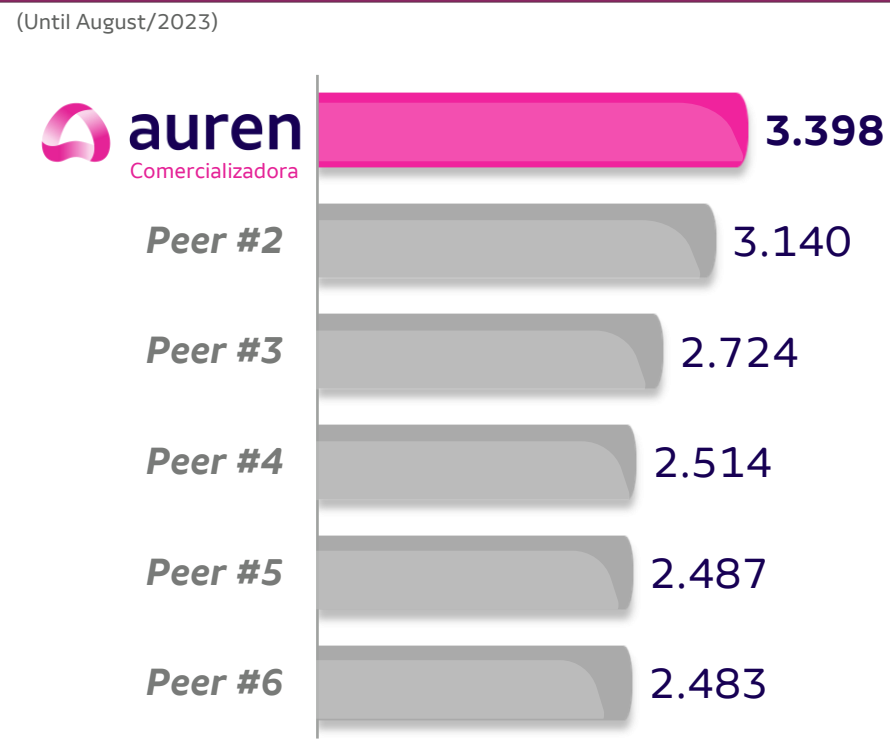


+ 900
customers

Consolidated Sales Contracting Level ⁽¹⁾ (MW Avg)



Ranking monthly volume ⁽²⁾ (MW Avg)



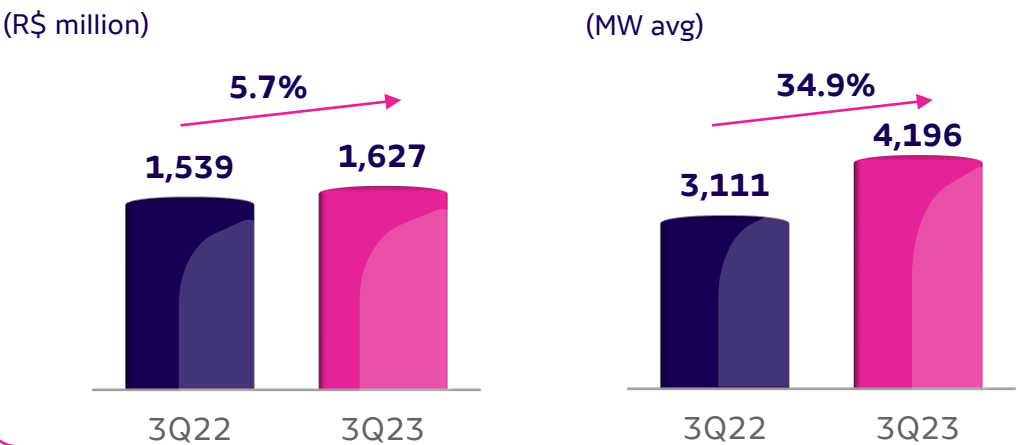
Notes: (1) Considers physical guarantees net of basic grid losses. Considers Sol de Jaíba and Sol do Piauí. It also incorporates the ordinary revision of the physical guarantees of the plants in which Auren has a stake and the exercise of Auren's purchase right for the Campos Novos HPP; (2) Source: InfoMercado CCEE. Data referring to the sale of energy by month of supply in the ACL considering the consolidation of all the commercializing agents of each economic group. Considers the average monthly volume from January to August 2023.

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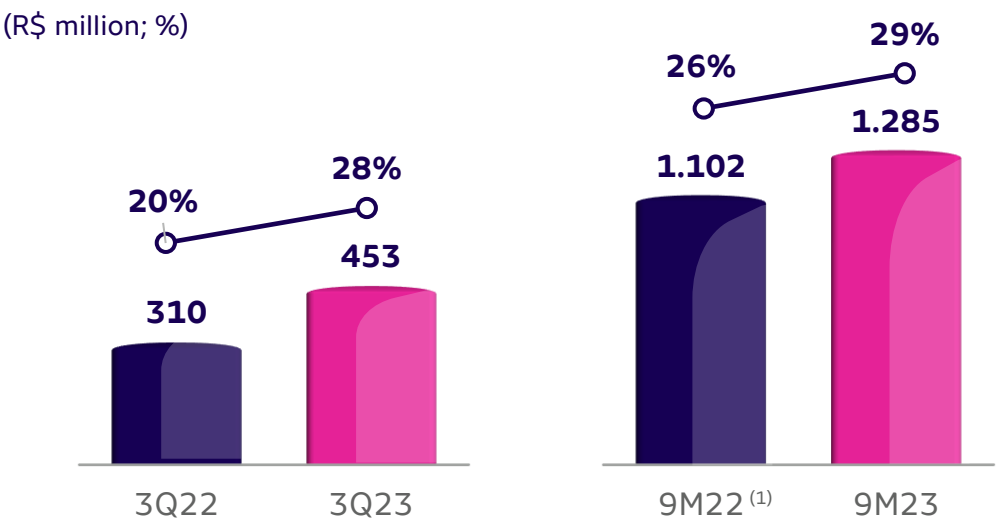
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Net Revenue and Energy Commercialized



Adjusted EBITDA and EBITDA Margin



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



Growth of 5.7% in net revenue compared to 3Q22, mainly due to better performance of Hydro generation and higher **volume in Commercialization**;



Growth of 46.4% in Adjusted EBITDA compared to 3Q22, mainly due to **Ventos do Piauí II and III** and **better results from Commercialization**;



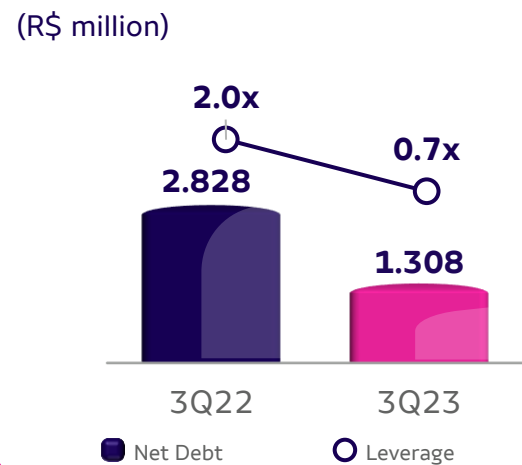
Stability of PMSO expenses, totaling R\$145.3 million in 3Q23, versus R\$144.3 million in 3Q22;



The accounting effect of the recognition of IR/CSLL and PIS/COFINS on the Três Irmãos HPP indemnity in 3Q23 resulted in a net loss of R\$838.1 million.

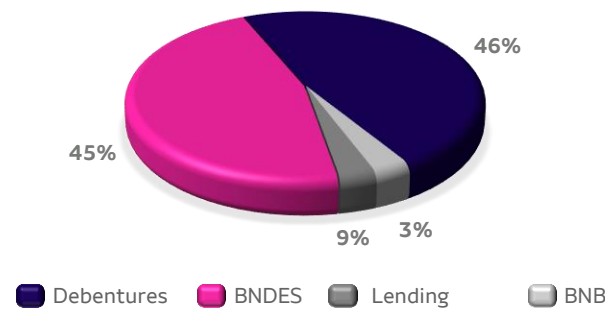
Financial Performance

Net Debt and Leverage⁽¹⁾

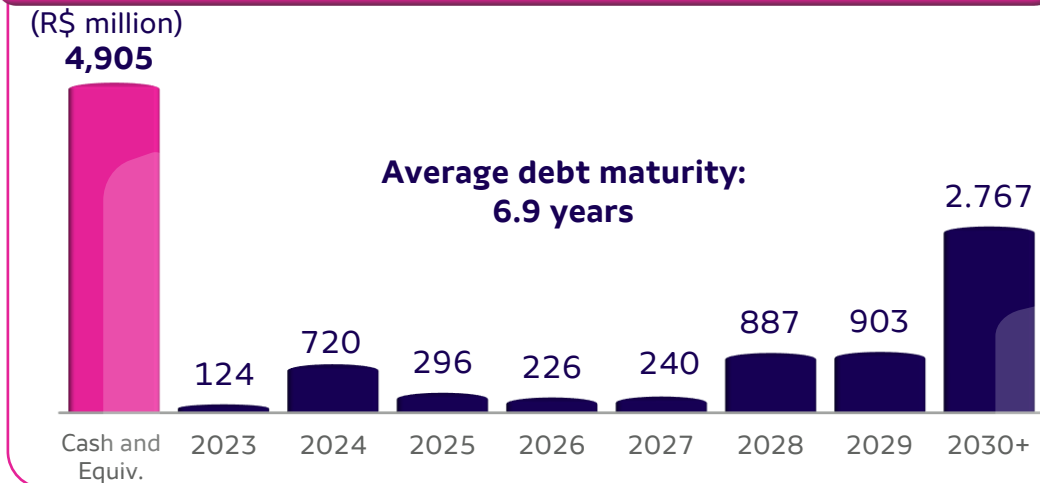


Gross Debt Profile

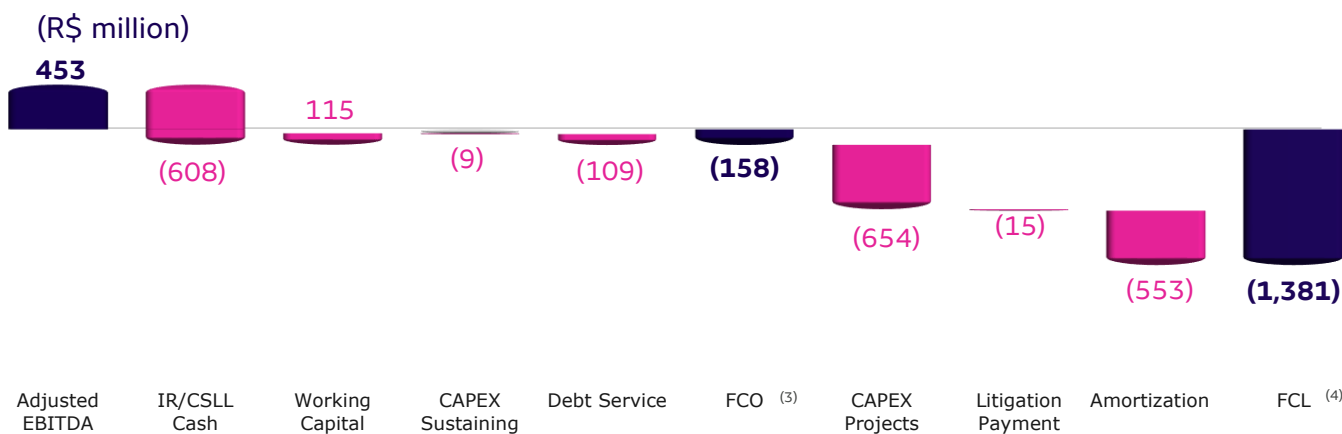
R\$ 6.1 billion



Amortization Schedule



Free Cash Flow- 3Q23⁽²⁾



- Financial leverage of **0.7x Net Debt/Adjusted EBITDA** in 3Q23;
- Cash disbursement with IR/CSLL related to the indemnification of HPP Três Irmãos of **R\$ 578 million**;
- Maintenance of a **solid cash position of R\$4.9 billion** and **extended debt**.

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Sol do Piauí is a pioneer in the associated model of Wind and Solar sources and expands Auren's positive impact in the region

The company worked with the regulatory agencies to contribute to the regulatory and technical aspects of an **innovative operation and business model** for Brazil

A pioneering project in the combined solar and wind generation model, due to COD in November 2023

Maximizes natural generation resources by combining complementary solar irradiation and wind throughout the day

It reduces transmission costs by taking advantage of existing transmission infrastructure, postponing investments and reducing costs for consumers.



Safe and inclusive construction

Zero accidents on site

56% of local professionals (619 people), generating jobs and income in the region



Social Reforestation

145k native caatinga seedlings (including fruit species) on **85 ha**

Shared management with the local community with a focus on **sustainable management**


Promote the **recovery of permanent preservation areas** and the creation of **ecological corridors**

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Closing Remarks



→ **Resilience and robustness of assets** resulted in performance **above-average performance**, even in a challenging quarter for wind assets

→ **Relevance of portfolio diversification**, in terms of geography and energy sources

→ **Leader in trading for another quarter**, ending 9M23 as **the largest energy trader in the country**

→ **Continued progress** in the development of the **Sol de Jaíba and Sol do Piauí** projects, on schedule



Investor Relations

ri.aurenenergia.com.br

ri@aurenenergia.com.br

