(A free translation of the original in Portuguese)

Serena Energia S.A.

Financial statements at December 31, 2023

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BALANCE SHEETS AS AT DECEMBER 2023 AND 2022

In thousands of Reais

		Parent Company		Consolidated	
Asset	**Note**	**2023**	**2022**	**2023 Restated**	**2022**
Current Assets					
Cash and cash equivalent	7	65	51	53,570	85,641
Marketable Securities	7	215	344,778	896,592	1,387,357
Trade accounts receivable	8	-	-	410,136	310,546
Recoverable taxes	9	6,593	2,278	107,302	118,900
Related parties	20	4,688	7,304	37,841	24,968
Energy futures contract	28	-	-	362,133	513,024
Other	10	222	177	241,072	85,720
		11,783	**354,588**	**2,108,646**	**2,526,156**
Non Current Assets					
Marketable securities – Restricted cash	7	-	-	231,144	211,069
Trade accounts receivable	8	-	-	57,519	46,662
Recoverable taxes	9	-	-	21,829	12,906
Related parties	12	7,806	-	73,522	47,261
Deferred taxes (IRPJ e CSLL)	18	-	-	1,788	1,239
Energy futures contract	28	-	-	444,456	372,355
Other	10	-	-	75,943	10,252
		7,806	**-**	**906,201**	**701,744**
Investments	11	5,216,394	4,853,264	968,157	953,455
Property and equipment	12	-	-	11,819,939	9,686,033
Intangible assets	13	-	-	1,387,048	1,462,844
		5,216,394	**4,853,264**	**14,175,144**	**12,102,332**
		5,224,200	**4,853,264**	**15,081,345**	**12,804,076**
Total assets		**5,235,983**	**5,207,852**	**17,189,991**	**15,330,232**

Balance Sheets as at December 2023 and 2022

In thousands of Reais

Liabilities and Equity	Note	Parent Company 2023	Parent Company 2022	Consolidated 2023 Restated	Consolidated 2022
Current Liabilities					
Trade accounts payable	15	370	-	395,787	236,734
Loans, financing and debentures	14	1,002	-	3,204,042	1,724,473
Labor and tax obligations	16	13,291	11,190	146,427	102,535
Lease liabilities	19	-	-	12,289	17,485
Related parties	20	13,696	24,353	71	777
Energy futures contract	28	-	-	339,771	502,078
Accounts payable on acquisition business	17	-	-	73,248	64,653
Other	-	834	1,035	37,329	12,547
		29,193	**36,578**	**4,208,964**	**2,661,282**
Non Current Liabilities					
Trade accounts payable	15	-	-	98,210	179,523
Loans, financing and debentures	14	-	-	6,680,464	6,651,531
Lease liabilities	19	-	-	173,629	101,660
Deferred tax (IRPJ e CSLL)	18	-	-	73,766	54,947
Energy futures contract	28	-	-	278,304	294,158
Accounts payable on acquisition business	17	-	-	128,372	193,423
Other		-	-	306,535	22,434
		-	**-**	**7,739,280**	**7,497,676**
Total liabilities		**29,193**	**36,578**	**11,948,244**	**10,158,958**
Equity					
Capital	21	4,439,360	4,439,360	4,439,360	4,439,360
Capital reserves		(337)	-	(337)	-
Profit reserves		176,123	170,023	176,123	170,023
Other reserves		653,040	590,198	653,040	590,198
Accumulated deficit		(61,396)	(28,307)	(61,396)	(28,307)
Total		**5,206,790**	**5,171,274**	**5,206,790**	**5,171,274**
Non controlling interest		-	-	34,957	-
Total equity		**5,206,790**	**5,171,274**	**5,241,747**	**5,171,274**
Total liabilities and equity		**5,235,983**	**5,207,852**	**17,189,991**	**15,330,232**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

Year ended December 31, 2023 and 2022

In thousands of Reais

	Note	2023	Parent 2022	2023	Consolidated 2022
Revenue	22	-	-	2,938,165	2,383,580
Fair value of trading portfolio	22	-	-	99,154	53,095
Operating and maintenance costs of energy	23	-	-	(2,014,812)	(1,768,403)
Gross Profit		**-**	**-**	**1,022,507**	**668,272**
Operating income (expense)					
General and administrative expenses	24	(28,216)	(39,988)	(177,639)	(143,057)
Other operating income (expense)		(477)	126	24,278	21,401
Equity in results of investees	11	81,325	18,254	82,939	44,854
		52,632	**(21,608)**	**(70,442)**	**(76,802)**
Total operating income (loss)		**52,632**	**(21,608)**	**952,085**	**591,470**
Financial income	25	10,835	14,120	119,887	134,703
Financial expenses	25	(625)	(543)	(920,461)	(693,467)
		10,210	**13,577**	**(800,574)**	**(558,764)**
Profit (loss) before taxes on income		**62,842**	**(8,031)**	**151,511**	**32,706**
Current		-	-	(71,968)	(47,264)
Deferred		-	-	(17,365)	6,527
Income taxes	18	**-**	**-**	**(89,333)**	**(40,737)**
Net income (loss) for the year		**62,842**	**(8,031)**	**62,178**	**(8,031)**
Net income (loss) per share attributable to:					
Controlling shareholders				62,842	(8,031)
Noncontrolling interests				(664)	-
				62,178	(8,031)
Basic earnings (loss) per share	21			1.1215	(0.0590)
Diluted earnings (loss) per share	21			1.1225	(0.0590)

The accompanying notes are an integral part of these financial statements.

Statement of comprehensive income (loss)

Year ended December 31, 2023 and 2022

In thousands of Reais

	Parent		Consolidated	
	2023	2022	2023	2022
Net income (loss) for the year	62,842	(8,031)	62,178	(8,031)
Cumulative translation effects	(33,089)	-	(33,809)	-
Total comprehensive loss	**29,753**	**(8,031)**	**29,089**	**(8,031)**
Controlling shareholders	29,753	(8,031)	29,753	(8,031)
Noncontrolling interests	-	-	(664)	-

The accompanying notes are an integral part of these financial statements.

Statement of changes in shareholders' equity

Year ended December 31, 2023 and 2022

In thousands of Reais

	Attributable to Controlling shareholders										
					Profit reserves						
	Capital	Treasury shares	Capital reserve	Legal reserve	Unrealized profit	Statutory and Investment	Gain (loss) on capital transaction	Accumulated deficit	Total	Noncontrolling shareholders	Total equity
Balance at December 31, 2022	4,439,360	-	170,023	29,910	134,049	426,239	(28,307)	-	5,171,274	-	5,171,274
Shareholder transactions											
Dilution of interest in ARCO	-	-	(2,555)	-	-	-	-	-	(2,555)	19,010	16,455
Capital payment by minority shareholder	-	-	-	-	-	-	-	-	-	16,611	16,611
Premium paid for stock options granted	-	-	8,655	-	-	-	-	-	8,655	-	8,655
Treasury shares	-	(337)	-	-	-	-	-	-	(337)	-	(337)
Cumulative translation effects	-	-	-	-	-	-	(33,089)	-	(33,089)	-	(33,089)
Net income (loss) for the year	-	-	-	-	-	-	-	62,842	62,842	(664)	62,178
Appropriation of profit for the year	-	-	-	3,142	14,925	44,775	-	(62,842)	-	-	-
Balance at December 31, 2023	**4,439,360**	**(337)**	**176,123**	**33,052**	**148,974**	**471,014**	**(61,396)**	**-**	**5,206,790**	**34,957**	**5,241,747**

	Attributable to Controlling shareholders							
			Profit reserves					
	Capital	Capital reserve	Legal reserve	Unrealized profit	Statutory and Investment	Gain (loss) on capital transaction	Accumulated deficit	Total
Balance at December 31, 2021	3,736,325	-	29,910	142,080	426,239	(28,307)	-	4,306,247
Shareholder transactions								
Capital increase	680,092	170,023	-	-	-	-	-	850,115
Contribution of Omega Desenvolvimento 18	22,943	-	-	-	-	-	-	22,943
Loss for the year	-	-	-	-	-	-	(8,031)	(8,031)
Appropriation of profit for the year	-	-	-	(8,031)	-	-	8,031	-
Balance at December 31, 2022	**4,439,360**	**170,023**	**29,910**	**134,049**	**426,239**	**(28,307)**	**-**	**5,171,274**

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

Year ended December 31, 2023 and 2022

In thousands of Reais

	Note	Parent Company		Consolidated	
		2023	2022	2023	2022
Cash flow from operating activities					
Loss before taxes on income		**62,842**	**(8,031)**	**151,511**	**32,706**
Adjustments for noncash items:					
Depreciation and amortization	12 / 13	-	-	472,110	409,660
Equity in results of investees	11	(81,325)	(18,254)	(82,939)	(44,854)
Accrued interest on loans, financing, debenture and leases	14	-	-	908,106	786,429
Accrued interest on leases	19	-	-	12,222	12,262
Accrued Income on marketable securities	25	(10,989)	(14,093)	(141,090)	(129,210)
Accrued income on financial instruments - MTM trading portfolio	22	-	-	(99,154)	(53,095)
Gain on advantageous purchase		-	-	-	(17,811)
Write-off property and equipment		-	-	2,337	-
Premium paid for stock options granted	26	1,374	-	1,374	-
Gain (loss) acquisition of investments		-	-	-	2,320
Others		-	(126)	14,630	7,749
		(28,098)	**(40,504)**	**1,239,107**	**1,006,156**
Changes in assets/ liabilities					
Decrease (increase) in trade account receivable		-	-	(112,712)	(41,165)
Decrease (increase) in related parties		(5,190)	(7,265)	(5,817)	4,981
Decrease (increase) in recoverable taxes		(4,315)	(2,278)	2,673	(25,647)
Decrease (increase) in other assets		(42)	67	(96,082)	2,075
Increase (decrease) in trade account payable		-	-	76,486	26,676
Increase (decrease) in related parties		(10,657)	24,353	(706)	(3,782)
Increase (decrease) in labor and tax liabilities		2,104	11,031	18,420	40,023
Increase (decrease) in accounts payable on acquisition business		-	-	(66,254)	169,871
Increase (decrease) in other liabilities		166	540	261,362	(478,670)
Cash flow from operating activities		**(46,032)**	**(14,056)**	**1,316,477**	**700,518**
Dividend received	20	-	-	35,515	29,452
Interest paid on loan, financing and debenture	14	-	-	(733,021)	(598,637)
Federal income tax paid	16	-	-	(46,499)	(49,036)
Net cash generated by (used in) operating activities		**(46,032)**	**(14,056)**	**572,472**	**82,297**
Cash flow from investing activities					
Acquisition of investments		-	23,190	-	(352,178)
Additions to property and equipment and intangible assets	12 / 13	-	-	(2,528,673)	(2,665,257)
Advance for future capital increase in subsidiaries	11,1	(317,450)	(505,000)	-	-
Capital decrease		-	-	-	13,500
Capital increase in subsidiaries		-	(23,512)	-	-
Marketable securities - restricted cash		355,552	(330,686)	611,480	(1,239,916)
Cash flow (used in) investing activities		**38,102**	**(836,008)**	**(1,917,193)**	**(4,243,851)**
Cash flow from financing activities					
Loan, financing and debenture	14	1,000	-	2,100,649	2,773,870
Amortization of loans, financing and debenture	14	-	-	(808,172)	(551,439)
Capital increase		-	850,115	-	850,115
Payment of capital by a non-controlling shareholder in a subsidiary		-	-	33,066	-
Premium paid for stock options granted		7,281	-	7,281	-
Treasury shares		(337)	-	(337)	-
Dividends paid		-	-	-	(625)
Leases paid	19	-	-	(19,837)	(18,908)
Cash flow generated by financing activities		**7,944**	**850,115**	**1,312,650**	**3,053,013**
Increase (decrease) in cash and cash equivalents		**14**	**51**	**(32,071)**	**(1,108,541)**
Cash and cash equivalent at beginning of period		**51**	**-**	**85,641**	**1,194,182**

Cash and cash equivalent at end of period	65	51	53,570	85,641

The accompanying notes are an integral part of these financial statements.

STATEMENT OF VALUE ADDED

Year ended December 31, 2023 and 2022

In thousands of Reais

	Parent Company		Consolidated	
	2023	2022	2023	2022
Revenue	-	-	3,091,145	2,463,604
Sales of goods, products and services	-	-	3,064,024	2,439,593
Other revenues (expense)	-	-	27,121	24,011
Cost	**(11,644)**	**(10,083)**	**(1,626,208)**	**(1,412,298)**
Cost of products, goods and services sold	-	-	(1,333,192)	(1,143,389)
Materials, energy, professional services and other	(11,644)	(10,218)	(281,687)	(265,492)
Loss/recovery of receivables	-	126	2,617	(2,126)
Other costs	-	9	(13,946)	(1,291)
Gross value added	**(11,644)**	**(10,083)**	**1,464,937**	**1,051,306**
Depreciation and amortization	-	-	(472,110)	(409,660)
Net value added	**(11,644)**	**(10,083)**	**992,827**	**641,646**
Value added received in transfer	**92,404**	**32,366**	**184,455**	**177,750**
Equity in results of investees	81,325	18,254	82,939	44,854
Finance income	11,079	14,112	101,516	132,896
Total added value	**80,760**	**22,283**	**1,177,282**	**819,396**
Distribution of added value	**80,760**	**22,283**	**1,177,282**	**819,396**
Payroll	15,396	28,235	100,806	78,659
Salary	15,057	27,983	84,660	66,120
Benefits	-	-	11,105	8,353
Severance pay indemnity fund (FGTS)	339	252	5,041	4,186
Taxes	2,177	2,233	118,463	63,674
Federal	2,177	2,233	117,359	61,992
State	-	-	504	915
Local	-	-	600	767
Third party capital	345	(154)	895,835	685,094
Interest	345	(154)	895,835	685,094
Profit (loss) attributable to controlling shareholders	62,842	(8,031)	62,178	(8,031)
Controlling shareholders	62,842	(8,031)	62,842	(8,031)
Noncontrolling interests	-	-	(664)	-

The accompanying notes are an integral part of these financial statements.

1. OPERATING ENVIRONMENT

The Serena Energia S.A. ("Company"), formerly Omega Energia S.A., was incorporated on May 27, 2021 as a publicly traded company with registered offices at 68 Rua Elvira Ferraz 12th floor, units 123 e 124, Vila Olímpia in São Paulo, State of São Paulo. Its shares have been traded since December 27, 2021, on the Novo Mercado, the corporate governance segment of the Brazilian stock exchange, B3 S.A. - Brasil, Bolsa, Balcão, ("B3"), under ticker symbol SRNA3.

The Company's corporate purpose includes: (a) participation and development, directly or through a joint venture, consortium or any other company in which the Company holds equity interests, of renewable energy assets, including, but not limited to, small hydropower plants (SHP), wind farms (CGE), solar plants (CGS) and biomass-fired thermoelectric plants (UTE), as well as in companies that operate in the trading of electric energy and energy efficiency; (b) holding of equity interests in other companies as partner, shareholder or member, in Brazil or abroad; and (c) ancillary activities necessary to fulfill the Company's corporate purpose.

Serena is a holding company and does not carry out any development, implementation or operating activities for renewable energy assets or sale of electric energy itself, these activities being conducted entirely by Serena Geração S.A. and Serena Desenvolvimento S.A., both wholly owned subsidiaries of the Company.

The Company and its direct and indirect subsidiaries operated ventures with a total installed capacity of 2,417.8 MW (1,962,7 MW in December, 2022) of renewable energy (considering the proportional interest held in the joint ventures Hidrelétrica Pipoca ("Pipoca"), solar power plant Pirapora Complex ("Pirapora") and Ventos da Bahia 1, 2 and 3 Complex ("Ventos da Bahia 1, 2 and 3"), located in the states of Bahia, Maranhão, Mato Grosso do Sul, Minas Gerais, Piauí, Rio de Janeiro and Rio Grande do Sul as well as Texas in the USA.

The activities of the Company, as well as those of all companies operating in the sector, are regulated and supervised by Brazil's National Agency for Electric Energy ("ANEEL"). Any change in the regulatory environment may have an impact on Company's activities. The business information by segment and Company assets operational details are presented in Note 6.

The terms listed below are used throughout these consolidated financial statements in their abbreviated form:

- ACR - "Ambiente de Contratação Regulada" - Regulated contract market;
- ACL - "Ambiente de Comercialização Livre" - Unregulated contract market;
- CCEAR - "Contrato de Comercialização de Energia no Ambiente Regulado" - Energy trading agreement in regulated market;
- CCEE - "Câmara de Comercialização de Energia Elétrica" - Brazil's Electric Energy Trading Chamber;

- CGE - Central Geradora Eólica - Wind Power Plant;
- ERCOT - Electric Reliability Council of Texas;
- I-REC'S - Certificados internacionais de energia renovável - International Renewable Energy Certificate;
- LER - "Leilão de Energia de Reserva" - Reserve power auction;
- MCP - "Mercado de Curto Prazo" - Spot Market;
- MRE - "Mecanismo de realocação de energia" - Energy reallocation mechanism;
- ONS - National Electricity System Operator;
- PLD - "Preço de Liquidação das Diferenças" - Difference settlement price;
- Proinfa - "Programa de incentivo às fontes alternativas de energia elétrica" - Program to foster alternative sources of energy;
- SHP - "Pequena Central Hidrelétrica" - Small Hydropower Plant;
- Tax Equity - an investment format supported by the US government which allow companies to offset investments in renewable energy with tax incentives;
- CGS - Central Geradora Fotovoltaica - Photovoltaic Power Plant.
- CGU - Cash Generating Unit.

The Company's activities substantially comprise the following operations as reflected in these financial statements:

(a) Serena Geração S.A. ("Serena Geração"), formerly Omega Geração S.A.

Serena Geração S.A is a publicly held company located at 68 Elvira Ferraz, 12th floor, units 123 and 124, Vila Olímpia, São Paulo (State of São Paulo), registered with the Brazilian Securities Commission ("CVM") as a Category "B" publicly held company, under certificate No. 23426.

Founded in 2008, the company holds interests in electric power generation assets focused on clean and renewable energy, exclusively for the production and sale of electricity, with no exposure to the development and implementation of assets. Its scope of operations includes wind, water, and solar power sources.

Serena Geração and its direct and indirect subsidiaries operated ventures with a total installed capacity of 1,962.7 MW (1.962,7 MW in 2022)of renewable energy (considering the proportional interest held in the joint ventures Hidrelétrica Pipoca ("Pipoca"), solar power plant Pirapora Complex ("Pirapora") and Ventos da Bahia 1 and 2 Complex ("Ventos da Bahia 1 and 2"), located in the states of Bahia, Maranhão, Mato Grosso do Sul, Minas Gerais, Piauí, Rio de Janeiro and Rio Grande do Sul.

The energy produced is sold through long-term agreements, at fixed prices inflation indexed, in the regulated contract environment obtained at auctions held by ANEEL, whether in the unregulated contract environment or directly with purchasers. Part of the energy produced is sold through short-term fixed-price agreements.

(b) Serena Desenvolvimento S.A. ("Serena Desenvolvimento"), formerly Omega Desenvolvimento S.A.

A privately held corporation, founded on June 18, 2021, located at 68 Elvira Ferraz, 12th floor, units 123 and 124, Vila Olímpia, São Paulo (State of São Paulo). The Serena Desenvolvimento corporate objective is to participate in other companies, as a partner or shareholder, in Brazil or abroad.

Serena Desenvolvimento and its direct and indirect subsidiaries, in addition to managing a development portfolio of high potential solar and wind sources, especially in regions of the Brazilian Northeast and in the state of Texas, USA. and project implementation, operate a project with a total installed capacity for generating 455.1 MW of renewable energy, located in the state of Bahia (Assuruá 4 and Assuruá 5).

2. BASIS OF PREPARATION

2.1 Statement of compliance

The individual Parent Company and Consolidated financial statements has been prepared in accordance with accounting practices adopted in Brazil, which comprise the provisions established by Law No. 6404/76 ("Corporation Law"), as amended; the rules and regulations issued by the Brazilian Securities Commission ("CVM"), and the accounting pronouncements, interpretations and guidance issued by the Accounting Pronouncements Committee (CPC - Comitê de Pronunciamentos Contábeis - "CPC"), as approved by the Brazil´s National Association of State Boards of Accountancy ("CFC") and by CVM, and which are in conformity with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) (currently referred to by the IFRS Foundation as "IFRS accounting standards")

2.2 Basis of preparation, statement of relevance and continuity

The consolidated financial statements has been prepared in accordance with accounting practices adopted in Brazil including the pronouncements, interpretations and guidelines issued by the Accounting Pronouncements Committee (CPC) and the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) (currently referred to by the IFRS Foundation as "IFRS Accounting Standards"), including the interpretations issued by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor group Standing Interpretations Committee (SIC Interpretations) and show all the relevant information specific to the financial statements, and only this information, which is consistent with that used by management in its administration.

The consolidated financial statements has been prepared based on historical cost as the basis of value which, in the case of certain financial assets and liabilities (including derivative instruments), has its cost adjusted to reflect measurement at fair value. Assets held for sale are measured at the lower of book value and fair value less costs to sell.

The preparation of financial statements requires the use of certain critical accounting estimates and also the use of judgment by the Company's management in the process of applying Serena Energia's accounting policies. Those areas that require a higher level of judgment and are more complex, as well as the areas in which assumptions and estimates are significant to the financial statements, are disclosed in Note 2.7.

Management has assessed the capacity of the Company and its subsidiaries to continue operating normally and is confident that the companies have the resources to continue their business over the next twelve months from the date of the financial statements. Management is not aware of any material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Therefore, these financial statements have been prepared on a going concern basis.

The Company evaluated the negative Consolidated Net Working Capital ("CCL") in the amount of R$2,100,318, in the context of the Group's business plan. In 2023, the Company drew down funds from the Goodnight I Bridge Loan, which as of December 31, 2023 has an accumulated balance of R$943,992, initially with settlement estimated for December 30, 2023; the Goodnight I project is expected to enter into full commercial operation. This loan was settled through a "Tax Equity" facility and "Term Loan" on February 2, 2024 (Note 31.1), which extended the loan tenure to 10 years and with amortization based primarily on tax credits from renewable energy generation activities for the "Tax Equity" facility and cash generated by energy generation activities for the "Term Loan".

For the Assuruá 4 and 5 projects, the Company intends to raise additional debt during the first quarter (through the capital markets or private instruments), under usual market conditions in terms of term and interest rate, which will cover financing to amortize the maturity of OD 4 in the amount of R$ 722,602 and lengthen the tenure of the projects' contracted debt (note 31.3).

As for the Offshore Loan of R$ 677,476 maturing in August 2024, the Company is evaluating refinancing alternatives including from cash generated by the operating activity of its existing assets, which will be sufficient to repay the financing, including (but not limited to) refinancing existing debt and selling equity interests in existing subsidiaries. Management has credit lines available and believes that the actions described above will be sufficient to reverse CCL's negative position over the course of 2024.

The issuance of these individual and consolidated financial statements was authorized by Management on March 16, 2024. Subsequent events were evaluated up to March 16, 2024, the date on which the disclosures of the individual and consolidated financial statements were authorized by Management, as per Note 31.

The presentation of the Statement of Value Added is required by accounting practices in Brazil applicable to publicly traded companies. IFRS does not require the presentation of this statement, which is included as supplementary information for IFRS purposes.

2.3 Functional and presentation currency

The individual and consolidated financial statements are prepared based on the currency of the Company's economic environment ("functional currency"), which is the Brazilian Real/Reais ("BRL" or "R$"). The financial statements are presented in thousands of Reais unless otherwise indicated. For subsidiaries abroad which operate with the US Dollar ("USD") translation gains or losses are recorded in shareholders' equity under the heading "Cumulative translation effects".

2.4 Consolidation and investments

The individual and consolidated financial statements reflect the assets, liabilities and transactions of the Company and its direct and indirect subsidiaries.

The direct, indirect, joint ventures interest and respective activities by segment are listed below:

Companies domiciled in Brazil	State (operations)	Subsidiary	Consolidation	Interest 2023	Interest 2022
Trading					
Omega Comercializadora de Energia Ltda. ("OMC")	São Paulo	Controlled - Indirect	Full	100%	100%
Serena Desenvolvimento S.A.	São Paulo	Controlled - Direct	Full	100%	100%
Omega Geração Comercializadora de Energia Ltda. ("OMGC") (ii)	São Paulo	Controlled - Indirect	Full	-	100%
Serena Geração S.A. (i)	São Paulo	Controlled - Direct	Full	100%	100%
Operational assets					
Serena Geração S.A. (i)	São Paulo	Controlled - Direct	Full	100%	100%
Assuruá 1 Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 1 I Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 1 II Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 1 III Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 3 Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 3 I Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 3 II Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 Holding Energia S.A. ("Assuruá 5")	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 I Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 II Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 III Energia S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 IV Energia S.A. ("Assuruá 5 IV")	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 V Energia S.A. ("Assuruá 5 V")	Bahia	Controlled - Indirect	Full	100%	100%
Assuruá 5 VI Energia S.A. ("Assuruá 5 VI")	Bahia	Controlled - Indirect	Full	100%	100%
CEA VI - Centrais Elétricas Assuruá VI SPE S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Centrais Eólicas Assuruá II SPE S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Delta 1 Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Delta 1 I Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Delta 1 II Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Delta 1 III Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Delta 2 Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Delta 3 Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 I Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 II Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 III Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 IV Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 V Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 VI Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%

Companies domiciled in Brazil	State (operations)	Subsidiary	Consolidation	Interest 2023	2022
Delta 3 VII Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 3 VIII Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 5 I Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 5 II Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 6 I Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 6 II Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 7 e 8 Holding S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 7 I Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 7 II Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta 8 I Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Indaiá Grande Energia S.A.	Mato Grosso do Sul	Controlled - Indirect	Full	100%	100%
Indaiazinho Energia S.A.	Mato Grosso do Sul	Controlled - Indirect	Full	100%	100%
Musca Energia S.A.	Minas Gerais	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 2 S.A. ("OD2")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 3 S.A. ("OD3")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 4 S.A. ("OD4")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 5 S.A. ("OD5")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 6 S.A. ("OD6")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 7 S.A. ("OD7")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 8 S.A. ("OD8")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 15 S.A. ("OD15")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 21 S.A. ("OD21")	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 24 S.A.	São Paulo	Controlled - Indirect	Full	100%	-
Omega Desenvolvimento de Energia 25 S.A. (iii)	Bahia	Controlled - Indirect	Full	100%	-
Omega Desenvolvimento de Energia 26 S.A. (iii)	Bahia	Controlled - Indirect	Full	100%	-
Omega Geração 1 S.A.	São Paulo	Controlled - Indirect	Full	100%	100%
Omni Energia S.A.	Minas Gerais	Controlled - Indirect	Full	100%	100%
Parque Eólico Assuruá III S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Assuruá IV S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Capoeiras III S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Curral de Pedras I S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Curral de Pedras II S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Diamante II S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Diamante III S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Laranjeiras I S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Laranjeiras II S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Parque Eólico Laranjeiras V S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Porto do Delta Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Serra das Agulhas Energia S.A.	Minas Gerais	Controlled - Indirect	Full	100%	100%
Testa Branca I Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Testa Branca III Energia S.A.	Piauí	Controlled - Indirect	Full	100%	100%
Hidrelétrica Pipoca S.A.	Minas Gerais	Joint Venture	Equity method	51%	51%
Pirapora II Solar Holding S.A.	Minas Gerais	Joint Venture	Equity method	50%	50%
Pirapora III Solar Holding S.A.	Minas Gerais	Joint Venture	Equity method	50%	50%
Pirapora Solar Holding S.A.	Minas Gerais	Joint Venture	Equity method	50%	50%
Ventos da Bahia 1 Geração de Energia S.A. ("VDB1")	Bahia	Joint Venture	Equity method	50%	50%
Ventos da Bahia 2 Geração de Energia S.A. ("VDB2")	Bahia	Joint Venture	Equity method	50%	50%
Ventos da Bahia 3 Geração de Energia S.A. ("VDB3")	Bahia	Joint Venture	Equity method	50%	50%
Assets in development					
Serena Desenvolvimento S.A.	São Paulo	Controlled - Direct	Full	100%	100%
Arco Energia S.A. (iv)	São Paulo	Controlled - Indirect	Full	69.95%	100%
Arco Energia 1 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Arco Energia 2 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Arco Energia 3 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Arco Energia 4 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Arco Energia 5 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Arco Energia 6 S.A.	São Paulo	Controlled - Indirect	Full	69.95%	-
Delta Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Delta MA Energia S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento Comercializadora Energia Ltda. ("OMDC")	São Paulo	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 9 S.A.	Maranhão	Controlled - Indirect	Full	100%	100%

Companies domiciled in Brazil	State (operations)	Subsidiary	Consolidation	Interest 2023	2022
Omega Desenvolvimento de Energia 10 S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 11 S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 12 S.A.	Maranhão	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 13 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 14 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 16 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 17 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 19 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 22 S.A.	Bahia	Controlled - Indirect	Full	100%	100%
Omega Desenvolvimento de Energia 23 S.A.	Bahia	Controlled - Indirect	Full	100%	-
Omega Desenvolvimento de Energia 27 S.A.	Bahia	Controlled - Indirect	Full	100%	-
Omega Desenvolvimento de Energia 28 S.A.	Bahia	Controlled - Indirect	Full	100%	-
Omega Desenvolvimento de Energia do Maranhão S.A.	Maranhão	Controlled - Indirect	Full	100%	100%

Companies domiciled in the United States	State	Subsidiary	Consolidation	Interest 2023	2022
Development					
FGE Goodnight I	Texas	Controlled - Indirect	Full	100%	100%
FGE Goodnight I LLC	Texas	Controlled - Indirect	Full	100%	100%
FGE Goodnight II LLC	Texas	Controlled - Indirect	Full	100%	100%
FGE Goodnight LLC	Texas	Controlled - Indirect	Full	100%	100%
FGE Goodnight Wind Project	Texas	Controlled - Indirect	Full	100%	100%
Goodnight I Class B Member LLC	Texas	Controlled - Indirect	Full	100%	100%
Goodnight I TE Partners LLC	Texas	Controlled - Indirect	Full	100%	100%
Omega Digital Renewable Energy LLC	Texas	Controlled - Indirect	Full	100%	100%
Omega Green Deer LLC	Texas	Controlled - Indirect	Full	100%	-
Omega US Holding I LLC	Texas	Controlled - Indirect	Full	100%	100%
Omega US Holding II LLC	Texas	Controlled - Indirect	Full	100%	100%
Serenity Wind LLC	Texas	Controlled - Indirect	Full	100%	-
Sunrise Renewables LLC	Texas	Controlled - Indirect	Full	100%	-

(i) Serena Geração is a holding company that operates in both generation and market energy.
(ii) In December 2023, OMGC was incorporated into Serena Geração.
(iii) In November 2023, Serena Desenvolvimento sold OD 25 and OD 26 to Serena Geração.
(iv) In June 2023, Serena Desenvolvimento diluted its interest in Arco Energia by 30.05%, without loss of control, upon admitting a partner, Polaris 2 Fundo de Investimento em Participações em Infraestrutura and Apolo Renováveis Participações Ltda., managed by Apolo Administração de Recursos Ltda.

2.5 Significant accounting policies

The Company has not early adopted any accounting standards or interpretations that that are not yet effective. The accounting policies of the subsidiaries and joint ventures are adjusted, when applicable, to ensure consistency with the policies adopted by Serena Energia.

Details of accounting policies are included in the respective notes, with a summary of the policies for accounting recognition and measurement basis used by Serena Energia.

2.6 Current versus noncurrent classification

The Company presents assets and liabilities in the balance sheet based on their classification as current or noncurrent. An asset is classified as current when: (i) it is expected to be realized, or it is intended to be sold or consumed in the normal course of the entity's operating cycle; (ii) it is maintained essentially for the purpose of being traded; (iii) it is expected to be held for less than 12 months after the reporting date; and (iv) it is cash or cash equivalent (as defined in Accounting Standard CPC 26 - Presentation of finance statement). All other assets are classified as noncurrent.

A liability may, at the option of the counterparty, be settled through the issuance of equity instruments without affecting its classification. Serena Energia classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

2.7 Critical accounting estimates and use of judgment

The preparation of the financial statements requires the use of certain critical accounting estimates and judgments by the Company's Management. These estimates and the respective assumptions are based on the best knowledge existing in each fiscal year. Changes in facts and circumstances may lead to a revision of estimates, whereby actual future results may differ from those estimated.

Estimates and underlying assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in future periods if the revision affects both current and future periods.

The significant estimates and judgments used by Serena Energia in the preparation of these financial statements are presented in the following notes:

Note	Significant estimative and judgment
5	Business combination and Shareholders' transactions
12	Asset Retirement Obligation (ARO)
13	Intangible
18	Federal deferred tax (IR/CS) - asset
27	Legal proceedings
28	Energy futures contract

2.8 New accounting standards and interpretations

The International Accounting Standards Board (IASB) and, consequently, the Accounting Pronouncements Committee (CPC) have issued new standards and revisions to existing standards. The main standards amended and/or issued are shown below:

- Amendment to IAS 1/CPC 26(R1) and IFRS Practice Statement 2 - Disclosure of accounting policies: change of the term "significant accounting policies" to "material accounting policies". The amendment also defines what "material accounting policy information" is, explains how to identify it and clarifies that immaterial accounting policy information does not need to be disclosed, but if it is, that it should not obscure the relevant accounting information. IFRS Practice Statement 2 Making Materiality Judgements, also amended, provides guidance on how to apply the concept of materiality to accounting policy disclosures.

- Amendment to IAS 8/CPC 23 - Accounting Policies, Changes in Estimates and Errors:. the amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates, since changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to previous transactions and other previous events, as well as to the current period.

- Amendment to IAS 12/CPC 32 - Income Taxes: the amendment requires entities to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This usually applies to lease transactions (right-of-use assets and lease liabilities) and decommissioning and restoration obligations, for example, and requires the recognition of additional deferred tax assets and liabilities.

- Amendment to IAS 12/CPC 32 - Income Taxes: in December 2021, the Organization for Economic Cooperation and Development (OECD) released the Pillar Two model rules aimed at reforming international corporate taxation in order to ensure that multinational economic groups within the scope of these rules pay a minimum effective income tax rate of 15%. The effective tax rate on each country's profit, calculated in this model, is referred to as the "GloBE effective tax rate". These rules will have to be approved by each country's local legislation, some of which have already enacted new laws or are in the process of discussing and approving them.

The amendments that became effective on January 1, 2023 described above did not have a material impact on these consolidated financial statements. With regard to the standards under discussion at the IASB or with an effective date set for future years, Serena Energia is monitoring the discussions and so far has not identified any significant impacts.

2.9 Restatement

The Company is restating its financial statements as of December 31, 2023, originally approved by the Board of Directors on February 21, 2024, due to the following matters mentioned below.
(i) The Company changed its accounting policy for recording the positions of energy trading contract portfolio to an approach considering only the mark-to-market value (contracted volume multiplied by the difference between the contract price and the future price based on the forward energy curve) for the same settlement period. Previously, the Company adopted the approach of presenting the contracted cashflow added to the mark-to-market position. The change in approach aims to align the Company with the most common market practices and with IFRS9/CPC 48 and does not generate variation in the net position between assets and liabilities, nor does it impact equity or the effect on profit and loss from the contracts marked to market previously.

			Consolidated 2023
	Presented previously	Adjustment	Restated
Energy futures contract (i)	756,658	(394,525)	362,133
Current	**756,658**	**(394,525)**	**362,133**
Energy futures contract (i)	1,621,600	(1,177,144)	444,456

Non current	**1,621,600**	**(1.177,144)**	**444,456**
Energy futures contract (i)	734,296	(394,525)	339,771
Current	**734,296**	**(394,525)**	**339,771**
Energy futures contract (i)	1,455,448	(1,177,144)	278,304
Non current	**1,455,448**	**(1,177,144)**	**278,304**

The adjustments did not generate effects on other parts of the individual Parent Company and Consolidated financial statements.

3. RISK MANAGEMENT

Serena Energia carries out risk management to support the achievement of its goals and to ensure the Company's financial strength and flexibility and business continuity. The Board of Directors includes an Audit and Risk Committee, which, among other attributions, is responsible for supporting the Board of Directors in decisions regarding risk management through recommendations and monitoring. The Company also has an internal audit processes.

Serena Energia's risk management strategy aims to provide an integrated view of the risks that the Company is exposed, through a matrix of risks and impacts, reviewed and updated periodically, which covers the operational, financial, technology, legal, regulatory, people management areas and others.

Several risks are mapped, classified by their relevance, as below:

- Operational risk: related to power generation systems;
- Risks of development and implementation of new projects: related to the research and development phases, civil and engineering works for the construction of renewable energy assets;
- Hydrological and climatic risks: related to the energy reallocation mechanism (ERM) and estimated affluence, solar light and wind incidence in the climatic subregions where the assets are located;
- Market risk: related to prices, inflation and interest rates;
- Credit risk: related to customer loans and financial investments;
- Liquidity risk: related to the nonfulfillment of financial obligations.

Risk	Exposure	Methodology	Management
Operational risk	Operation of power generation assets Availability of power generation systems	Power generation availability monitoring and planning	ERP Operational efficiency insurance
Risk of development and implementation of new projects	Cash and cash equivalent	Cash flow forecast Monitoring contracts	Energy sales contract in regulated and free market
Hydrological and climate risks	Gross profit	Energy reallocation mechanism (ERM), estimated affluence, solar light and wind incidence in the climatic subregions where the assets are located	Energy sales contract in regulated and free market
Market risk - rate fluctuation	Future commercial transactions Assets and liabilities in foreign currency	Cash flow forecast Sensitivity analysis	Fixed terms future contracts
Market risk - interest rate	Long term loan with variable interest rates	Sensitivity analysis	*Interest rate Swaps*
Credit risk	Cash and cash equivalent, trade account receivable, investment in debt instrument and contract assets	Due date analysis Credit assessment	Multiple financial companies Credit/ratings limit monitoring Guidelines investment in debt instruments
Liquidity risk	Loans and other liabilities	Cash flow forecast	Available credit lines

3.1 Operational risks

Certain subsidiaries of Serena Energia hire professional service providers for the operation and maintenance ("O&M") activities of its power generation plants, usually the equipment supplier; if these services are not properly rendered, Serena Energia may suffer a significant adverse effect. The management of this risk is carried out in order to guarantee the operational efficiency of the plants with maintenance plans on weekly basis, as well as preventive maintenance plans and routine inspection of the assets on a six-monthly basis and timely monitoring of energy generation in the plants, in order to carry out necessary interventions, including service providers, to correct deviations.

Serena Energia depends on the services of technical professionals to monitor and supervise the execution of third-party activities as well as its own. If the company loses key members of its staff, it will have to attract and train new personnel for its technical area, which could generate additional costs.

Serena Energia's processes and systems operate an ERP integrating the business area information with Serena Energia's accounting and management systems which are updated periodically to capture relevant procedural changes and advances in the technology environment. The Company has several contracts, all in accordance with the best market practices and with the objective of transferring and/or mitigating the risks to which the Company is exposed.

3.2 Risks of development and implementation of renewable energy projects

The risks of development and implementation of new energy projects arise from the need of liquidity/capital to carry out the project implementation phases through to the development phase, such as: land risk, predictability of production resources, environmental licenses and authorizations, risks of accidents involving third parties and Serena Energia's employees, among others directly linked to the activity of developing and implementing new renewable energy projects.

3.3 Hydrological and climatic risk

Brazil's energy matrix is predominantly hydroelectric. As the SIN operates on an optimized dispatch system centralized by the ONS, each hydroelectric plant, including the hydroelectric plants of certain of the Company's subsidiaries, are subject to variations in the hydrological conditions for the geographical region in which the Company and its subsidiaries operate and in other regions. The region in which its hydroelectric plants operate is subject to hydrological conditions, with non-cyclical deviations from the average rainfall; currently the SIN reservoirs are at optimum levels, following a long period of drought. However, the existing mechanisms for diversifying energy matrices are not capable of absorbing all the adverse consequences of a prolonged water shortage, such as the recent drought, leading to an increase in energy prices on the short-term market. This increase can have positive or negative impacts, depending on how the Company manages its energy balance.

The energy generated by Small Hydropower Plants ("SHPs") depends on the hydrological state of the rivers of the regions where they are located. The Brazilian regulatory requirements establishes that revenue from the sale of energy from SHPs is not be recognized as energy generated, but by the physical guarantee of each plant, determined by the granting authority through an optional mechanism called ERM. The ERM shares energy, transferring the surplus energy from those that have generated energy in excess of their individual physical guarantees to those who have generated energy below such guarantee. The option is made annually.

Any differences between the generation and physical guarantee of the ERM are adjusted proportionally among the participants, and the amount of this adjustment is evaluated at the Settlement Price of Differences ("SPD"), by applying an adjustment factor known as Generation Scaling Factor (GSF). As a result, there is a systemic risk related to ERM operations.

SHP Serra das Agulhas and SHP Pipoca (non-consolidated joint venture) participate in this mechanism and with an exposure of approximately 2.2% of the Company's portfolio based on the installed capacity of the plants. This is a potential but low risk to the Company.

For Serena Energia's wind assets, most energy sales agreements in the regulated market are designed to mitigate the financial impact of intermittent wind resource. The agreements are contracted under an availability model, with monthly payments, but no monthly obligation to deliver energy. In addition, for four-yearly range contracts, for annual obligations lower and higher generation ranges are defined so that there is no economic impact on the assets if energy generation is within those ranges (lower being -10% and higher limits being 30% for the 1st year, 20% for the 2nd year, 10% for the 3rd year and 0% for the 4th year; stabilizing the financial flow). Changes in generation are necessarily equalized only every four years, when any negative or positive changes are settled. Among Serena Energia's ACR-contracted wind farms, only CGU Delta 5 and CGU Delta 6 are not subject to this mechanism, as the generation changes are adjusted annually.

The solar assets present in Serena Energia's portfolio, through participation in the Pirapora Complex (Joint Venture), include energy sales contracts in the regulated market designed to mitigate the financial impact of intermittent solar resources, in which the contracts are carried out under a reserve power model, with monthly payments, but no monthly obligation to deliver energy. However, the contracts have annual obligations that are defined based on lower and higher generation bands, equalizing the annual delivery of the contract. The generation surplus or deficit impacts the cash flow of the subsequent year in the form of variable revenue applied to fixed revenue, being valued as follows for energy deviations:

- energy variation lower than -10%, valued at the contract price plus 15% penalty;
- energy variation less than 0% and greater than -10%, valued at the contract price plus 6% penalty;
- positive energy variation between 0% and 15%, valued at contract price;
- positive energy variation above 15%, valued at 30% of the contract price.

3.4 Market risk

3.4.1 Interest rate

The risk related to interest rates arises from fluctuations in market rates. Serena Energia's exposure is mainly from its loans and financing and short-term investments with fixed or floating interest rates, linked to the TLP, CDI, SOFR and inflation indexes. The financial instruments portfolio is monitored monthly, allowing financial results and their impact on cash flow to be monitored. Exposure to SOFR is hedged by an interest rate swap instrument. As for the risk of inflationary acceleration, the long-term energy sales contracts have an annual inflation adjustment clause, which represents a natural hedge for debts and obligations indexed to inflation indices. A sensitivity analysis on the impacts arising from this risk is presented in Note 28.2.

Serena Energia S.A. trades energy in the Regulated Contract Environment ("RCE") and the Unregulated Contract Environment ("UCE"). In the RCE, sales occur through contracts from energy auctions, in which prices are predetermined, adjusted by an inflation rate. In this environment, the risk of market prices and PLD fluctuations arise from energy balance adjustments, when the generation is different from the energy sold, settled in the short term by the Electric Energy Sales Chamber ("EESC"), as per the rules of each contract and the respective bands, as described in the hydrological and climate risk item above. A substantial portion of the traded energy is linked to the contracts in RCE, which reduces Serena Energia's exposure to price changes. In order to strategically adjust the position to market, Serena Energia may adopt the energy de-contracting option, which consists of removing the generated energy from RCE to trade it in UCE, according to the rules of ANEEL.

In the UCE, Serena Energia sells available energy in short, medium, and long-term contracts, optimizing prices and minimizing the risk of exposure to short-term prices (spot or PLD). In general, the portion of assets linked to the UCE is the difference between generation and sales settled in the short-term market by CCEE. Factors related to liquidity of the energy market may affect market prices.

3.4.2 Foreign exchange risk

Serena is exposed to foreign exchange risk arising from its subsidiary Omega Digital Renewable Energy as its development and future operating projects are in the United States and its net assets are exposed to the U.S. Dollar. This exposure is mainly mitigated by loans in the same currency as the investments.

Omega Digital Renewable Energy is exposed to U.S. Dollar loans which bear interest, payments and amortization U.S. Dollars. The Company has hedges to protect this operation.

In addition, Serena Desenvolvimento is exposed to loans and financing contracted in euros, the interest on which, payments and repayments are also made in US Dollars. The company has contracted derivatives to hedge the interest rates on these loans and financing operations.

Serena requires Group companies to manage their exchange rate risk in relation to their functional currency. Group companies whose operations are exposed to exchange rate risk protect their positions through hedging operations, carried out under the guidance of Group Treasury. Foreign exchange risk occurs when future trading operations, assets or registered liabilities are held in currency other than the entity's functional currency.

3.5 Credit risk

Credit risks arise from Serena Energia's commercial operations, including future sale commitments already contracted, or from financial investments.

In order to minimize credit risk in the energy sales agreements for free consumers, traders and generators in UCE, Serena Energia performs an analysis and establishes, in accordance with its Credit Policy, the guarantees required from these counterparties. All loans from customers and their exposure to various sectors of the economy are evaluated periodically to maintain portfolio diversification and to reduce exposure to sector-specific risk.

In the RCE, customers agreements are signed in auctions held by ANEEL, through EESC, which contractual standard set in the Energy Trading Agreement in ANEEL Rule No. 109/2004 requires financial guarantees as a requirement for executing the agent market transaction within EESC. This mechanism minimizes the credit risk of the counterparty in these agreements in operations settled in the short term.

For financial investments, credit limits are assessed and applied for each counterparty to which the Company has credit exposure. Serena Energia seeks to diversify the portfolio and requiring different solvency and liquidity indicators of the various counterparties.

The book value of financial assets represents the maximum credit exposure at the balance sheet dates and is summarized below:

		Consolidated	
	Note	**2023**	**2022**
Cash and cash equivalent	7	950,162	1,472,998
Trade account receivables	8	467,655	357,208
Restricted cash	7	231,144	211,069
Energy futures contract	28	806,589	885,379
Total		**2,455,550**	**2,926,654**

In management's assessment, there is no concentration risk in customers or suppliers since the Company has a diversified portfolio of energy purchase and sale contracts involving all regions and most industries in Brazil.

3.6 Liquidity risk

The liquidity risk refers to the possibility of Serena Energia not fulfilling its contractual obligations on the due dates and experiencing cash flow difficulties due to market liquidity restrictions. The more significant financial liabilities are with BNB, BNDES, debentures issued, RCE-related accounts payable and operating leases. The contractual maturities are detailed in Notes 14, 15 and 19.

Serena Energia monitors the expected cash inflows and outflows by subsidiary, to ensure sufficient cash is available. Capital advance or reserve accounts linked to the projects may be used for specific cash coverages.

The risk of debt acceleration could arise in Serena Energia's subsidiaries which have financing agreements with covenants which include compliance with economic and financial ratios, cash generation and others. These covenants have been fully complied with and do not limit the Company's ability to conduct its operations in the normal course of business (Note 14.5). Management continually monitors the Group's forecast liquidity requirements and covenant limits to ensure sufficient cash will be available to meet its operational and contractual needs. These forecasts take into account Serena's debt financing plans, compliance with clauses, compliance with the internal goals of the balance sheet quotient and, where applicable, external or legal regulatory requirements - for example, currency restrictions.

Any surplus cash generated by operating entities is applied in short-term securities of high liquidity, subject to insignificant risk of change in value, to assist meeting forecast cash obligations. At the balance sheet date, Serena maintained short-term funds of R$ 950,162 (2022 R$ 1,472,998) and other net assets of R$ 410,136 (2022 R$ 310,546), which, together with the strategy of refinancing debts close to maturities or selling equity stakes in subsidiaries, among other options, are expected to generate cash inflows to manage liquidity risk, as stated in Note 2.2. Some investments are made in the long term, restricted cash, to meet guarantees linked to financing obtained from BNDES, BNB and project debentures, as described in Note 14.

3.7 Technology and Information Risks

The risk is associated with failures, unavailability or obsolescence of IT equipment, communication, logistics and operational management systems at Serena Energia offices as also at its main turbine supplier. This could impair or interrupt the Group's regular activities, including the generation of energy from wind, solar and hydro sources, affecting its entire value chain (customers, suppliers, partners and regional units. Risk also arises from errors or fraud, internal or external, in computerized systems when capturing, recording, monitoring and correctly reporting transactions or positions. Risks arise from cyber-attacks which could restrict access to assets, breach confidentiality and compromise integrity, availability of data or computer systems.

The 24x7 Security Operations Center (SOC) is the core of the organization's cybersecurity program and responsible for identifying and responding to cybersecurity incidents. Intelligence on potential threat is collected from sources experiencing current or potential attacks. Information is analyzed and organized to minimize and mitigate cybersecurity risks.

3.8 Capital management

The Company manages its capital with the objective of maximizing investor returns, optimizing the capital structure considering the economic conditions, competitive environment and financial covenant requirements. In order to maintain or adjust the capital structure, the Company may adjust the payment of dividends to shareholders, return capital or issue new shares.

The Company's capital structure comprises third party debt and shareholders' equity, which includes capital and income reserves. The net debt-to-equity ratio was as follows:

			Consolidated
	Note	2023	2022
Loans, financing and debentures (*)	14	9,932,950	8,438,308
(-) Deposits related to debt service	7	(231,144)	(211,069)
(-) Cash, cash equivalents and restricted cash	7	(950,162)	(1,472,998)
Consolidated net debt		**8,751,644**	**6,754,241**
Equity	21	5,241,747	5,171,274
Net debt /Equity		**1.67**	**1.31**

(*) Excluding debt issuance costs.

The Company and its subsidiaries' loans specify debt ceilings, some of which calculated based on EBITDA, the most restrictive currently being 4.5x the net debt-EBITDA for Serena Geração (according to the calculation defined in their financing instruments). For SPEs already operating commercially, an atypical covenant is the Debt Service Coverage Ratio (DSCR) the most restrictive of which stipulates a minimum DSCR of 1.3x. The details of the covenants on December 31, 2023 are disclosed in Note 14.5.

3.9 Insurance coverage

The Company maintains civil and property liability insurance that covers, among other risks, fire or damage to Serena Energia and its subsidiaries' properties, such as electric/material damages, machine breakdown, theft of property, windstorm, hurricane, cyclone, tornado, hail, lightning strike, explosion, implosion, and strike of aircraft, as well as damages caused to third parties. In addition, Serena Energia also has coverage of loss of profits covering fixed expenses as a result of material damages incurred in interrupting its business for a period up to 12 months. Management believes that risks of interruption to its business are low because of the diversification of its portfolio and insured amounts are adequate for the market in which it operates.

The Company has engineering insurance for construction risks on all assets in the implementation phase.

4. SIGNIFICANT CORPORATE EVENTS

The following events had a significant impact on the Group's financial position, either due to their nature or significance of the amounts involved:

4.1 New loan instalment - BNB

During the year ended December 31, 2023, Banco do Nordeste do Brasil (BNB) released the third disbursement related to the financing contracts of the SPEs of Assuruá 4 project (OD 2, OD 3, OD 5, OD 6, OD 7, and OD 8) in the amount of R$ 220,206 (Note 14).

4.2 Debt Rollover - Offshore Loan

In January 2023, the maturity dates of the offshore loan instruments (US$35,000 thousand and US$15,000 thousand), contracted by Omega Digital Renewable Energy, were extended to August 2024. (Note 14).

4.3 New Bridge Loan and Construction Loan

During the year ended December 31, 2023, the consortium formed by MUFG Bank Ltd., Sumitomo Mitsui Banking Corporation, and Cooperative Rabobank U.A., New York Branch concluded the first disbursement of the Goodnight 1 project loan in the amount of R$979,814, equivalent to US$ 194,987 (Note 14).

4.4 Debt raising - Resolution 4131

In August 2023, the maturity of the principal amount of the Resolution 4131 financing (Promissory Note) of R$ 161,050 at Serena Desenvolvimento was postponed to February 2024.

The new issue of the Resolution 4131 financing was made in foreign currency in August 2023 for R$ 161,050, equivalent to EUR $ 29,627. Information on the funding is detailed in Note 14.

4.5 Serena and Apolo Partnership - Arco Energia (Distributed Generation)

On May 18, 2023, the Company signed agreements with Apolo Administração de Recursos Ltda. ("Apolo") to invest up to R$ 263,000 in Arco Energia S.A. ("Arco Energia") for 141.1 MWp of distributed solar generation projects.

Following the initial investments the Company owns 69.95% of Arco's share capital, while Apolo and its affiliates hold the remaining 30.05% of the new company.

4.6 Second Stock Option Plan

On August 28, 2023, the Company's shareholders approved the Second Stock Option Plan, in accordance with the Company's Extraordinary General Meeting (Note 26).

4.7 Debt raising - FNE BB

On October 10, 2023, the Company drew down the second disbursement from Banco do Brasil related to the financing agreements for the SPEs of the Assuruá 5 project (I, II and II) in the amount of R$106,815.

On December 27, 2023, the Company drew down the first disbursement from Banco do Brasil related to the financing contracts for the SPEs of the Assuruá 5 project (IV and V) in the amount of R$ 215,046 (Note 14).

4.8 Debt raising - Resolution 4131

On November 10, 2023, R$ 200,000 was raised by Arco Energia S.A. Resolution 4131 financing was raised in the amount of EUR US$ 38,384 (Note 14).

4.9 Debt raising - Resolution 4131

On December 27, 2023, R$350,000 in private debentures were released by Arco Energia 2 S.A., in 2 series Note 14.

4.10 Debt Rollover - Debentures

On December 28, 2023, the maturity of the debentures issued by Serena Desenvolvimento de Energia 4 S.A. with original maturity on January 31, 2024, was postponed to April 30, 2024.

5. ACQUISITION OF INVESTMENTS

Accounting policy

The acquisition method is used to register each business combination conducted by Serena Energia and consists in four steps:

- Determining the acquisition date;
- Determining the acquirer and the acquiree;
- Determining the consideration transferred due to control acquisition (purchase

consideration) and
- Measuring the goodwill or gain from bargain purchase.

The acquisition date is the date on which Serena Energia takes control of the assets.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured by the sum of the consideration transferred, which is valued based on the fair value at the acquisition date, and the value of any noncontrolling interest in the acquiree.

For each business combination, the acquirer measures the noncontrolling interest in the acquiree at fair value or based on its participation in the net assets identified in the acquiree. Costs directly attributable to the acquisition are recorded as an expense when incurred.

When acquiring a business, Serena Energia assesses the financial assets and liabilities assumed for the purpose of classifying them and allocating them in accordance with the contractual terms, economic circumstances and the pertinent conditions at the acquisition date, which includes segregation, on the part of the acquiree, of embedded derivatives existing in host contracts with the acquiree.

The consideration transferred for the acquisition of a business is the fair value of the assets transferred, including cash, liabilities incurred, and equity instruments issued by the Company on the acquisition date. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at the acquisition date, and the value of any noncontrolling interests in the acquiree.

Any contingent consideration to be transferred by the acquirer is recognized at the fair value at the date of acquisition. Subsequent changes in the fair value of the contingent consideration deemed as an asset or as a liability are recognized in accordance with accounting standard CPC 48 in profit or loss.

Costs related to an acquisition are recognized in the statement of operations for the year incurred.

Goodwill or gain on bargain purchase is measured by the difference between the fair value of assets acquired and liabilities assumed in relation to the consideration transferred and is recognized on the acquisition date. When the consideration transferred is greater than the fair value of assets, goodwill is recognized as an asset and tested for impairment. When it is lower, a gain on a bargain purchase is recognized in in the statement of operations.

Intangible assets recognized under the business combination are accounted for in accordance with the accounting policy described in Note 12.

When a transaction involves the assumption of business control by Serena Energia, but without a change in the final interests of the controlling parties, the transaction is recorded at its book value, without any gain or goodwill.

The acquisition of participation in shared control businesses is also accounted for by the acquisition method, taking into account the proportion of the stake acquired in the assets and liabilities of the jointly controlled business.

Critical accounting estimative and judgment

Recognition of business combination requires Serena Energia to exercise critical judgment in determining the fair value of the assets and liabilities of the businesses being acquired. Therefore, Serena Energia analyzes assumptions about future conditions that are uncertain, including future energy prices, interest rates, inflation, weather conditions, operating costs and useful lives of assets. Changes in these assumptions may impact the business and the expected results may differ materially from the amounts estimated on the acquisition of control date.

5.1 Transactions in 2023

5.1.1 Shares exchange agreement

On October 2, 2023, the Company issued a notice to the market advising that it had executed, on the date hereof, with EDF EN do Brasil Participações Ltda. ("EDFR"), an exchange of shareholding interests held by Serena Geração and EDFR in the companies holding the assets of the Ventos da Bahia Wind Complex and the Pirapora Solar Complex. Upon closing of this transaction, the Serena Geração holds 100% of the shareholding interests in the companies holding the assets of the VDB Complex (VDB 1, 2, and 3) and EDF holds 100% of the shareholding interests in the companies holding the assets of the Pirapora Solar Complex (Pirapora 1, 2 and3), thereby terminating the joint ventures between Serena Geração and EDFR.

6. INFORMATION BY BUSINESS SEGMENT INFORMATION

The Company has three reportable segments: i) power generation operations, being wind sources ("CGE"), hydro sources ("SHP"), solar sources ("CGS"), ii) sale of energy and iii) project development. The segments are consistent with management's basis for assessing the Group's performance and with internal reports used for monitoring and decision making. The chief operating decision maker for resource allocation and performance evaluation is the Executive Board and the Board of Directors, EBITDA as the main information for decision-making. For the project development management monitors the physical-financial schedule, as well as the internal rate of return.

The information presented below shows the respective performance of each segment as derived from the records maintained under the Company's accounting practices, with reclassifications among the segments.

The operational information on the assets for each segment follows:

CGUs	Segment	Number of operating sites	State	Start date of long-term contract	End date of long-term contract	Installed capacity (MW)	Main contract term
Serena Geração - Filial Chuí	Generation	23	RS	may-17	feb/47 e jun/49	582.8	ACL
Assuruá 1 e II	Generation	13	BA	apr/16 e apr/18	feb/49 e apr/50	303.0	LER
Assuruá 5	Generation	6	BA	jan-22	jan-57	243.6	ACL
Delta 3	Generation	8	MA	jan-18	apr-51	220.8	ACR - Auction A-3 2015
Assuruá 4	Generation	6	BA	fev-23	aug-56	211.5	ACL
Delta 7 e 8	Generation	3	MA	oct-19	jan-54	97.2	ACL
Delta 2	Generation	3	PI	jan-18	aug/41, jul/49 e mar/51	77.8	ACR - Auction A-5 2013
Delta 1	Generation	3	PI	jul-14	apr-47	70.0	ACR - Auction A-3 2011
Delta 5	Generation	2	MA	jan-19	mar-53	54.0	ACR - Auction Energia Nova no. 05/2017
Delta 6	Generation	2	MA	jan-19	mar-53	54.0	ACR - Auction A-6 2017
Assuruá 3	Generation	2	BA	apr-19	jul-50	50.0	LEN
Indaiás	Generation	2	MS	jul-12	mar-49	32.5	ACL
Serra das Agulhas	Generation	1	MG	jan-18	jul-47	30.0	ACR - Auction A-5 2013
Serena Geração - Filial Gargaú	Generation	1	RJ	oct-10	oct-40	28.1	PROINFA
Ventos da Bahia 1 e 2 (i)	Generation	7	BA	sep/17 e sep/18	sep/49 e jun/51	182.1	ACR - Auction A-5 2013 e ACR - LER 2015
Ventos da Bahia 3 (i)	Generation	4	BA	jan-19	jan-54	181.5	LER 2015
Pirapora (i)	Generation	11	MG	nov-17	may/50 e may/51	160.5	LER
Pipoca (ii)	Generation	1	MG	oct-10	sep-31	20.0	ACL
Omega Geração Comercializadora de Energia Ltda (iii)	Trading	N.A.	SP	N.A.	N.A.	N.A.	N.A.
OMC	Trading	N.A.	SP	N.A.	N.A.	N.A.	N.A.
Serena Geração - Holding	Trading	N.A.	SP	N.A.	N.A.	N.A.	N.A.
OMDC (iii)	Trading	N.A.	SP	N.A.	N.A.	N.A.	N.A.
Project Goodnight	Project development	-	Texas (SA)	-	-	265.5	-

(i) Interest of 50%.
(ii) Interest of 51%.
(iii) Company merged with Serena Geração in December 2023.

6.1 Statement of operations - EBITDA

The Company's consolidated results are distributed among the three reportable, as follows:

				2023
	Generation	Trading	Project development	Consolidated
Gross profit (loss)	723,058	294,357	5,092	**1,022,507**
Brazil	723,058	294,357	(262)	**1,017,153**
United State of America	-	-	5,354	**5,354**
General and administrative expenses	(141,337)	(19,192)	(17,110)	**(177,639)**
Other operating income (expense)	25,249	(621)	(350)	**24,278**
Equity in results of investees	83,016	(88,150)	88,073	**82,939**
Total operating income (loss)	**689,986**	**186,394**	**75,705**	**952,085**
Depreciation and amortization	466,650	3,747	1,713	**472,110**
EBITDA	**1,156,636**	**190,141**	**77,418**	**1,424,195**

				2022
	Generation	Trading	Project development	Consolidated
Gross profit (loss)	724,629	(58,490)	2,133	**668,272**
Brazil	724,629	(58,490)	2,133	**668,272**
General and administrative expenses	(128,953)	(3,169)	(10,935)	**(143,057)**
Other operating income (expense)	24,208	283	(3,090)	**21,401**
Equity in results of investees	44,854	-	-	**44,854**
Total operating income (loss)	**664,738**	**(61,376)**	**(11,892)**	**591,470**
Depreciation and amortization	408,615	1,045	-	**409,660**
EBITDA	**1,073,353**	**(60,331)**	**(11,892)**	**1,001,130**

7. CASH, CASH EQUIVALENTS AND RESTRICTED MARKETABLE SECURITIES

Accounting policy

Cash and cash equivalents include cash, cash deposits and short-term temporary investments redeemable within 90 days from the investment date, with immediate liquidity and readily convertible into a known amount of cash, subject to an insignificant risk of change in value, and recorded at cost plus income earned through the balance sheet date, which do not exceed their market or realizable value.

If the redemption of marketable securities are restricted because they are linked to loans or were assigned as collateral in commercial transactions, they are recorded as short-term investments held to maturity, recorded at amortized cost and classified in noncurrent assets when maturity is greater than 12 months.

	Consolidated	
	2023	2022
Bank	53,570	85,641
Cash and cash equivalents	**53,570**	**85,641**
Marketable securities	896,592	1,387,357
Marketable securities - Restricted cash	231,144	211,069
Total	**1.181.306**	**1.684.067**

On December 31, 2023 cash and cash equivalents include bank accounts, Bank Deposit Certificates, Committed Operations, all with daily liquidity.

Marketable securities classified as restricted cash are classified as non-current assets comprising of fixed income instruments, contracted under normal market conditions and rates, held as a guarantee and linked to financing obtained from BNDES, BNB and Project Debentures (Note 14).

8. TRADE ACCOUNT RECEIVABLE

Accounting policy

These are financial instruments classified as financial assets measured at amortized cost and represent the amounts receivable from the sale of energy by Serena Energia. Amounts receivable are initially recorded at fair value and subsequently measured at amortized cost, less any estimated losses to cover possible losses on their realization, when applicable.

Serena Energia uses a provision matrix to calculate the expected credit loss on accounts receivable. Provisions are made for delinquent accounts grouped for multiple customers with similar characteristics.

		Consolidated
	2023	**2022**
Surplus regulated contracts	95,790	59,161
LER contracts	25,585	24,357
Proinfa contracts	2,456	12,220
MCP - CCEE	13,085	19,579
Free market consumers and distribution companies	309,060	230,860
Other account receivable	23,889	13,200
Expected credit loss allowance (i)	(2,210)	(2,169)
Total	**467,655**	**357,208**
Assets:		
Current	410,136	310,546
Non Current	57,519	46,662

(i) In the year ended December 31, 2023, a client with a balance due of R$ 41 went into judicial recovery.

Trade accounts receivable - regulated (LER, Proinfa and distributors): represented by accounts receivable from distributors and LER under contracts awarded in auctions, as well as contracts under PROINFA that are billed exclusively to Eletrobras. The prices are set in auction with inflation indexed rates. Balances are due within 45 days.

Free market consumers: represented by trade accounts receivable related to the energy generated by wind power and SHP assets and settled in the short term, at market price, traded freely by Company's subsidiaries to its customers. Balances are due within 45 days.

MCP – CCEE: receivable from the energy position closing mechanism at CCEE that adjusts the revenue billed monthly through physical guarantee recorded by Company in CCEE to the physical quantity generated being either a receivable or payable. In accordance with the CCEE rules, these amounts are generally settled within 45 days. The credit risk of this asset is CCEE.

The balance receivable recorded in noncurrent assets reflects the CCEE recognition under contractual mechanics for settlement in a period exceeding 12 months.

Aging list of receivables:

		Consolidated
	2023	2022
Not yet due	438,497	325,547
Up to 30 days	12,714	10,312
From 31 to 90 days	14,644	19,731
From 91 to 180 days	55	16
From 181 to 360 days	102	1,602
Over 361 days	3,853	2,169
(-) Expected credit loss allowance	(2,210)	(2,169)
Total	**467,655**	**357,208**

9. RECOVERABLE TAXES

		Consolidated
	2023	2022
IRRF/CSLL	84,977	94,651
PIS/COFINS	20,859	20,341
ICMS	4,666	3,460
Deferred tax	18,527	10,806
IOF	102	2,548
Total	**129,131**	**131,806**
Current	107,302	118,900
Non Current	21,929	12,906

Taxes recoverable: include federal (PIS, COFINS, IR and CSLL) and state (ICMS) tax credits calculated on Company's commercial transactions, financial investments and equipment acquisition. IRPJ and CSLL balances include withholdings related to the redemption of short-term investments. Commercial transactions under PROINFA also have withholding federal taxes.

10. OTHER CURRENT AND NONCURRENT ASSETS

		Consolidated
	2023	2022
Advances to suppliers	14,541	12,590
Advance for company acquisition	-	5,000
Prepaid expense	19,869	51,297
Indemnification assets on acquisition of company	8,814	8,814
Judicial deposits	488	583
Financial instruments (Note 28.1)	91,835	-
Debentures receivable	131,961	-
Security deposit	17,868	-
Others	31,639	17,688
Total	**317,015**	**95,972**
Current	241,072	85,720
Non Current	75,943	10,252

The breakdown of the main accounts of the Company and subsidiaries is as follows.

Advances to suppliers: substantially refer to outsourced service providers for operation and maintenance activities in the wind parks.

Prepaid expense: prepaid insurance.

Indemnification assets on acquisition of company: indemnification rights arising from the acquisition of Assuruá 1 and Assuruá II related to contingent tax liabilities.

Financial instruments: Refers to the option to sell energy on the Texas market (ERCOT) (Note 28.1).

Debentures receivable: Refers to the release of R$ 350,000 in private debentures by Arco Energia S.A. The remaining receivable balance of R$ 131,961 is subject to contractual conditions by Arco (Note 14).

11. INVESTMENTS

Accounting policy

Serena Energia controls an entity when it can unilaterally affect its financial and operating policies, exposing itself to the variable returns arising from its involvement with the entity. The financial statements of subsidiaries are included in the consolidated financial statements as from the date control is acquired through to the date it ceases to exist. In the Company's individual parent company financial statements, the subsidiaries' financial information is recognized under the equity method.

Investments in joint ventures arise from interests in companies whose control is shared with one or more parties and neither party unilaterally carries out its financial and operating policies, and Serena Energia is only entitled to the net assets of that entity. These investments are accounted for using the equity method and are not consolidated.

Serena Energia's investment in subsidiaries and joint ventures includes the gains arising from the fair value of tangible and intangible assets recorded in interest acquisition under the acquisition method, in accordance with its accounting policy (Note 5). Gains or losses resulting from changes in equity interest in subsidiaries, which do not result in loss of control, are accounted for directly in equity.

11.1 Year ended on December 31, 2023

			Parent Company
	Serena Geração	Serena Desenvolvimento	Total
Balance on December 31, 2022	4,244,041	609,222	4,853,263
Advance for future capital increase	-	317,450	317,450
Equity in results of investee	203,022	(121,697)	81,325
Dilution of interest in ARCO	-	(2,555)	(2,555)
Cumulative translation effects	-	(33,089)	(33,089)
Balance on December 31, 2023	**4,447,063**	**769,331**	**5,216,394**

In the year ended December 31, 2023, an advance for future capital increase of R$ 317,450 was made for the Assuruá 4, 5 and Goodnight projects.

							Consolidated
	Pipoca	Fair value increment	Pirapora	Fair value increment	Ventos da Bahia 1, 2 and 3	Fair value increment	Total
Balance on December 31, 2022	48,652	928	143,937	219,911	306,306	233,721	953,455
Equity in results of investee	16,624	(106)	46,904	(13,425)	43,855	(10,913)	82,939
Dividends	(19,758)	-	(26,790)	-	(22,592)	-	(69,410)
Deferred IRCS amortization	-	-	-	-	-	903	903
Balance on December 31, 2023	**45,518**	**822**	**164,051**	**206,486**	**327,569**	**223,711**	**968,157**

11.2 Year ended on December 31, 2022

			Parent Company
	Serena Geração	Serena Desenvolvimento	Total
Balance on December 31, 2021	**4,188,717**	**117,781**	**4,306,498**
Advance for future capital increase	-	505,000	505,000
Equity in results of investee	55,304	(37,050)	18,254
Capital increase with debenture assignment	-	23,512	23,512
Acquisition of OD15	21	(21)	-
Balance on December 31, 2022	**4,244,042**	**609,222**	**4,853,264**

									Consolidated
	Pipoca	Fair value increment	Pirapora	Fair value increment	Ventos da Bahia 1 e 2	Fair value increment	Ventos da Bahia 3	Fair value increment	Total
Balance on December 31, 2021	45,881	1,034	117,747	233,336	169,386	159,159	-	-	726,543

Acquisition of VDB3	-	-	-	-	-	-	138,721	82,814	221,535
Equity in results of investee	17,011	(106)	30,171	(13,425)	20,536	(8,252)	(1,081)	-	44,854
Capital reduction	-	-	-	-	(13,500)	-	-	-	(13,500)
Dividends	(14,240)	-	(3,981)	-	(7,756)	-	-	-	(25,977)
Balance on December 31, 2022	**48,652**	**928**	**143,937**	**219,911**	**168,666**	**150,907**	**137,640**	**82,814**	**953,455**

11.3 Joint Venture - Hydroelectric Pipoca

Pipoca is a shared control investment (joint venture) with Cemig Geração e Transmissão de Energia S.A. ("Cemig") through an indirect 51% interest held by Serena Geração S.A.

Pipoca owns a SHP, located in Rio Manhuaçu, between the cities of Ipanema and Caratinga, which began energy generation in October 2010 with an installed capacity of 20 MW. The operating period is for 30 years, extendable by an additional 30 years, according to Law No. 13360/2016.

A summary of selected information assets and liabilities on this joint venture is presented below:

Balance Sheet	2023	2022	Statement of operations	2023	2022
Total assets	**106,123**	**118,368**	Net operating revenue	45,624	44,807
Current	10,778	19,753	Operating and maintenance cost	(10,909)	(9,207)
Noncurrent	95,345	98,615	**Gross Profit**	**34,715**	**35,600**
Long term receivable	4,446	4,055	SG&A	(1,624)	(1,402)
PP&E and Intangible	90,899	94,560	Net finance income (loss)	2,125	1,607
Total Liability	**106,123**	**118,368**	**Income before tax (RPJ e CSLL)**	**35,216**	**35,805**
Current	16,070	15,782	Taxes (IRPJ e CSLL)	(2,620)	(2,451)
Non Current	804	7,191	**Net income**	**32,596**	**33,354**
Equity	89,249	95,395			

11.4 Joint Venture - Pirapora Complex

Pirapora Complex is a shared control investment (joint venture) with EDF Renewables in Brazil through a 50% direct interest.

Pirapora is a solar photovoltaic complex composed of 11 plants connected to the national grid through a shared connection infrastructure, all located in the State of Minas Gerais.

The plants are operating and have a 20-year PPA, which were traded at ANEEL's Reserve Energy Auctions (LER) in August 2015, November 2015 and August 2014, respectively, with a total contracted energy of 747 GWh/year.

A summary of selected information assets on this joint venture is presented below:

Balance Sheet	2023	2022	Statement of operations	2023	2022
Total assets	**1,739,470**	**1,713,421**	Net operating revenue	320,808	301,784
Current	333,454	233,546	Operating and maintenance cost	(106,060)	(98,898)
Noncurrent	-	41,906	**Gross Profit**	**214,748**	**202,886**
Long term receivable	1,406,016	1,437,969	SG&A	(657)	(2,145)
PP&E and Intangible			Net finance income (loss)	(105,639)	(124,610)
Total Liability	**1,739,470**	**1,713,421**	**Income before tax (RPJ e CSLL)**	**108,452**	**76,131**
Current	125,941	79,691	Taxes (IRPJ e CSLL)	(16,510)	(15,610)
Non Current	1,232,761	1,321,296	**Net income**	**91,942**	**60,521**
Equity	380,768	312,434			

11.5 Investment in Joint Venture - Ventos da Bahia 1, 2 and 3

The Ventos da Bahia Wind Farm was financed by BNDES and BNB, has 3 phases: phase 1 (66 MW), phase 2 (116.6 MW) and phase 3 (181.5 MW) in operation since 2017, 2018 e 2022. In December 2020, Serena Geração acquired 50% of phases 1 and 2 and in December 2022 acquired 50% of phase 3.

Selected information on assets of VDB 1 and 2 is presented below:

Balance Sheet	2023	2022
Total assets	**1,957,621**	**1,946,046**
Current	376,242	278,822
Noncurrent	1,581,379	1,667,224
Long term receivable	1,581,379	1,667,224
PP&E and Intangible		
Total Liability	**1,957,621**	**1,946,046**
Current	170,025	115,581
Non Current	1,132,462	1,217,859
Equity	655,134	612,606

Statement of operations	2023	2022
Net operating revenue	341,849	202,189
Operating and maintenance cost	(149,331)	(85,509)
Gross Profit	**192,518**	**116,680**
SG&A	2,956	(3,631)
Net finance income (loss)	(86,757)	(63,173)
Income before tax (RPJ e CSLL)	**108,717**	**49,876**
Taxes (IRPJ e CSLL)	(21,006)	(10,968)
Net income	**87,711**	**38,908**

12. PROPERTY AND EQUIPMENT

Accounting policy

Property, plant and equipment items are measured at historical acquisition or construction cost, less accumulated depreciation. Cost includes the cost of replacing part of the property, plant and equipment item and borrowing costs for long-term construction projects if the recognition criteria are met. When significant portions of property, plant and equipment items have different useful lives, they are recorded as separate items (major components) of property, plant and equipment. Subsequent expenses are capitalized to the extent that it is probable that future benefits associated with the expenses will flow to Serena Energia. Costs with minor periodic and routine maintenance services are recognized in profit or loss as incurred.

The residual value and useful life of the assets as well as the depreciation methods are reviewed at year end, and adjusted prospectively, when applicable.

Projects in progress are classified into appropriate categories of property, plant and equipment in use when completed and ready for the intended use.

The decommissioning costs of the energy farms are recorded in the initial cost of property, plant and equipment based on projections of the costs that are expected to be incurred to dismantle the wind farms and restore the location carried out by Serena Energia. The amounts are amortized based on wind farm authorization periods and the liabilities, recorded at present value, are restated by the discount rate initially estimated, over a finance cost.

The depreciation of assets in operation is calculated by the straight-line method based on the annual rates considering the estimated useful life of the assets and the guidance of the regulatory authority which are practiced by companies in the Brazilian electricity sector and represent the estimated useful life of the assets, limited to the term of the plants' authorization to operate.

Critical accounting estimates and judgments

The estimates of assets' useful lives are periodically evaluated and adjusted. Calculation of useful life requires Serena Energia to make assumptions about uncertain future conditions. Changes in assumptions may have a significant impact on Serena Energia's assets.

In determining the value of the decommissioning provision, assumptions and estimates are made in relation to the discount rates, the expected cost for the decommissioning and removal of the entire wind farm, and the expected time of respective costs.

12.1 Year ended on December 31, 2023

								Consolidated
	Machinery and equipment	Reservoir, dams and water mains	Buildings	Right of use - assets	Project development (i)	Projects in progress	Others	Total
Saldos em 31 de dezembro de 2022	**5,967,065**	**287,115**	**355,771**	**103,058**	**2,881,865**	**1,297**	**89,863**	**9,686,034**
Additions and capitalizations	24,600	1,523	1,051	-	2,483,073	4,509	1,842	2,516,598
Vehicle additions	-	-	-	988	-	-	-	988
Addition of assets (ii)	-	-	-	87,765	-	-	-	87,765
Addition of land (iii)	-	-	-	27,027	-	-	-	27,027
Depreciation	(370,589)	(3,679)	(29,795)	(10,179)	-	-	(387)	(414,629)
Write offs	(6,124)	-	-	-	-	(2)	-	(6,126)
Lease write-offs	-	-	-	(43,774)	-	-	-	(43,774)
Remeasurement decommissioning	48,522	-	-	-	-	-	-	48,522
Remeasurement of leases (iv)	-	-	-	6,719	-	-	-	6,719
Cumulative translation effects	-	-	-	-	(89,185)	-	-	(89,185)
Transfers	2,542,658	(138,974)	594,853	-	(2,928,737)	(226)	(69,574)	-
Balance on December 31, 2023	**8,206,132**	**145,985**	**921,880**	**171,604**	**2,347,016**	**5,578**	**21,744**	**11,819,939**
Historical cost	8,919,853	153,594	976,705	192,618	2,347,016	5,578	23,000	12,618,364
Accumulated depreciation	(713,721)	(7,609)	(54,825)	(21,014)	-	-	(1,256)	(798,425)
Balance on December 31, 2023	**8,206,132**	**145,985**	**921,880**	**171,604**	**2,347,016**	**5,578**	**21,744**	**11,819,939**

(i) Refers to the construction of the Goodnight 1 project. Capitalization refers to expenses that are directly linked to the construction of the complex, such as: personnel costs, services, financial results, among others. Upon completion of the construction of the complex, these costs are allocated to fixed assets in service.
(ii) On June 2023, Serena Geração assigned the land lease contracts with third parties to its subsidiary OD15, and the duration and value of the contracts were renegotiated. As a result of these changes, Serena Geração's assets and liabilities were written off and assigned to OD15.
(iii) On July and November 2023, the subsidiaries of Arco Energia S.A. recognized R$ 27,027 for land leases.
(iv) On December 2023, the Company remeasured the right-of-use asset for land and real estate leases in the amount of R$6,719, with a corresponding entry to Lease liabilities.

12.2 Year ended on December 31, 2022

								Consolidated
	Machinery and equipment	Reservoir, dams and water mains	Buildings	Right of use - assets	Project development	Projects in progress	Others	Total
Balance on December 31, 2021	**6,211,809**	**287,489**	**370,607**	**109,404**	**260,850**	**33,872**	**81,845**	**7,355,876**
Additions and capitalizations	34,672	1,076	6,260	-	2,593,177	16,241	1,587	2,653,013
Vehicle additions	-	-	-	3,782	-	-	-	3,782
Acquisition CEA VI	-	-	-	-	856	-	-	856
Acquisition ODMA	-	-	-	-	(2,653)	-	-	(2,653)
Acquisition Goodnight	-	-	-	-	29,635	-	-	29,635
Depreciation	(316,872)	(3,629)	(23,076)	(10,128)	-	-	(764)	(354,469)
Write offs	(6)	-	-	-	-	-	-	(6)
Transfers	37,462	2,179	1,980	-	-	(48,816)	7,195	-
Balance on December 31, 2022	**5,967,065**	**287,115**	**355,771**	**103,058**	**2,881,865**	**1,297**	**89,863**	**9,686,034**
Historical cost	6,310,197	291,045	380,801	113,893	2,881,865	1,297	90,732	10,069,830
Accumulated depreciation	(343,132)	(3,930)	(25,030)	(10,835)	-	-	(869)	(383,796)
Balance on December 31, 2022	**5,967,065**	**287,115**	**355,771**	**103,058**	**2,881,865**	**1,297**	**89,863**	**9,686,034**

There was no capitalization of finance income related to hedge exchange contract linked to equipment purchase in year ended on December 31, 2023.

Loans and financing require fiduciary disposal or liens on Company's assets (Note 14.1).

On December 31, 2023, the Company remeasured the provision for the decommissioning asset in the amount of R$ 48,522. Serena Energia estimates that the costs will be incurred within approximately 50 years, when the authorization expires, and calculates the provision using the discounted cash flow method based on internal estimates of costs to be incurred.

The depreciation rate defined by ANEEL for the Company's windfarm assets useful lives is presented below:

				Depreciation rate
CGU	Machinery and equipment	Reservoir, dams and water mains	Buildings	Furniture and fixtures
Serena Geração - Chuí	4.30%	-	3.20%	10.10%
Serena Geração - Gargaú	4.50%	-	4.40%	9.40%
CGU Assuruá 1 e II	4.60%	-	4.00%	14.70%
CGU Assuruá 3	4.20%	-	3.50%	8.90%
CGU Assuruá 4	4.80%	-	3.50%	11.90%
CGU Assuruá 5	3.70%	-	3.50%	11.5%
CGU Delta 1	4.00%	-	3.80%	9.00%
CGU Delta 2	4.50%	-	3.80%	9.40%
CGU Delta 3	3.30%	-	3.00%	5.80%
CGU Delta 5	4.30%	-	3.20%	14.30%
CGU Delta 6	4.50%	-	3.40%	8.40%
CGU Delta 7	4.40%	-	3.30%	10.70%
CGU Delta 8	4.30%	-	3.30%	7.70%
CGU Indaiás	4.10%	2.30%	3.50%	12.10%
CGU Serra das Agulhas	3.90%	2.20%	3.50%	8.30%
CGU Trading	-	-	3.20%	16.70%

The Company did not modify any assets useful lives in the period ended December 31, 2023.

13. INTANGIBLE ASSETS

Accounting policy

Intangible assets are recorded at acquisition cost or at the fair value of intangible assets acquired in a business combination, reduced by the accumulated amortization calculated using the straight-line method. These intangible assets have finite useful lives based on trade agreements or government authorizations.

Intangible assets related to electricity sales contracts are amortized over a period of 20 years. Authorization rights are amortized over the legal term, usually 35 years, extendable by for another 20 years when the Company has a vested right to renew the authorizations.

Critical accounting estimates and judgments

The intangible assets arise from energy sales agreements and government authorizations acquired in business combinations and were recognized based on their fair value. Fair value measurement at the time of acquisition involves a high degree of judgment from Management and estimates in determining the assumptions, such as availability of natural resources, market prices, useful lives and discount rate; these could significantly change the fair value of the asset at initial recognition.

13.1 Year ended on December 31, 2023

							Consolidated
	Energy Agreement - PPA	Authorization rights	Transmission system	Research and projects	*Software*	Others	Total
Balance on December 31, 2022	**545,257**	**328,592**	**5,145**	**503,585**	**63,274**	**16,990**	**1,462,843**
Addition	-	-	-	-	12,075	-	12,075
Write-offs	-	-	-	-	-	(549)	(549)
Amortization	(41,482)	(5,419)	(20)	-	(10,406)	(154)	(57,481)
Cumulative translation effects	-	-	-	(29,840)	-	-	(29,840)
Balance on December 31, 2022	**503,775**	**323,173**	**5,125**	**473,745**	**64,943**	**16,287**	**1,387,048**
Historical cost	585,196	338,696	5,168	473,745	83,021	19,740	1,505,566
Accumulated depreciation	(81,421)	(15,523)	(43)	-	(18,078)	(3,453)	(118,518)
Balance on December 31, 2022	**503,775**	**323,173**	**5,125**	**473,745**	**64,943**	**16,287**	**1,387,048**

13.2 Year ended on December 31, 2022

							Consolidated
	Energy Agreement - PPA	Authorization rights	Transmission system	Research and projects	*Software*	Others	Total
Balance on December 31, 2021	**582,124**	**338,224**	**5,166**	**-**	**61,090**	**15,603**	**1,002,207**
Addition	-	-	-	-	9,856	2,387	12,243
Acquisition - CEA VI	-	-	-	90,800	-	-	90,800
Acquisition - Goodnight	-	-	-	412,785	-	-	412,785
Amortization	(36,867)	(9,632)	(21)	-	(7,672)	(1,000)	(55,192)
Balance on December 31, 2022	**545,257**	**328,592**	**5,145**	**503,585**	**63,274**	**16,990**	**1,462,843**
Historical cost	585,196	338,696	5,168	503,585	70,946	20,289	1,523,880
Accumulated depreciation	(39,939)	(10,104)	(23)	-	(7,672)	(3,299)	(61,037)
Balance on December 31, 2022	**545,257**	**328,592**	**5,145**	**503,585**	**63,274**	**16,990**	**1,462,843**

Power Purchase Agreement - PPA: long-term energy sales agreements existing on the date of acquisition of assets by business combination.

Authorization rights: from the Indaiás, Serra das Agulhas, Delta 2, Delta 3, Assuruá 1, II, 3, Chuí e VDB 1, 2 and 3 from governmental authorizations for the operation of the acquired sites.

Transmission system: operating rights of the lines of the Serra das Agulhas and the Delta 3 site.

Fair value - Research and projects: related to Goodnight and CEA VI Projects formed by wind data base, wind turbine layout, transmission system and technical study of capacity factor.

Software: development of proprietary systems for the sale of energy and acquisition of financial and administrative management systems of the Company.

The Company assesses indicators of impairment of its intangible based on external and internal data sources including changes in interest rates and market conditions, among others. In 2023 no indicators of impairment were identified which would require a test of recoverability of assets.

14. LOANS, FINANCING AND DEBENTURES

Accounting policy

Loans and financing are financial liabilities initially recognized at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost adjusted by the effective interest rate method and charges. Interest is recorded as finance cost over the lives of the loans, using the effective interest rate method. Any debt issuance fees are recognized as transaction costs.

Interest on loans and financing is capitalized as part of property, plant and equipment if these costs are directly related to a qualifying asset under construction. Capitalization occurs until such time as the qualifying asset is ready for its intended use. Interest on non-capitalized loans is recognized in profit or loss in the period it was incurred.

14.1 Balances

						Consolidated
		Current Liability		**Non Current Liability**		**Total**
	2023	**2022**	**2023**	**2022**	**2023**	**2022**
In local currency						
BNDES	142.983	133.142	1.799.109	1.917.817	1.942.092	2.050.959
BNB (*)	91.705	164.508	1.229.040	987.737	1.320.745	1.152.245
Debentures	1.115.592	983.024	3.111.595	3.016.024	4.227.187	3.999.048
Promissory note	-	163.313	-	-	-	163.313
CCB	20.323	20.648	11.667	31.667	31.990	52.315
FDNE	-	-	557.964	219.075	557.964	219.075
	1.370.603	**1.464.635**	**6.709.375**	**6.172.320**	**8.079.978**	**7.636.955**
In foreign currency						
Offshore Loan	746.796	279.583	-	521.770	746.796	801.353
Bridge Loan	943.992	-	-	-	943.992	-
Resolution 4131	162.184	-	-	-	162.184	-
	1.852.972	**279.583**	**-**	**521.770**	**1.852.972**	**801.353**
	3.223.575	**1.744.218**	**6.709.375**	**6.694.090**	**9.932.950**	**8.438.308**
	(19.533)	(19.745)	(28.911)	(42.559)	(48.444)	(62.304)
Transaction cost	**3.204.042**	**1.724.473**	**6.680.464**	**6.651.531**	**9.884.506**	**8.376.004**
Total	142.983	133.142	1.799.109	1.917.817	1.942.092	2.050.959

A summary of agreements, deadlines, types, costs and guarantees of each of the Company's CGUs is presented below:

	Financial instrument	Ticker	Maturity	Payment rate/principal	Debt cost (p.a.)	Financial covenants (Early maturity)	Guarantee	2023	2022
Total local currency								**8,079,978**	**7,636,955**
CGU Indaiás	CCB	-	July/2025	mensal	CDI + 2,90%	Net Debt to EBITDA Ratio < 3,0	Corporate guarantee, assignment of rights	31,990	52,315
								31,990	52,315
CGU Delta 2	Debentures	PTMI1	December/2026	semestral/ semestral customized	IPCA + 7,38%	DCSR ≥ 1,1	Partial bank guarantee, reserve account, BNDES shared guarantee	24,416	29,594
CGU Delta 3	Debentures	OMNG12	December/2029	semestral/ semestral customized	IPCA + 7,11%	DCSR ≥ 1,1	Bank guarantee, reserve account, BNDES shared guarantee	201,165	209,932
Serena Geração	Debentures	OMGE11	May/2024	semestral/ semestral customized	CDI + 1,20%	Net Debt to EBITDA Ratio ≤ 4,50	-	172,277	314,131
Serena Geração	Debentures	OMGE21	May/2026	semestral/ semestral customized	CDI + 1,30%	Net Debt to EBITDA Ratio ≤ 4,50	-	170,541	171,032
Serena Geração	Debentures	OMGE31	May/2026	semestral/ semestral customized	IPCA + 5,60%	Net Debt to EBITDA Ratio ≤ 4,50	-	245,962	235,266
Serena Geração	Debentures	OMGE41	May/2027	semestral/bullet (iv)	IPCA + 5,00%	Net Debt to EBITDA Ratio ≤ 4,50	-	195,544	187,072
Serena Geração	Debentures	OMGE12	September/2028	semestral/bullet (iv)	IPCA + 4,37%	Net Debt to EBITDA Ratio ≤ 4,50	-	140,297	134,209
Serena Geração	Debentures	OMGE22	September/2028	Annual/bullet (iv)	IPCA + 4,37%	Net Debt to EBITDA Ratio ≤ 4,50	-	63,769	61,004
Serena Geração	Debentures	OMGE13	March/2029	semestral/annual customized	CDI + 1,99%	Net Debt to EBITDA Ratio ≤ 4,50	-	965,563	1,052,052
Serena Geração	Debentures	SVIT11	June/2028	semestral/ semestral customized	IPCA + 8,50%	-	Bank guarantee	71,478	77,689
Assuruá 1	Debentures	SSRU11	November/2030	semestral/ semestral customized	IPCA + 7,81%	DCSR ≥ 1,2	Bank guarantee, reserve account, BNDES/CEF shared guarantee	39,295	39,451
Assuruá II	Debentures	CEAD11	June/2030	semestral/ semestral customized	IPCA + 6,66%	DCSR ≥ 1,2	Reserve account, BNDES shared guarantee	155,819	163,864
OD 4 (Bridge Loan Assuruá 4 & 5)	Debentures	CEIV11	January/2024	bullet/bullet (iv)	CDI + 2,80%	-	Rights assignment, asset and share disposal	777,615	669,351
Serena Desenvolvimento	Debentures	OGDS11	June/2025	semestral/bullet (iv)	CDI + 2,76%	Net Debt to EBITDA Ratio ≤ 4,50	Guarantee from shareholders and share disposal	653,184	654,401
Arco 2	Debentures	-	December/2025	*bullet* (iv)	DI + 2,60%	-	Sale of shares and corporate guarantee	350,262	
								3,882,892	3,999,048
CGU Delta 1	FINEM BNDES	-	October/2030	mensal/mensal	TJLP + 2,18%	DCSR ≥ 1,3	Reserve account, rights assignment, asset and share disposal	105,268	119,482
CGU Serra das Agulhas	FINEM BNDES	-	July/2037	mensal/mensal	TJLP + 2,02%	DCSR ≥ 1,2 and ICP ER ≥ 25%	Reserve account, rights assignment, asset and share disposal	84,475	89,797

	Financial instrument	Ticker	Maturity	Payment rate/principal	Debt cost (p.a.)	Financial covenants (Early maturity)	Guarantee	2023	2022
CGU Delta 2	FINEM BNDES	-	January/2033	mensal/mensal	TJLP + 2,27%	DCSR ≥ 1,25	Bank guarantee partial, Reserve account, rights assignment, asset and share disposal	215,214	228,468
GCU Delta 3	FINEM BNDES	-	March/2034	mensal/mensal	TJLP + 2,32%	DCSR ≥ 1,3	Bank guarantee, Reserve account, rights assignment, asset and share disposal	801,937	842,079
Assuruá II	FINEM BNDES	-	June/2034	mensal/mensal	TJLP + 2,75%	DCSR ≥ 1,2	Reserve account, rights assignment, asset and share disposal	620,457	649,317
Assuruá 1	FINEM BNDES/CEF	-	November/2032	mensal/mensal	TJLP + 2,92%	DCSR ≥ 1,2	Bank guarantee, Reserve account, rights assignment, asset and share disposal	114,741	121,816
								1,942,092	2,050,959
CGU Delta 5 e 6	FNE BNB (i)	-	May/2038	mensal/ mensal customized	IPCA + 1.75%	-	Bank guarantee (ii), Reserve account	282,256	295,975
CGU Delta 7 e 8	FNE BNB (i)	-	January/2039	mensal/ mensal customized	IPCA + 2.19%	-	Bank guarantee (ii), Reserve account	264,138	281,131
Assuruá 3	FNE BNB (i)	-	November/2038	mensal/ mensal customized	IPCA + 2.33%	-	Bank guarantee (ii), Reserve account	183,126	190,235
OD 2, 3, 5, 6, 7 e 8	FNE BNB (i)	-	July/2043	mensal/ mensal customized	IPCA + 2.04%	-	Bank guarantee (ii), Reserve account	591,225	384,904
								1,320,745	1,152,245
Assuruá 5I, 5II e 5III	FNE BB	-	July/2041	semestral/semestral	IPCA + 2.30%	DCSR ≥ 1,2	Bank guarantee, Reserve account, rights assignment, asset and share disposal	342,816	219,075
Assuruá 5IV e 5V	FDNE BB	-	July/2041	semestral/semestral	IPCA + 2,30%	ICSD ≥ 1,2	Reserve account, rights assignment, asset and share disposal	215,148	-
								557,964	219,075
Serena Desenvolvimento	Promissory note	-	August/2023	bullet (iv)	CDI + 1.80%	-	Corporate guarantee	-	163,313
								-	163,313
Total in foreign currency								**1,852,972**	**801,353**
Omega US	Offshore Loan	-	August/2024	bullet (iv)	USD + 5.65%	-	Corporate guarantee	485,741	533,644
Omega US	Offshore Loan	-	August/2024	bullet (iv)	USD + 7.50%	-	Corporate guarantee	261,055	267,709
Goodnight 1	Bridge Loan (iii)	-	December/2023	bullet (iv)	SOFR + 1.25%	-	Corporate guarantee	943,992	-
Serena Desenvolvimento	Resolution 4131 (iv)	-	February/2024	bullet (iv)	EUR + 6.0824%	-	Corporate guarantee	162,184	-
								1,852,972	801,353
								9,932,950	**8,438,308**

(i) Considers a 15% discount for on-time payment as per BNB financing agreement.
(ii) Assignment of credit rights, disposal of assets and shares are granted in guarantee.
(iii) A derivative instrument (swap) was contracted to hedge exposure to the SOFR (3.825% p.a.). Note 28.1.1.
(iv) A derivative instrument (swap) was contracted to hedge exposure to the EUR (CDI + 1.80% p.a.). Note 28.1.1.
(v) Bullet means that the principal plus interest should only be paid at the end of the loan term.

14.2 Changes in balance

Changes in loans, financing and debentures for the period are as follows:

		Consolidated
	2023	2022
Balance on December 31, 2022	**8,376,004**	**6,038,433**
Funding (i)	2,232,609	2,773,870
Debenture purchase	-	(80,399)
Principal payment	(808,172)	(551,439)
Interest and fee paid	(733,021)	(598,637)
Accrued interest and fee	908,106	786,427
Exchange rate	(91,020)	7,749
Balance on December 31, 2023	**9,884,506**	**8,376,004**

(i) Of the total funding for 2023, the amount of R$ 131,960 had no cash effect (Note 14.2.1).

14.2.1 Funding

In the year ended December 31, 2023 the Company raised the following funds:

			Consolidated
Entity	**Maturity**	**Debt instrument**	**Amount raised**
OD 2, 3, 5, 6, 7 e 8 (Assuruá 4)	jan/23	FNE BNB	130,024
Goodnight I Class B Member LLC	mar/23	Bridge Loan	119,952
Goodnight I Class B Member LLC	apr/23	Bridge Loan	68,031
Goodnight I Class B Member LLC	may/23	Bridge Loan	440,234
Goodnight I Class B Member LLC	jun/23	Bridge Loan	58,498
Goodnight I Class B Member LLC	jul/23	Bridge Loan	15,439
OD 2, 3, 5, 6, 7 e 8 (Assuruá 4)	aug/23	FNE BNB	90,182
Goodnight I Class B Member LLC	aug/23	Bridge Loan	97,670
Serena Desenvolvimento S.A.	aug/23	Resolution 4131	161,050
Goodnight I Class B Member LLC	sep/23	Bridge Loan	131,830
Assuruá 5 I, II e III	oct/23	FNE BB	106,815
Goodnight 1 Class B Member, LLC	oct/23	Bridge Loan	35,159
Goodnight 1 Class B Member, LLC	nov/23	Bridge Loan	11,259
Arco Energia S.A.	nov/23	Resolution 4131	200,000
Assuruá 5 IV e V	dec/23	FNE BB	215,046
Arco Energia 2 S.A.	dec/23	Debentures	349,678
			2,232,609

In August 2023, the maturity of the principal amount of the Resolution 4131 financing (Promissory Note) of R$ 161,050 at Serena Desenvolvimento was extended to February 2024.

The new issue of the Resolution 4131 financing was made in foreign currency in August 2023 in the amount of EUR $29,627. The interest incurred to date was settled and the principal amount refinanced will bear interest of EUR+1,25% (for which a derivative financial instrument of CDI + 1.80% p.a. was contracted), which will be paid in full on maturity.

By December 2023, Banco do Nordeste do Brasil (BNB) had completed the disbursement of the principal related to the financing contracts for the Assuruá 4 project SPEs (OD 2, OD 3, OD 5, OD 6, OD7 and OD8) in the amount of R$ 220,206. The funds raised by the SPEs began to be amortized as of August 2023, on a monthly basis, in a customized manner, and are subject to interest of IPCA + 2.04% p.a. (taking into account the compliance bonus), paid monthly. The loan matures in July 2043.

Up to December 2023, a syndicate comprising of Mufg Bank Ltd, Sumitomo Mitsui Banking Corporation and Cooperative Rabobank U.A., New York Branch released ten disbursements related to the Goodnight 1 project financing contracts in the total amount of R$979,814, equivalent to US$194,987. The repayments of the funds raised are scheduled for February 2024 (depending on the wind farm's entry into commercial operation and compliance with other conditions precedent set out in the contract), in a single maturity (bullet) and are subject to interest of SOFR + 1.25% p.a., which is paid monthly.

On October 2023, the company received the second release of funds from Banco do Brasil related to the financing contracts for the SPEs of the Assuruá 5 project (I, II and II) in the amount of R$106,815. The funds raised by the SPEs will be repaid every six months starting in July 2025. Interest is charged at IPCA + 2.30% p.a. The interest will be paid every six months together with the amortization installments, with the final maturity in July 2041.

On November 2023, R$200,000 was raised by Arco Energia S.A. The Resolution 4131 financing was raised in the amount of EUR$38,384, with an interest rate of EUR + 4.86% (for which derivative financial instruments of CDI + 2.60% p.a. were contracted). This debt was settled in full on December 2023.

On December 2023, the Company received the first release of funds from Banco do Brasil related to the financing contracts for the SPEs of the Assuruá 5 project (IV and V) in the amount of R$ 215,046. The funds raised by the SPEs will be repaid every six months from July 2025. Interest will be charged at IPCA + 2.8435% p.a. Interest will be paid every six months together with the amortization installments, with the final maturity in July 2041.

On December 2023, Arco Energia S.A. issued R$350,000 in private debentures, in 2 series. The 1st series bears interest of 1.02% p.a. The 2nd series bears interest of CDI + 4.50% p.a. Of the total debentures issued, the amount of R$ 131,960 is pending payment, due to contractual clauses to be complied with by Arco 2. Payment of interest and amortization will take place in a single installment in December 2025, when the operation matures.

14.2.2 Payments

In the year ended December 31, 2023, the subsidiaries repaid the following amounts:

		Consolidated
Entity	**Debt**	**Amount**
Indaiás	CCB	(20.000)
Serena Geração	Debentures	(224.590)
Delta 1	FINEM BNDES	(15.287)
Delta 2	FINEM BNDES	(20.098)
Delta 3	FINEM BNDES	(61.427)
Assuruá 1	FINEM BNDES	(56.012)
Assuruá II	FINEM BNDES	(6.172)
Delta 5 e 6	FNE BNB	(13.028)
Assuruá 3	FNE BNB	(6.573)
Delta 7 e 8	FNE BNB	(16.137)
Assuruá 4	FNE BNB	(11.131)
Serena Desenvolvimento	Promissory Note	(152.996)
Arco Energia 2 S.A.	Resolution 4131	(204.721)
		(808.172)

14.3 Payment schedule

On December 31, 2023, the maturing installments, net of fundraising costs, have the following maturity schedule:

	Principal	Interest	Consolidated
2024 (i)	2.912.362	311.213	3.223.575
Current	**2.912.362**	**311.213**	**3.223.575**
2025	1.523.456	58.965	1.582421
2026	605.318	41.386	646.704
2027	677.800	40.569	718.369
2028	695.957	39.752	735.709
2029	721.772	39.752	761.524
2030 until 2032	1.000.669	36.318	1.036987
2033 until 2035	625.397	-	625.937
2036 until 2038	354.787	-	354.787
2039 until 2041	192.019	-	192.019
2042 until 2044	55.458	-	55.458
Non current	**6.452.633**	**256.742**	**6.709.375**
Total	**9.364.995**	**567.955**	**9.932.950**

(i) Th Company intends to replace and amortize debt maturing in 2024 in order to extend the maturity schedule. The plan of action (Note 2.2) began in 2024 (Note 31.1).

14.4 Guarantees

The guarantees for the financing and debentures for the projects are customary for project financing, including: reserve accounts, assignment of credit rights and rights arising from the authorization, sale of machinery and equipment, sale of SPES shares in the projects and, when applicable, bank guarantee letters. Serena Geração's 1st, 2nd and 3rd debenture issues are unsecured. Serena Geração's 4th debenture issue is guaranteed by a bank guarantee. Serena Desenvolvimento's Resolution 4131 financing and the Arco 2 debentures have a corporate guarantee, as does Serena Desenvolvimento's 1st debenture issue, which, in addition to the guarantee, is secured by a fiduciary sale of Serena Geração shares. The financing contracted by Omega Digital Renewables is guaranteed by a corporate guarantee.

14.5 Financial covenants

The Company, its subsidiaries and joint ventures are subject to covenants, notably the Equity Ratio (ER), the Debt Service Coverage Ratio (DSCR) and the Net Debt to EBITDA Ratio, the calculation of which depends on the financing format acquired by each Group entity. Failure to comply with these covenants limits the distribution of dividends above the mandatory minimum can result in the acceleration of debt maturity.

Compliance with financial covenants is measured by the creditor agents, based on the audited financial statements of the special purpose companies that own the projects, with the calculation being quarterly in the case of Serena Geração and Serena Desenvolvimento and annual in all other cases. Management monitors the calculations of these indices periodically in order to avoid non-compliance with the contractual terms. As of December 31, 2023, all Group companies were in compliance with the financial covenants.

15. TRADE ACCOUNTS PAYABLE

		Consolidated
	2023	**2022**
Equipment suppliers	248,071	98,523
Electricity Purchase	139,224	123,824
ACR accounts payable	106,702	193,910
	493,997	**416,257**
Liabilities:		
Current	395,787	236,734
Non Current	98,210	179,523

Equipment suppliers: represented substantially by: (i) O&M suppliers, (ii) purchase of equipment in Assuruá 5 and Goodnight project, and respective capitalization of the financial costs involved in the acquisition of these equipment, and (iii) third-party service providers, the operation and maintenance activities of their electricity generating plants, commonly with the equipment supplier owner of each site.

Electricity Purchase: energy purchases are carried out substantially to cover the physical guarantees of CGUs and energy trading, according to the seasonality strategy of each unit.

ACR accounts payable: the balance payable is the contractual positions arising from the CCEE accounting adjustment mechanism (Note 6). The average payment term is approximately 30 days with no interest.

16. LABOR AND TAX OBLIGATIONS

Accounting policy

Payments of salary or vacation pay, and related labor charges, are recognized monthly on an accrual basis.

Serena Energia's subsidiaries have a profit-sharing program ("PPR") based on contributions from employees linked to the companies' overall performance of operating indicators. The Company records a provision for periodic measurement of compliance with its goals and results, on an accrual basis and premised on the recognition of the present obligation resulting from a past event in the estimated amount of the outflow of resources in the future. The provision is recorded as costs or operating expenses according to the employee's activity.

Taxes payable are classified as current tax liabilities, calculated monthly based on the tax laws in the jurisdictions the Company operates. These include local, state and federal taxes. When Serena Energia is responsible for collecting taxes from its suppliers, these taxes are withheld and paid to the respective authorities.

Balance on December 31, 2023 and 2022 are presented below:

		Consolidated
	2023	**2022**
Labor Obligations		
Wages and charges	3,438	2,945
Labor accruals	63,653	45,889
Tax obligations		
Federal tax (IRPJ e CSLL) payable	11,517	7,735
Taxes payable	59,927	37,129
Withholding taxes - third parties	7,892	8,837
	146,427	**102,535**

Labor accruals: refers to profit share program, 13th. salary and vacation accrual.

Taxes payable: refers to deferred PIS and COFINS (federal taxes) and ICMS (state tax).

Withholding taxes - third party: Refer to taxes CSRF, ISS and INSS on third party services.
Changes in the balance of IR/CS (federal taxes) were:

	Consolidated
Balance on December 31, 2022	**7,735**
Payments	(46,499)
Tax calculated in the period	71,968
Tax prepayment (asset)	(21,050)
Prior periods	(637)
Balance on December 31, 2023	**11,517**

17. ACCOUNTS PAYABLE ON BUSINESS ACQUISITION

		Consolidated
	2023	**2022**
Accounts Payable on acquisition of Goodnight (i)	77,122	83,117
Accounts Payable on acquisition of VDB 3 (ii)	-	7,155
Accounts Payable on acquisition of CEA VI (iii)	115,676	102,326
Promissory note (iv)	8,822	65,478
	201,620	**258,076**

Stated in liability:		
Current	73,248	64,653
Non Current	128,372	193,423

(i) On June 30, 2022, the Company acquired projects for the implementation of a wind complex located in the State of Texas, USA.
(ii) On December 23, 2022, the Company completed the purchase of 50% Of VDB3; applying a preliminary purchase price adjustment.
(iii) On March 7, 2022, the Company acquired the expansion projects of the CEA VI complex in the amount of R$ 92,562. The payable accrues CDI interest.
(iv) Refers to the acquisition of the debentures of Assuruá 4 and Assuruá 5 and payment of a developer's premium.

17.1 Payment schedule

Non current instalments fall due as follows at December 31, 2023:

	Consolidated
2024	73,248
2025	128,372
	201,620

18. INCOME TAXES

Accounting policy

The Group includes companies that use both the taxable profit regime and the presumed profit regime (percentage of gross revenue, as adjusted) to calculated taxes on income. Serena Energia reviews annually the option for taxation based on income projections, to optimize its position operation.

The presumed profit regime companies calculate income taxes based on 8% for IRPJ and 12% for CSLL of gross revenue. The companies adopting taxable profit regime calculate tax on the accounting profit before taxes, adjusted for nontaxable and nondeductible items, whether temporarily or permanently, at a rate of 34%. Tax losses do not prescribe but offset is limited to 30% of annual taxable profit.

Recognition of deferred income tax is based on the temporary differences between the book values and the asset and liability tax base amounts, as well as tax loss carryforwards. Deferred income taxes are offset when there is a legally enforceable right over the same taxable entity. Deferred tax assets are not recognized when their recovery is not likely to occur.

The statutory rate is reconciled to the effective rate, as follows:

	Consolidated	
	2023	2022
Net income before taxes	**151.511**	**32.706**
Statutory rate	34%	34%
IRPJ and CSLL at current rate	(51.514)	(11.120)
Permanent differences	2.177	843
Equity results of investees	28.199	15.250
IRPJ and CSLL losses and temporary differences not recorded as deferred tax assets	(127.198)	(71.738)
Difference from taxable profit to tax regime computed as a percentage of gross revenue	58.236	26.745
Others	767	(717)
IRPJ and CSLL (federal taxes) expense in P&L	**(89.333)**	**(40.737)**
Current	**(71.968)**	**(47.264)**
Deferred	**(17.365)**	**6.527**
Effective IRPJ and CSLL rate - %	58,96%	124,56%

18.1 Balances of deferred income and social contribution taxes

	Consolidated	
	2023	2022
Deferred tax asset		
Income and social contribution tax losses - other	1.788	1.239
Deferred tax assets	**1.788**	**1.239**
Difference between cash and accruals basis for subsidiaries	(5.586)	(5.802)
Acquisition of Chuí and Ventos da Bahia 1 and 2 at Serena Geração	(19.349)	(23.691)
Acquisition of Ventos da Bahia 3 at Serena Geração	(3.962)	(4.239)
Gain on MTM in trading operations at Serena Geração	(44.869)	(21.215)
Deferred tax liability	**(73.766)**	**(54.947)**
Total deferred tax	**(71.978)**	**(53.708)**

As of December 31, 2023, Serena Geração had an accumulative balance of income tax and social contribution carryforward loss base of R$ 1,447,274505 for which no deferred tax asset had been recorded as recoverability is not currently foreseeable. These losses do not prescribe. To the extent that it is probable that future taxable profit will arise, the assets may be recorded in the future.

19. LEASE LIABILITY

Accounting policy

The Company's subsidiaries lease land for the wind farms and link the lease to a percentage of revenues from the generation of energy from the projects. These agreements have a similar term to the government authorization periods for farm operation, usually 35 years. The subsidiary Serena Geração also has a building floor space lease agreement from August 28, 2020 for a period of 5 years.

The Company also leases vehicles for a term of up to five years.

All leases with a term of more than 12 months, with limited exceptions, are recognized as a lease liability in the balance sheet at the present value of the payments, plus allocable costs at the time the asset is recognized for the right of use. During the lease term, the liability is adjusted to reflect the financial costs and payments made and the right of use is depreciated.

Company's lease liabilities, by CGU, are presented below:

CGU	% Lease on generation	End period	2023
Serena Geração - Gargaú Filial	1,75	2032	6,231
Delta 1	1,67	2047	11,158
Delta 2	1,80	2049	19,230
Delta 3	0,60	2051	27,737
Delta 5	0,60	2053	3,607
Delta 6	0,60	2053	3,511
Delta 7	0,60	2045	3,447
Delta 8	0,60	2045	1,921
OD 15	1,80	2050	71,648
Arco Energia	-	2048	28,519
Total			**177,009**
Liability:			
Current			7,414
Non Current			169,595
Total			**177,009**

Company's vehicle fleet lease liabilities, by CGU, are presented below:

CGU	End period	2023
Serena Geração - Parent Company	2025	455
Indaiá Grande	2025	149
Delta 1	2024	127
Serra das Agulhas	2024	69
Delta 2	2024	45
Delta 3	2024	12
Delta 5	2025	252
CEA II	2025	387
Total		**1,496**
Liability:		
Current		1,310
Non Current		186
Total		**1,496**

The balances of Serena Energia's office lease liabilities are presented below:

CGU	End period	2023
Serena Geração	2025	7,413
Total		**7,413**
Liability:		

Current	3,565
Non Current	3,848
Total	**7,413**

Intangible assets are for right of use assets (Note 12).

The Company determined its discount rates based on the risk-free interest rates observed in the Brazilian market, for the terms of its contracts, adjusted to the Company's circumstances ("credit spread"). The spreads were obtained from the financing contracts in each CGU. The average discount rates used to calculate the present value were 8. 45% for the administrative headquarters building and for the land, and represent the incremental financing rate.

Changes in lease liability are presented below:

	Vehicles	Office	Lands	Consolidated Total
Balance on December 31, 2022	**2,332**	**9,835**	**106,978**	**119,145**
Addition transfer of assets (i)	-	-	87,765	87,765
Addition (ii)	988	-	27,027	28,015
Write off (i)	(334)	-	(47,777)	(48,111)
Remeasurement (iii)	-	1,182	5,537	6,719
Interest	135	631	11,456	12,222
Lease payments	(1,625)	(4,235)	(13,977)	(19,837)
Balance on December 31, 2023	**1,496**	**7,413**	**177,009**	**185,918**

	Vehicles	Office	Lands	Consolidated Total
Balance on December 31, 2021	**-**	**12,680**	**109,329**	**122,009**
Addition	3,782	-	-	3,782
Interest	284	856	11,122	12,262
Lease payments	(1,734)	(3,701)	(13,473)	(18,908)
Balance on December 31, 2022	**2,332**	**9,835**	**106,978**	**119,145**

(i) On June 2023, Serena Geração assigned the land lease contracts with third parties to its subsidiary OD15 (Note 12).
(ii) In July and November 2023, the subsidiaries of Arco Energia S.A. recorded the amount of R$ 27,027 relating to land leases, with a corresponding entry under fixed assets (Note 12).
(iii) In December 2023, the Company remeasured its land and real estate lease liabilities (Note 12).

There are other lease agreements, such as for smaller properties, not treated as leased assets. For the year ended December 31, 2023, the expenses for low value leases and short-term contracts were R$ 2,093 (R$608 in 2022).

For legal entity contracts, the Company takes a PIS/COFINS credit on land leasing operations.

In measuring and remeasuring its lease liabilities and the right to use leases, the Company used the discounted flow technique without considering projected inflation in the flows to be discounted, given the prohibition imposed by the accounting standard.

Therefore, in order to comply with the guidelines of the CVM's technical areas, the comparative nominal balances of lease liabilities, the right to use leases, financial expenses and amortization for the year ended December 31, 2023 are presented.

	Consolidated
Leases liability	
As presented in IFRS 16	185,918
With inflation effect	205,014

Right to use leases	
As presented in IFRS 16	171,604
With inflation effect	189,047

20. RELATED PARTIES

The Company is controlled by a group of shareholders: (i) Lambda 3 Fundo de Investimento em Ações - Investimento no Exterior ("Lambda") and (ii) investment funds managed by Tarpon Gestora de Recursos S.A. ("Fundos Tarpon").

The information presented below is summarized by CGU, when related to members of the Company group under the control of Serena Geração and Serena Desenvolvimento.

20.1 Consolidated assets and liabilities

Other receivables and other liabilities refer to the allocation of payroll costs and apportionment of administrative expenses (rent, condominium fees, third-party services, office supplies and cleaning products, among others) and mutual with employees.

	2023				2022			
			Asset	Liability			Asset	Liability
	Trade acc. receivable	Dividend receivable	Other assets	Other payables	Trade acc. receivable	Dividends receivable	Other assets	Other payables
Grupo Omega Desenvolvimento de Energia								
Omega Desenvolvimento de Energia	-	-	-	(71)	-	-	442	(770)
Joint ventures								
Pipoca	-	7.741	177	-	-	4,040	312	-
Pirapora	-	11.124	-		-	-	40	(7)
VDB	-	22.592	-	-	-	-	-	-
Other related parties								
Cemig (i)	817	-	-	-	811	-	-	-
Loan to employees (ii)	-	-	73.522	-	-	-	67,379	-
Others	-	-	-	-	-	-	16	-
Total	**817**	**37**	**73.699**	**(71)**	**811**	**4,040**	**68,189**	**(777)**

(i) Certain subsidiaries of Serena Geração have energy purchase and sales transactions with Cemig, considered a related party of Company because of the equity in the Joint Venture Pipoca

(ii) The Company signed loan agreements with employees eligible for the third stock purchase option plan in the amount of R$ 73,522, accruing CDI + 0.5% p.a., with final maturity on June 30, 2028; amortizations will be made annually.

20.1.1 Changes in dividends

Changes in dividend balances were:

		Consolidated
	Receivable	Payable
Balance on December 31, 2022	**4,040**	**-**
Provision	72,933	-
Receivable	(35,516)	
Balance on December 31, 2023	**41,457**	**-**

20.2 Consolidated statement of operations

Energy purchase and sale operations traded with related parties were:

			2023			2022
	Net operating revenue	Operating, maintenance and Purchase costs	SG&A	Net operating revenue	Operating, maintenance and purchase costs	SG&A
Grupo Omega Desenvolvimento de Energia						
Omega Desenvolvimento de Energia	-	-	(199)	-	-	-
Others	-	-	(11)	-	-	-
Joint ventures						
Pipoca	-	(127)	(1,090)	-	(184)	(937)
Other related parties						
Cemig (i)	30,796	(50,783)	-	53,653	(12,995)	-
Total	**30,796**	**(50,783)**	**(1,300)**	**53,653**	**(13,179)**	**(937)**

(I)Certain subsidiaries of Serena Geração have energy purchase and sales transactions with Cemig, considered a related party of Company because of the equity in the Joint Venture Pipoca.

20.3 Transactions with related parties traded by joint ventures

The Joint Venture Pipoca has energy purchase and sale transactions with Cemig, considered a related party due to its equity interest in Pipoca (Note 11.3). The balances recorded in the financial statements of Joint Venture Pipoca are as follows:

20.3.1 Asset

	2023	2022
	Trade account receivable	
Pipoca	3,286	3,491
Total	**3,286**	**3,491**

20.3.2 Statement of operations

	2023			2022
	Net operating revenue	Operating, maintenance and Purchase costs	Net operating revenue	Operating, maintenance and Purchase costs
Pipoca	46,856	(2,914)	45,618	(2,511)
Total	**46,856**	**(2,914)**	**45,618**	**(2,511)**

20.4 Key management staff compensation

Total compensation paid to members of Company´s Executive Board and Board of Directors was:

	2023	2022
Salary	10,864	11,070
Benefits	210	186
Variable compensation	17,454	12,808
	28,528	**24,064**

A D&O insurance policy covers legal defense costs, judicial and out-of-court settlements and indemnities. This coverage extends to directors, officers and managers or any other individual with management power within Company and its subsidiaries.

21. SHAREHOLDERS' EQUITY

Accounting policy

Shareholders receive dividends, recognized as liabilities in the Company´s financial statements, pursuant to the articles of incorporation. Amounts above the mandatory minimum dividends determined in the articles of incorporation are only recognized as current liabilities when declared by the shareholders.

Share issuance costs are separately identified and charged to the equity balance.

21.1 Capital

Fully subscribed and paid-up capital on December 31, 2023, is R$ 4,439,360 comprising of 622,730,556 common shares.

The Company's ownership structure is as follows:

	2023		2022	
	Shares	%	Shares	%
Tarpon Gestora de Recursos S.A. (i) and (iii)	195,524,833	31.40	193,542,033	31.08
Lambda (ii) and (ii)	92,367,272	14.83	90,565,972	14.54
Alpha Brazil FIP	166,986,292	26.82	166,986,292	26.82
Other shareholders	167,852,159	26.95	171,636,259	27.56
	622,730,556	**100**	**622,730,556**	**100**

(i) The Tarpon Gestora de Recursos S.A. interest is held by equity funds that are under its discretionary management.
(ii) Lambda comprises: Lambda3 Fundo de Investimento em Participações Multiestratégia; Lambda Energia S.A., Lambda II Energia S.A and Lambda III Energia S.A.
(iii) Considers financial instruments as disclosed in Form Resolução CVM 44.

21.2 Changes in capital during the period

There were no changes in the Company's share capital in 2023.

21.3 Profit distribution

According to the Company´s articles of incorporation, net income each year is appropriated as follows:

- 5% to the legal reserve, up to the maximum limit established by legislation;
- 25% for payment of mandatory minimum dividends, after adjustment;
- The remaining balance may be allocated between the investment reserve or other reserves subject to legislation and the articles of incorporation, as proposed by management.

Management´s proposal for 2023 is presented below:

Management's proposal	2023
Net income	62,842
(-) Legal reserve 5%	(3,142)
(=) Adjusted net income	**59,700**
Net income distribution	
Unrealized income reserve (i)	14,925
Statutory reserve for investments	44,775

(i) The amount of R$14,925 corresponding to the mandatory dividend of 25% of the adjusted net income for the period ended December 31, 2023 was allocated to an unrealized income reserve, pursuant to the Brazilian Corporation Law and Article 56, paragraph 2, of the articles of incorporation of the Company.

In the year ended on December 31, 2023, the Company did not present net profit, and used the profit reserves to absorb the loss for the year.

21.4 Earnings (loss) per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to the Company's shareholders by the weighted average number of all classes of shares outstanding during the year, excluding treasury shares.

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding, assuming the conversion of all shares that would cause dilution.

	Parent company	
	2023	2022
Numerator		
Profit (loss) for the period	62,842	(8,031)
Denominator		
Average number of shares - thousands	474,608	136,236
Profit (loss) per basic share (BRL)	**0.1215**	**(0.0590)**
Numerator		
Profit (loss) for the period	62,842	(8,031)
Denominator		
Average number of shares - thousands	470,856	136,236
Profit (loss) per share diluted (BRL)	**0.1225**	**(0.0590)**

21.5 Non-controlling interest

In the year ended December 31, 2023, Serena Desenvolvimento's stake in Arco Energia was diluted by 30.05% without loss of control, upon the entry of the partners Polaris 2 Fundo de Investimento em Participações em Infraestrutura and Apolo Renováveis Participações Ltda, managed by Apolo Administração de Recursos Ltda.

	2023
Opening balance	-
Amount paid for Arco's non-controlling interest	19,010
Capital payment by minority shareholder (i)	16,611
Loss for the year	(664)
Closing balance	**34,957**

(i) Proportional to the shareholding and without any dilution effect.

22. REVENUE

Accounting policy

The energy sales agreements are made in the unregulated and regulated contract markets in Brazil and are fully registered with the Electric Energy Trade Chamber (CCEE), which is responsible for accounting and settlement of the entire national integrated system (SIN).

The accounting measurement of the volume of energy to be billed derives from the physical measurement (generation) processing, adjusted to apportionment of losses reported by CCEE.

The accounting recognition of revenue reflects the amounts billed /to be billed to customers according to the methodology and prices established in each agreement, adjusted to the amount of energy effectively generated, when applicable. These adjustments arise from the CCEE mechanism that match Serena Energia's net exposure (sales, generation and purchases), known as the energy balance, generating credits or debits for the difference between sales and actual generation for Serena Energia, usually to the PLD amount.

The mechanisms result in the recognition of gross revenue, at fair value, presented net of sales taxes, to the extent that it is probable that future economic benefits will flow to Serena Energia.

Energy trading operations are transacted in an active market and, for accounting measurement purposes, meet the definition of financial instruments at fair value. The Company registers revenue when delivering the energy to the customer at fair value. Any unrealized net gains resulting from the mark-to-market - difference between contracted and market prices - of the net operations contracted open on the date of the financial statements are recognized as revenue.

The Company records revenues from the sale of Carbon Credits and/or Renewable Energy Certificates (RECs) at the time of recording the revenues directly attributed to energy generation (MWh) of the contract assigned to the respective customer. The certificates are issued backed by the MWh of renewable energy, with due certification issued by the Clean Development Mechanism (CDM).

Net operating revenue for Nine months ended on December 31, 2023, and 2022:

		Consolidated
	2023	**2022**
ACR Sales		
ACR Sales	503,333	321,985
Surplus/(deficit) Proinfa Sales	(3,532)	47,004
Surplus/(deficit) CCEAR	101,805	53,512
LER	326,773	299,061
ACL Sales	2,268,987	1,814,692
MCP	92,472	105,145
Carbon credit sales	1,065	2,676
Fair value trading portfolio	99,154	53,095
Others	817	-
Tax on sales		
PIS and COFINS	(272,866)	(204,504)
ICMS	(80,550)	(54,493)
Other sales deduction	(139)	(1,498)
	3,037,319	**2,436,675**

For the year ended December 31, the Company had no clients that individually accounted for more than 10% of consolidated net operating revenue.

23. OPERATING AND MAINTENANCE COST BY NATURE

		Consolidated
	2023	2022
Electricity purchase	(1,210,454)	(1,049,418)
Depreciation and amortization	(455,561)	(395,343)
O&M	(204,093)	(211,537)
Regulatory fees	(122,543)	(93,424)
Others	(22,161)	(18,681)
	(2,014,812)	**(1,768,403)**

Electricity purchase: acquired from third parties for the purpose of both generation and trading operations and optimization of the Company's portfolio in relation to the position sold in CCEE. This information is net of PIS and COFINS credits.

24. GENERAL AND ADMINISTRATIVE EXPENSES BY NATURE

		Consolidated
	2023	2022
Payroll and benefits expense	(118,854)	(105,241)
Depreciation and amortization	(16,549)	(14,317)
Professional service (Consulting and audit)	(23,427)	(8,739)
Third party service	(7,516)	(8,379)
Publications and advertising	(5,665)	(5,966)
Others	(5,628)	(415)
	(177,639)	**(143,057)**

25. NET FINANCIAL RESULT

Accounting policy

This mainly includes interest on loans and financial investments, accruals and adjustments to present value, recognized in the statement of operations on an accrual basis.

		Consolidated
	2023	2022
Finance income		
Interest on marketable securities	121,469	129,210
Other income	(3,859)	(4,908)
Federal tax on financial income - PIS and COFINS	2,277	10,401
	119,887	**134,703**
Financial expenses		
Interest on loans, financing, debenture and transaction costs	(803,011)	(628,888)
Commission on guarantee	(37,496)	(41,726)
Interest on operating lease	(12,222)	(12,262)
Indexation accrual of accounts payable - acquisition of companies	(15,757)	(4,963)
Other expense	(51,975)	(5,628)
	(920,461)	**(693,467)**
Net financial result	**(800,574)**	**(558,764)**

26. STOCK OPTION PLAN

Accounting Policy

Options granted to employees are accounted at fair value from the date of grant. The expense is recognized monthly in profit or loss for the period of acquisition of the right of exercise (vesting period) increasing shareholders' equity if the settlement of the transaction is carried out in shares. If carried out in cash, a financial liability is recognized.

The market value of the options is measured at fair value based on the Black-Scholes model considering the information observable in the market.

When the Company cancels options an expense is immediately recognized related to the amount that would be recognized as services over the remaining period of the acquisition of entitlement. If the right to exercise was already fully acquired, the Company does not recognize any expense.

Critical accounting estimates and judgments

When estimating the fair value of stock-based compensation, a value is assigned to options granted by Serena Energia to employees. The Company uses the Black-Scholes mathematical options pricing model, which requires the use of assumptions related to the stock price, volatility, risk-free interest rate, among others. Variations in these assumptions can affect the fair value to be obtained when granting options to employees.

26.1 Second Stock Option Plan

On August 28, 2023, the Company's shareholders approved the Second Stock Option Plan, pursuant to the Company's Extraordinary General Meeting.

The plan includes executives, statutory and non-statutory directors, managers, supervisors, employees and service providers of the Company and its subsidiaries who are considered key persons in the development of the Company's and its subsidiaries' business.

26.1.1 First Program of the Second Plan

The first option granting program under the Second Plan covers the granting of options that confer the right to acquire a maximum of 4,250,000 new shares, representing, on the effective date, 0.68% of the Company's share capital, on a fully diluted basis.

	Date	Option price R$/option	Exercise price R$/share	Total options granted
Total First Program of Second Plan				4,250,000
Options granted				
2nd Program	08/28/2023	R$ 1.71	R$ 13.71	4,250,000

For the grants, the methodology used to price the fair value of the options is the Black & Scholes model. The options granted under the First Program of the Second Stock Option Plan will only become exercisable, subject to the applicable rules set out in said program, as of August 31, 2028 and may be exercised within 90 days of said date.

The weighted average fair value of the options granted during the period was R$2.11 per option.

27. LEGAL PROCEEDING

Accounting Policy

A provision is recognized when the obligation is deemed probable by Management, under the advice of its legal counsel and legal advisors, and it can be measured with reasonable certainty. The matching entry of the obligation is an expense for the year. This obligation is updated as the legal proceedings progress or financial charges are incurred and may be reversed if the likelihood of loss is no longer considered probable or is written off when the obligation is settled.

Provisions are not recorded for proceedings for which the likelihood of loss is rated as possible, requiring only disclosure in the notes to the financial statements. They are known as contingent liabilities.

Assessment of the likelihood of loss includes analysis of available evidence, the hierarchy of laws, available case law, the most recent court rulings and their relevance in the legal system, as well as the evaluation of external legal advisors.

Critical accounting estimates and judgments

Given their nature, legal proceedings are settled when one or more future events occur or cease to occur. Usually, the occurrence or non-occurrence of such events does not depend on Serena Energia's performance, and uncertainties in the legal environment involve significant estimates and judgment calls of management regarding the results of future events.

Serena Energia is party to civil, environmental, tax, labor, and regulatory claims in progress at judicial level, as well as to administrative proceedings.

Provisions and contingent liabilities

Provisions in cases discussed at the administrative and judicial levels, the likelihood of loss of which is classified as probable, based on legal opinions/ positions, were accounted for under "Other liabilities" in the amount of R$ 962 (R$ 763 as of December 31, 2023).

Contingent liabilities of cases discussed at the administrative and judicial levels, when the likelihood of loss is classified as possible, based on legal opinions/ positions, are shown in the table below:

	2023		2022	
Nature	Number of proceedings	Amount under discussion	Number of proceedings	Amount under discussion
Environmental	10	864	10	885
Cível - General	9	4,084	9	3,933
Real estate	7	934	9	1,207
Labor	27	2,905	30	1,207
Tax	39	16,249	27	11,388
Total	**92**	**25,036**	**85**	**18,620**

28. FINANCIAL INSTRUMENTS

Accounting Policy

Financial assets are classified into the following categories:

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through comprehensive income; and
- Financial assets measured at fair value through profit or loss.

Financial liabilities are classified as "Other financial liabilities".

Financial assets measured at amortized cost are financial assets held by Serena Energia (i) for the purpose of receiving their contractual cash flow rather than for sale with profit or loss, and (ii) the contractual terms of which give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This includes the balance of cash and cash equivalents, trade accounts receivable, other assets, and securities. Its variations are recognized in the statement of operations for the period under "Finance income" or "Finance cost", depending on the result obtained.

For financial assets measured at fair value through comprehensive income on initial recognition, Serena Energia may irrevocably choose to classify its equity instruments designated at fair value through other comprehensive income presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Currently, Serena Energia does not have any such instrument classified in this category.

Financial assets measured at fair value through profit or loss comprise, on the initial recognition, the balance derivative financial instruments, including embedded derivatives, stock options and other securities. Currently, Serena Energia does not work with any instrument classified in this category.

Financial assets and liabilities are recognized on the trading date when the Company becomes a party to the instrument´s contractual provisions.

Serena Energia derecognizes a financial asset when its contractual rights to receive cash flows thereof expire, or when it transfers its rights to receive the contractual cash flows of a financial asset in a transaction in which basically all risks and rewards related to the financial asset ownership are transferred.

Fair value hierarchy

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy described below, based on the lowest level information that is significant to the measurement of fair value as a whole:

- Level 1 - inputs comprise unadjusted quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest and most significant information for measuring fair value is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest and most significant information for measuring fair value is not available.

For assets and liabilities recognized in the financial statements at fair value on a recurring basis, Serena Energia determines whether transfers have occurred between levels of the hierarchy, reassessing the categorization (based on the lowest and most significant information for measuring the fair value as a whole) at the end of each reporting period.

28.1 Financial instruments classification

The book value of financial instruments by category follows:

	Level 2	2023 Level 3	2022 Level 2
Financial assets and liabilities measured at amortized cost			
Cash and cash equivalents	950,162	-	1,472,998
Marketable securities - Restricted cash	231,144	-	211,069
Trade accounts receivables	467,655	-	357,208
Loans, financing and debentures	(9,884,506)	-	(8,376,004)
Trade accounts payable	(493,997)	-	416,257)
Lease Liability	(185,918)	-	119,145)
Trade accounts payable on acquisition	(201,620)	-	(258,076)
Financial assets and liabilities measured at fair value			
Energy futures contract - asset	806,589	-	885,379
Energy futures contract - liability	(618,075)	-	(796,236)
Derivative instruments - asset position	(9,356)	-	-
Other assets - *Revenue put* (Note 10)	-	77,048	-
Other assets - CRR e Trafigura (Note 10)	-	14,787	-

Given their short-term cycle, the fair value of trade accounts receivable and trade accounts payable are assumed to approximate their carrying amounts. Restricted cash investments are made in floating rate securities, pegged to the CDI rate, carried at amounts that approximate fair value. Company's loans and financing with BNDES bear interest pegged to the long-term interest rate ("TLP"), a financing instrument for long-term projects, for which there is no active market; the carrying amount approximates the fair value.

28.1.1 Cash flow hedged with derivatives

a) Loan interest rate derivatives (swap)

The Company, through its subsidiary Goodnight I Class B Member, LLC, entered into derivative instruments (swaps) in order to hedge the Company's exposure to loan commitments for the development of US projects, which expose the Company to fluctuations in US Dollar contracts (USD+SOFR). These instruments were not designated as hedge accounting on initial adoption, so the mark-to-market of these derivatives is directly recorded in the financial result account for the period.

b) Exchange rate hedged with derivatives

The Company and its subsidiary Serena Desenvolvimento S.A. have formally designated cash flow hedge relationships to protect highly probable future cash flows exposed to the Euro relating to loans and financing carried out in this currency (Resolution 4131, Note 14). In order to better reflect the accounting effects of the currency hedge strategy, the Company and its subsidiary have designated derivative instruments contracted at Euro+6.084% x CDI+1.80% as a hedge instrument for their exposure. As a result, the exchange rate variation arising from the designated liabilities is temporarily recorded in equity and will be taken to the statement of operations when the liabilities are settled (bullet), thus allowing the fluctuations in the Euro on the liabilities and their settlements to be recognized at the same time.

c) Energy put options (ERCOT)

The Company, through its subsidiary FGE Goodnight I LLC, has contracted, as part of its strategy to hedge against price variations in the Texas energy market (ERCOT), energy put options for part of the production of the Goodnight I plant. With this instrument, part of the plant's generation obtains a selling price floor. As it was classified as a Level 3 financial instrument due to the complexity of the calculation and variables not observable in the market, part of the amount paid will be amortized over the 10-year term of the instrument and the remainder will be adjusted by the fair value of the instrument at each reporting period.

28.1.2 Protective instruments: Derivatives

a) Derivative financial instrument portfolio

Currency swap Euro+6.0824% x CDI+1.80%

The Company has derivative operations to protect its debt in EUR raised in August 2023 by its subsidiary Serena Desenvolvimento S.A., maturing in October 2024 in the amount of EUR$30 million (equivalent to R$161 million) at a cost compatible with that usually practiced by the Company.

Rate swap 3.825% x SOFR (Bridge loan)

The Company has derivative operations, contracted in March 2023, to hedge its debt in US Dollars for financing the Goodnight 1 project (Bridge loan and Term Loan), with a notional of USD$212.0 million (equivalent to R$1,026,356) on December 2023.

The derivatives position is shown below:

								Consolidated	
					Valuation (R$)		Fair value	2023	2022
			Currency		Asset	Liabilities	Receivable	Net financial result	
Instrument	Derivative	Maturity	*Notional*	*Notional*	position	position	/(Payable)		
3,825% p.a. x SOFR (i)	*Swap* de taxa	31/12/2023	USD	22,814	114	(685)	(571)	(571)	-
EUR X CDI	*Swap* cambial	28/02/2024	EUR	212,000	(168,902)	(162,309)	(6,593)	-	-
				234,814	**(168,788)**	**(162,994)**	**(7,164)**	**(571)**	**-**

(i) On December 31, 2023. The notional contracted varies monthly according to the projected outstanding balance of the financing of projects under development in Goodnight 1.

Classification of derivatives in the balance sheet and statement of operations

								Consolidated	
							2023		2022
			Asset	Liabilities			Net		Net
Instruments	Current	Noncurrent	Total	Current	Total	Equity	financial result	Equity	financial result
Energy price (USA - Texas)	25,422	51,626	77,048	-	-	-	(1,508)	-	-
Energy price (Ercot)	32,655	-	32,655	-	-	-	1,324	-	-
3,825% p.a X SOFR	-	-	-	2,763	2,763	-	5,745	-	-
EUR X CDI	-	-	-	6,593	6,593	(4,103)	-	-	-
Total Swap	**58,077**	**51,626**	**109,703**	**9,356**	**9,356**	**(4,103)**	**5,561**	**-**	**-**

28.2 Sensitivity analysis of financial instruments

28.2.1 Financial investments and loans and financing

In order to assess the sensitivity of financial investments and loans to interest rates, three different scenarios were defined on December 31, 2023. The probable base scenario for 2023 was the CDI rate, Long-Term Interest Rate ("TLP") and IPCA values, at the rates of 11.65% for the CDI rate, 6.53% for Long-Term Interest Rates, and 4.62% for IPCA, these were stressed by variations of 25% and 50%. For foreign currency denominated loan contracts an exchange rate of R$ 4.8413 and SPFR od 5.32% was used.

For each scenario, hypothetical gross financial income/expenses were calculated, not taking into consideration tax levies and the maturity flow of each agreement. The reporting date used for financing was December 31, 2023, with projection of the rates over one year and assessment of the sensitivity in each scenario, as detailed below:

Loans and financing							Consolidated
	Exposure	Risk	Probable scenario	Stressed scenario + 25%	Stressed scenario + 50%	Stressed scenario -25%	Stressed scenario -50%
Serena Geração	1,567,670	CDI variation	222,824	268,310	313,796	177,338	131,852
Serena Geração	2,221,129	IPCA variation	219,782	246,730	273,677	192,835	165,887
Serena Geração	1,360,930	TJLP variation	120,240	145,687	168,426	100,208	77,469
Serena Desenvolvimento	1,781,059	CDI variation	247,238	300,148	353,058	194,328	141,418
Serena Desenvolvimento	1,149,187	IPCA variation	78,495	92,048	105,602	64,941	51,387
Serena Desenvolvimento	746,796	USD + 5,65% e 7,50%	42,194	52,742	63,291	31,645	21,097
Serena Desenvolvimento	943,992	SOFR + 1,25%	62,020	74,575	87,130	49,465	36,910
Serena Desenvolvimento	162,186	EUR + 6,0824%	9,865	12,331	14,797	7,398	4,932
Balance on December 31, 2023	**9,932,950**		**1,002,658**	**1,192,571**	**1,379,777**	**818,158**	**630,952**
Balance on December 31, 2022	**8,438,308**		**1,026,265**	**1,226,291**	**1,423,256**	**832,360**	**635,395**

Marketable securities							Consolidated
	Index	Position	Probable scenario	Stressed scenario + 25%	Stressed scenario + 50%	Stressed scenario - 25%	Stressed scenario - 50%
Market securities	CDI	896,592	104,453	130,566	156,679	78,340	52,226
Restricted cash	CDI	231,144	26,928	33,660	40,392	20,196	13,464
Balance on December 31, 2023		**1,127,736**	**131,381**	**164,226**	**197,071**	**98,536**	**65,690**
Balance on December 31, 2022		**1,598,427**	**218,185**	**272,732**	**327,277**	**163,639**	**109,092**

						Consolidated
		Probable scenario	Stressed scenario + 25%	Stressed scenario + 50%	Stressed scenario - 25%	Stressed scenario - 50%
Balance on December 31, 2023	**8,805,214**	**871,277**	**1,0128,345**	**1,182,706**	**719,622**	**565,262**
Balance on December 31, 2022	**6,839,881**	**808,080**	**953,559**	**1,095,979**	**668,721**	**526,303**

28.2.2 Currency exposure derivatives

The Company considered scenarios 1 to 4 with 25%, 50%, -25% and -50% deterioration for currency volatility, using the closing exchange rate on December 31, 2023 as a reference. The currencies used in the sensitivity analysis and their respective scenarios are shown below:

						Consolidated 2023
Currency	Exchange rate	Probable scenario	Scenario 1 25%	Scenario 1 50%	Scenario 1 -25%	Scenario 1 -50%
EUR	5.3516	5.3516	6.6895	8.0274	4.0137	2.6758

The possible effects on the result, considering scenarios 1 and 4, are shown below:

							Consolidated 2023
Instrument	Position R$	Risk	Probable scenario (R$)	Scenario 1 - R$ 25% R$	Scenario 2 - R$ 50% R$	Scenario 3 -R$ -25% R$	Scenario 4 -R$ -55% R$
Gross foreign exchange position EUR	(2,490)	EUR	(2,490)	(3,113)	(3,736)	(1,868)	(1,245)
Derivative	6,593	EUR X CDI	6,593	8,242	9,890	4,945	3,297
Net position	**4,103**		**4,103**	**5,129**	**6,154**	**3,077**	**2,052**

28.2.3 Rate exposure derivatives

The Company considered scenarios 1 to 4 with 25%, 50%, -25% and -50% deterioration for the volatility of the borrowing rate in US Dollar, using the closing rate on December 31, 2023 as a reference. The rates used in the sensitivity analysis and their respective scenarios are shown below:

Rate	Interest rate%	Probable scenario	Scenario 1 25%	Scenario 1 50%	Scenario 1 - 25%	Consolidated 2023 Scenario 1- 50%
SOFR	3.83%	3.83%	3.87%	3.79%	4.21%	3.45%

The possible effects on the result, considering scenarios 1 to 4, are shown below:

Instrument	Position R$	Risk	Probable scenario (R$)	Scenario 1 - R$ 25% R$	Scenario 2 - R$ 50% R$	Scenario 3 -R$ -25% R$	Consolidated 2023 Scenario 4 -R$ -55% R$
Rate position	33,365	SOFR	33,365	38,156	28,574	42,946	23,783
Derivative (swap)	3,314	SOFR	3,314	(1,223)	8,013	(5,604)	12,881
Net position	**36,679**		**36,679**	**36,933**	**36,587**	**37,343**	**36,664**

28.3 Futures contract on energy trade

	2023	Consolidated 2022
Current Asset	362,133	513,024
Non Current Asset	444,456	372,355
Current Liability	(339,771)	(502,078)
Non Current Liability	(278,304)	(294,158)
Total net asset	**188,514**	**89,143**

Trading operations comprising of forward positions are traded in an active market and, for accounting purposes, comply with the definition of financial instruments at fair value through profit and loss The Company has energy futures contract maturing through to 2037. The actual result of financial instruments (futures contracts) may vary since the fair value of these contracts were made considering the respective base dates and the market prices.

The trading portfolio risks are affected by changes in energy prices. In order to assess the sensitivity of the exposure of energy purchase and sale contracts on December 30, 2023 numerous price point scenarios were generated for impacts on Company's results. The scenario used in accounting for mark-to-market considers current prices.

The fair value of the Company's energy purchase and sale contracts was determined through market information and appropriate valuation methodologies. The discount rate used refers to the market risk-free rate of return, adjusted by the inflation index of each contract.

28.4 Risk of liquidity

The following table analyzes financial liabilities by maturity dates.

The financial liabilities by maturity groupings (contracted uncollected cash flows) are as follows:

					Consolidated
	Less than one year	Between one and two years	Between two and five years	Over five years	Total
Loans, financing and debentures (i)	3,734,868	1,646,911	3,270,668	3,909,359	**12,561,806**
Lease liabilities	18,690	16,953	28,945	228,971	**293,559**
Trade accounts payable on acquisition	80,739	136,138	-	-	**216,877**
Energy futures contract	734,296	513,765	673,532	267,152	**2,188,745**

(i) As mentioned in Note 2.2, the company has a plan to replace and amortize debt maturing in 2024 in order to extend the maturity schedule. The actions highlighted in Note 2.2 have already begun in 2024, as per Note 31.1.

29. LONG TERM COMMITMENTS

The main long-term commitments are presented below:

					Consolidated
	2024	2025	From 2026 to 2028	From 2029	Total
Operation and maintenance service - O&M	174,099	178,823	288,662	434,530	**1,076,114**
Energy trade contracts	188,533	241,880	275,648	297,119	**1,003,180**
Total	**362,632**	**420,703**	**564,310**	**731,649**	**2,079,294**

(i) Refers to energy trading contracts in the Company's portfolio.

30. CHANGES IN LIABILITIES - FINANCING ACTIVITIES

Equity transactions, including changes arising from cash flows in financing activities and changes with no impact cash are as follows.

(Assets) / Liabilities	Note	Loans, financing and debentures	Lease liability	Equity	Consolidated Total
Balance on December 31, 2022		**8,376,004**	**119,145**	**5,171,274**	**13,666,423**
Transactions with an impact on the cash flows from financing activities					
New loans, financing and debentures	14	2,100,649	-	-	2,100,649
Principal payment	14	(808,172)	-	-	(808,172)
Premium paid for stock option grants	-	-	-	7,281	7,281
Treasury shares	-	-	-	(337)	(337)
Capital payment by non-controlling shareholder in subsidiary	-	-	-	33,066	33,066
Leases	19	-	(19,837)	-	(19,837)
		1,292,477	(19,837)	40,010	1,312,650
Other Non-cash transactions of financing activities					
Interest payment	14	(733,021)	-	-	(733,021)
Interest and monetary adjustments	14	908,106	12,222	-	920,328
Debenture receivable	14	131,960	-	-	131,960
Cumulative translation effects	-	(91,020)	-	(33,089)	(124,109)
Assignment of lease assets	19	-	74,388	-	74,388
Expenses for stock options	26	-	-	1,374	1,374
Income for the year	-	-	-	62,178	62,178
		216,025	86,610	30,463	333,098
Balance on December 31, 2023		**9,884,506**	**185,918**	**5,241,747**	**15,312,171**

Below are the investment transactions that did not involve cash.

		Consolidated
	2023	**2023**
Contribution of Omega Desenvolvimento 18	-	22,943
Cumulative translation effects	(33,087)	-
Addition, write-off and remeasurement of lease liabilities	74,388	-
ARO remeasurement	48,522	-
Funding	(131,960)	-
Dilution of interest in ARCO	(2,555)	-

31. SUBSEQUENT EVENTS

31.1 Tax Equity Receipt, Goodnight 1 Bridge Loan Settlement, Term Loan Conversion

On February 2, 2024, the Company's subsidiary, Goodnight I TE Partners, LLC, the special purpose company indirectly holding the Goodnight Wind I project, received the funds linked to the investment backed by tax credits (Tax Equity) by AEG Goodnight Wind 1 LLC (Goldman Entity), as successor to the obligations of Goldman Sachs Lending Partners LLC in connection with the completion of the construction of the project.

The total amount received in the Tax Equity facility category was US$ 184,700 (R$ 913,600) and the funds were used to pay project costs, including the bridge loan that the syndicate of banks comprising of MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation and Coöperative Rabobank U.A., New York Branch, granted throughout 2023 to support the construction of the project (Bridge Loan).

At the same time, the Syndicate converted the financing of US$ 37,800 (R$ 187,000), to a term of five years (Term Loan), also contributing to the repayment of the Bridge Loan.

The operations carried out are in line with the Company's strategy to normalize the negative CCL (Note 2.2).

31.2 Prepayment of debentures

On January 30, 2024, as a result of the negotiation with the creditors to postpone the maturity of the Omega Desenvolvimento 4 debentures, an extraordinary amortization was made corresponding to the balance of interest incurred since the Company took over the debentures until the date of the extraordinary amortization in the amount of R$ 151,597. Following this amortization, the outstanding balance of the Omega Desenvolvimento 4 debentures was R$ 635,000 and the new maturity April 30, 2024.

31.3 Prepayment of debentures

Regarding projects Assuruá 4 and 5, and the Company's intention to raise additional debt (through the capital market or private instruments) during the first quarter, to cover the resources needed for the amortization of Omega Desenvolvimento de Energia 4 S.A.'s debenture maturity, as described in item 2.2 above, the Company informs that on March 8, 2024, the Company's Board of Directors approved the granting of a surety guarantee, in the form of a guarantee, aiming to ensure the faithful, punctual, and integral compliance with the main and accessory obligations assumed by Assuruá 5 Energia S.A. ("Issuer") under the 1st (first) issuance of simple debentures, non-convertible into shares, of the species with real guarantee, with additional surety guarantee, in two series, in the total amount of R$ 825,000 (eight hundred and twenty-five million Brazilian reais), of the Issuer ("Debentures").

* * *

CORPORATE GOVERNANCE

BOARD OF DIRECTORS
José Carlos Reis de Magalhães Neto
Roberto da Cunha Castello Branco
Antonio Augusto Torres de Bastos Filho
Eduardo Mufarej
Eduardo de Toledo
Gustavo Rocha Gattass
Pedro de Andrade Faria
Michael Harrington
Nicolas Escallon

FISCAL COMMITTEE
Effective members
Bruno Meirelles Salotti
Ricardo Scalzo
Marcos Almeida Braga

Alternate members
Tiago Isaac
Luiz Fernando Ferraz de Rezende
Vera Elias

AUDIT AND RISK MANAGEMENT COMMITTEE
Eduardo de Toledo
Flávio César Maia Luz
Walter Iorio

STATUTORY BOARD
Antonio Augusto Torres de Bastos Filho
Andrea Sztajn
Alexandre Tadao Amoroso Suguita
Thiago Levy

Wiliam Franco de Oliveira
Accountant
CRC 1SP256533/O-3

* * *

INDENPENDENT AUDITOR'S REVIEW REPORT

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(A free translation of the original in Portuguese)

Serena Energia S.A.
(formerly Omega Energia S.A.)

Parent company and consolidated financial statements at December 31, 2023 and independent auditor's report

Serena Energia S.A.

Independent auditor's report

To the Board of Directors and Shareholders
Serena Energia S.A. (formerly Omega Energia S.A.)

Opinion

We have audited the accompanying parent company financial statements of Serena Energia S.A., formerly Omega Energia S.A. (the "Company"), which comprise the balance sheet as at December 31, 2023 and the statements of operations, comprehensive income, changes in equity and cash flows for the year then ended, as well as the accompanying consolidated financial statements of Serena Energia S.A. and its subsidiaries ("Consolidated"), which comprise the consolidated balance sheet as at December 31, 2023 and the consolidated statements of operations, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company and of the Company and its subsidiaries as at December 31, 2023, and the financial performance and the cash flows for the year then ended, as well as the consolidated financial performance and the cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)) (currently described as "IFRS Accounting Standards" by the IFRS Foundation).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company and Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiaries in accordance with the ethical requirements established in the Code of Professional Ethics and Professional Standards issued by the Brazilian Federal Accounting Council, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

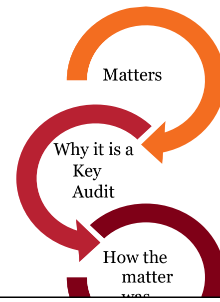
Restatement of financial statements

We draw attention to Note 2.9 to these financial statements, which describes the update and restatement of the financial statements due to the circumstances described in referred Note. We have issued our original independent auditor's report dated February 21, 2024, not qualified, on the previously issued financial statements. Due to the update described in the Note 2.9, we provide this new independent auditor's report on the reissued financial statements. Our opinion is not qualified in respect of this matter.

Serena Energia S.A.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the parent company and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Why it is a Key Audit Matter	How the matter was addressed in the audit
Company's financial situation (Notes 2.2 and 31.1)	
At December 31, 2022, the Company's consolidated current liabilities exceed its consolidated current assets by R$ 2,100,318 thousand. To address this situation, the Company renegotiated the terms of the Goodnight I "Bridge Loan" on February 2, 2024, in the amount of R$ 943,992 thousand (original due date was December 30, 2023), Management is confident based on its projections of its results and cash flows, that the Company will generate sufficient liquidity to meet its obligations. As the selection of a different set of assumptions and judgments could lead to different projections for results and future cash flows, we treated this as a Key Audit Matter.	Our audit procedures included, among others, reviewing Management's processes for projecting ash flows and its future results and other forecast data. We discussed with Management the approval processes and its plans and proposed actions. We also reviewed events after the balance sheet date and up to the date of issue of this report. We concluded that the information disclosed in the financial statements is consistent with the information obtained in our audit.

Other matters

Statements of Value Added

The parent company and consolidated Statements of Value Added for the year ended December 31, 2023, prepared under the responsibility of the Company's management and presented as supplementary information for IFRS Accounting Standards purposes, were submitted to audit procedures performed in conjunction with the audit of the Company's financial statements. For the purposes of forming our opinion, we evaluated whether these statements are reconciled with the financial statements and accounting records, as applicable, and if their form and content are in accordance with the criteria defined in Technical Pronouncement CPC 09 - "Statement of Value Added". In our opinion, these Statements of Value Added have been properly prepared in all material respects, in accordance with the criteria established in the Technical Pronouncement, and are consistent with the parent company and consolidated financial statements taken as a whole.

Serena Energia S.A.

Other information accompanying the parent company and consolidated financial statements and the auditor's report

The Company's management is responsible for the other information that comprises the Management Report.

Our opinion on the parent company and consolidated financial statements does not cover the Management Report, and we do not express any form of audit conclusion thereon.

In connection with the audit of the parent company and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the parent company and consolidated financial statements

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with accounting practices adopted in Brazil and with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) (currently described as "IFRS Accounting Standards" by the IFRS Foundation), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company and consolidated financial statements, management is responsible for assessing the ability of the Company and its subsidiaries, as a whole, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries, as a whole, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the parent company and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its subsidiaries, as a whole, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries, as a whole, to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the parent company and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats to our independence or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

São Paulo, March 17, 2024

Serena Energia S.A.

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

Adriano Formosinho Correia
Contador CRC 1BA029904/O-5