

# 4Q23 EARNINGS RELEASE

CONFERENCE CALL  
April 01, 2024  
11:00 (BRT)

The conference will be held in Portuguese  
with simultaneous translation into English

INVESTOR RELATIONS  
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## MESSAGE FROM MANAGEMENT

We ended another year with major challenges overcome and taking steps towards making Renova Energia an integrated platform for the development, implementation and operation of renewable energy projects.

We also highlight the beginning of the implementation of the energy trading area (Wholesale and Retail). This measure will allow us to capture the growth of new entrants in the free energy market and implement part of our robust project pipeline.

Our commitments to sustainable development practices were reinforced in 2023 and will continue as our assumption for new investments.

Thus, we highlight gross operating revenue of R\$ 250.7 million and adjusted EBITDA of R\$ 67.5 million at the end of 2023.

During the period, we also worked on managing passive litigation, and remained dedicated to resolving, through decisions and negotiations, the portfolio of lawsuits, constantly seeking to reduce risks for the Company.

We would like to thank our employees, customers, suppliers, partners and shareholders once again for their trust, and the Board of Directors for their robust guidance and unanimous support in the way we are building the Company's history and generating value.

**Sergio Ros Brasil Pinto**  
CEO



## 1. 2023 Highlights

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### Relevant and Subsequent Events

- I. **Payment of creditors** - The Company paid R\$ 72.4 million, of which R\$ 1.0 million was Class I, R\$ 44.8 million was Class II, R\$ 25.3 million was Class III and R\$ 1.3 million was extra-bankruptcy.
- II. **Court-Ordered Reorganization Plan** - The Company is finalizing the preparation of a new amendment to the Court-Ordered Reorganization Plan to reflect the agreements reached with the Creditors with Real Guarantees for a new extension of maturities and payment conditions, without any impact on the Company's other creditors.



### Generation

Energy Production reached 1,082 GWh in 2023, showing the delivery and execution capacity.



### Financial Result 2023 vs. 2022

- I. **Net revenue** of R\$ 227.8 million vs. R\$ 206.4 million, accounting for an increase of 10.4%
- II. **Energy margin<sup>1</sup>** of R\$ 185.7 million vs. R\$ 135.6 million
- III. **EBITDA** of R\$ 303.0 million vs. R\$ 1,056 billion, accounting for a decrease of 71.3%
- IV. **Adjusted EBITDA** of R\$ 67.5 million vs. R\$ 75.4 million, accounting for a decrease of 10.5%
- V. **Net loss** of R\$ 9.2 million vs. net profit of R\$ 777.1 million
- VI. **Adjusted net loss** of R\$ 16.1 million vs. -R\$ 276.5 million
- VII. **Closing cash balance** of R\$ 23.0 million considering financial investments

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<sup>1</sup> Energy margin considers net revenue, purchase costs and sectoral charges.

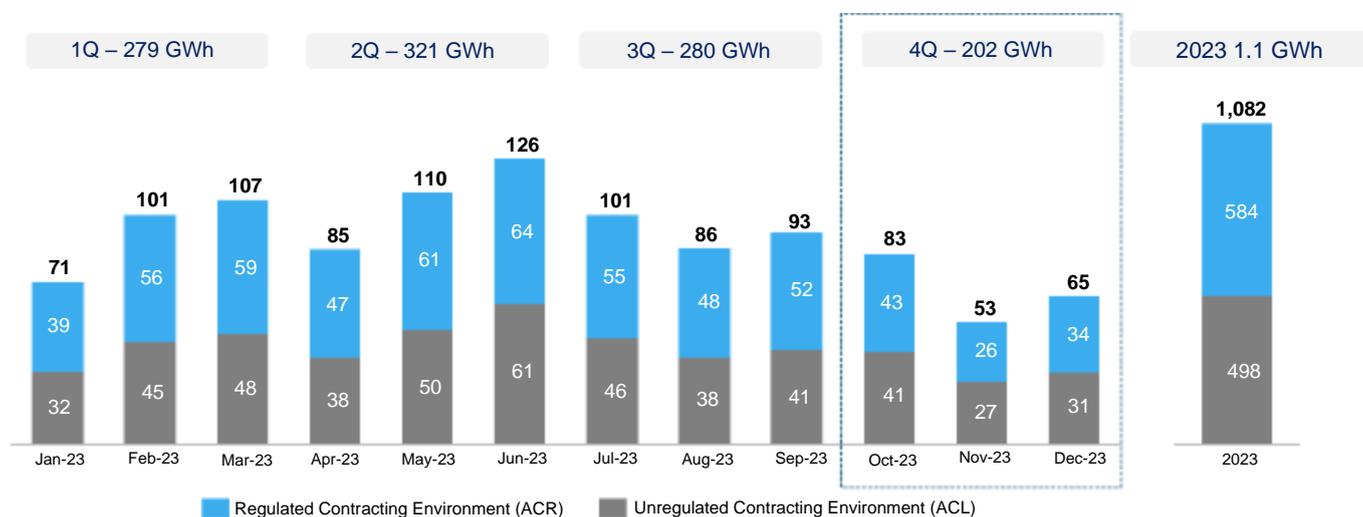


## 2. Generation

### 2.1 Energy Production

We present below the energy production calculated during the year 2023 in the Alto Sertão III Complex – Phase A.

Production in the fourth quarter of 2023 was 202 GWh, accounting for a reduction of 28%, or 78 GWh, compared to the previous quarter, and can be attributed both to required equipment maintenance and fluctuations in the region’s natural resources.



### 3. Financial information

#### 3.1 Statements of profit or loss

In the fourth quarter of 2023, the Renova Group presented a net profit of R\$ 125.9 million and a margin of 248.8%, compared to R\$ 750.3 million and a margin of 1,171% in the same period of the previous year.

In 2023, the loss totaled R\$ 9.2 million, against a net profit of R\$ 777.1 million at the end of 2022.

The main factor that caused the change is the reversal of the recoverable value of property, plant and equipment related to the Alto Sertão III Wind Complex – Phase A, of R\$ 819.8 million that occurred in 2022.

Furthermore, in the fourth quarter of 2023, we recorded the start of accounting for future mark-to-market commitments at our trading company, which had a positive impact of R\$ 167.6 million.

The table below presents a summary of the statements of profit or loss:

(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
Gross operating revenue	56,002	69,483	-19.4%	250,676	221,557	13.1%
(-) Taxes - PIS, Cofins and ICMS	(5,418)	(5,411)	0.1%	(22,838)	(15,154)	50.7%
<b>Net operating revenue (NOR)</b>	<b>50,584</b>	<b>64,072</b>	<b>-21.1%</b>	<b>227,838</b>	<b>206,403</b>	<b>10.4%</b>
Purchase of energy <sup>1</sup>	(6,419)	(5,301)	21.1%	(17,998)	(59,800)	-69.9%
Regulatory charges	(6,163)	(4,999)	23.3%	(24,104)	(10,962)	119.9%
Operating costs	(27,002)	(14,681)	83.9%	(82,059)	(33,409)	145.6%
Depreciation	(23,270)	(26,511)	-12.2%	(97,784)	(43,747)	123.5%
Future commitments - mark-to-market	167,560	-	n.a.	167,560	-	n.a.
<b>Gross profit</b>	<b>155,290</b>	<b>12,580</b>	<b>1134.4%</b>	<b>173,453</b>	<b>58,485</b>	<b>196.6%</b>
Administrative expenses	61,392	(40,528)	n.a.	24,917	(99,640)	n.a.
Administrative depreciation	(1,322)	(8,495)	-84.4%	(4,942)	(9,907)	-50.1%
Impairment of property, plant and equipment	-	819,755	n.a.	-	819,755	n.a.
Financial revenues and expenses	(31,035)	(37,183)	-16.5%	(149,536)	(214,585)	-30.3%
Gain on disposal of assets	-	8,498	n.a.	6,878	233,818	-97.1%
Income tax and social contribution	(58,469)	(4,344)	1246.0%	(60,008)	(10,806)	455.3%
<b>Net profit/loss</b>	<b>125,856</b>	<b>750,283</b>	<b>-83.2%</b>	<b>(9,238)</b>	<b>777,120</b>	<b>n.a.</b>
<i>Net margin</i>	<i>248.8%</i>	<i>1171.0%</i>	<i>-</i>	<i>-4.1%</i>	<i>376.5%</i>	<i>-</i>

<sup>1</sup>Opening of the Energy purchase item from 3Q23

As shown in the table below, in 2023, the adjusted net loss was R\$ 16.1 million, accounting for a decrease of 94.2% compared to the same period of the previous year. The Company recorded a gain on disposal of R\$ 6.9 million, resulting from the sale of Serra do Tigre.

Moreover, at the end of 2022, there was a gain on the sale of assets of R\$ 233.8 million and a reversal of the recoverable value of property, plant and equipment of R\$ 819.8 million, resulting in an adjusted net loss of R\$ 276.5 million.



(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
<b>Net profit/loss</b>	<b>125,856</b>	<b>750,283</b>	<b>-83.2%</b>	<b>(9,238)</b>	<b>77,120</b>	<b>n.a.</b>
Gain on disposal of assets	-	8,498	n.a.	6,878	233,818	-97.1%
Impairment of property, plant and equipment	-	819,755	n.a.	-	819,755	n.a.
<b>Adjusted net profit/loss</b>	<b>125,856</b>	<b>(77,970)</b>	<b>n.a.</b>	<b>(16,116)</b>	<b>(276,453)</b>	<b>-94.2%</b>

### 3.2 Operating revenue

Net operating revenue in the fourth quarter of 2023 was R\$ 50.6 million, accounting for a decrease of 21.1% compared to the same quarter of 2022.

As shown below, net wind revenue dropped 68.7% compared to the same quarter of the previous year. As for energy sales, there was an increase of 15.7%, compared to the same period in 2022.

In the year-to-date 2023, net revenue was R\$ 227.8 million, accounting for an increase of 10.4% versus the same period of the previous year.

The main factor was the low availability recorded in the Complex, mainly in the fourth quarter of 2023. Furthermore, generation restriction events impacted the energy generation of farms by 11%. During the year, we were impacted by 4%, which represents approximately 43 GWh.

(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
Net revenue - Wind	8,745	27,905	-68.7%	82,520	92,632	-10.9%
Net revenue - PCHs	-	-	n.a.	-	20,722	n.a.
Net revenue - Trading of energy	41,839	36,167	15.7%	145,318	93,049	56.2%
<b>Net operating revenue (NOR)</b>	<b>50,584</b>	<b>64,072</b>	<b>-21.1%</b>	<b>227,838</b>	<b>206,403</b>	<b>10.4%</b>

### 3.3 Operating costs

In the fourth quarter of 2023, costs totaled R\$ 39.6 million, accounting for an increase of 58.5% compared to the same period of the previous year.

There was an additional expenditure under the outsourced services item, spent with a partner to regularize the availability of the Complex.

Another factor is the energy purchases, reimbursements and penalties, which recorded a reduction in spending of 72.1% at the end of 2023.

It is worth highlighting that the ramp up of the ASIII Complex had as its starting point the first quarter of 2022 and was completed in the fourth quarter of the same year, generating an impact on the following captions: outsourced services, insurance and charges for the use of the transmission system.



A statement of operating costs is presented below:

(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
Outsourced services	24,132	10,562	128.5%	72,455	23,291	211.1%
Insurance	2,177	2,234	-2.6%	7,783	3,787	105.5%
Purchase of energy, reimbursements and penalties	6,980	7,041	-0.9%	17,998	64,600	-72.1%
Use and consumption material	102	9	1033.3%	1,637	241	579.3%
Renegotiation of hydrological risk	-	-	-	-	1,016	n.a.
Charges from the use of transmission	6,163	4,999	23.3%	24,104	10,962	119.9%
Other	30	136	-77.9%	184	274	-32.8%
<b>Total</b>	<b>39,584</b>	<b>24,981</b>	<b>58.5%</b>	<b>124,161</b>	<b>104,171</b>	<b>19.2%</b>

### 3.4 Consolidated expenses

Expenses totaled R\$ 20.0 million in 2023, accounting for a decrease of 97.2% compared to the same period of the previous year, with the main elements being the headings Civil and labor contingencies and Impairment of property, plant and equipment.

The main items in the fourth quarter and 2023 are presented below:

- **Outsourced services:** refer to expenses with consultancy, audit, lawyers and publication of statements of financial position. In the fourth quarter and the end of 2023, expenses for maintenance, cleaning and security of farms that were not operational were recognized. There was a reduction of approximately 50%, in line with the cost reduction plan.
- **Administrative expenses:** decrease of 10.7% reflecting better spending efficiency.
- **Civil, labor and tax contingencies:** in the fourth quarter of 2023, there was a considerable increase of 226.3%. Increase mainly due to agreements made with Class I. At the annual closing of 2023, there was a reduction of 91.2%, due to the public notice fine that occurred in 2022.
- **Insurance:** in the fourth quarter of 2023, there was an increase of 76.2% compared to the same period in 2022. Said increase was due to the contracting of an engineering risk policy and civil liability policy for works for the installation of equipment that was undergoing maintenance.
- **Onerous contract:** Due to the delay in the entry into operation of the Alto Sertão III Wind Complex farms that would meet the contracts on the free market, the subsidiary Renova Comercializadora maintains the obligation of the energy purchase and sale contracts, which are scheduled to expire in August 2035. The contracts are included in the Court-Ordered Reorganization Plan. Considering that the price established in these contracts is lower than the price of the energy being purchased to serve them, the Company identified these contracts as onerous.
- **Regulatory expenses:** reversals of Grants and Penalties for Phase B and Ler 13/14 held in October and December 2023.



A table showing the list of expenses for the fourth quarter, as well as the annual closing of 2023 versus the same period in 2022, is presented below:

(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
Personnel and management	8,421	8,753	-3.8%	30,293	24,595	23.2%
Outsourced services	3,930	7,870	-50.1%	13,113	25,518	-48.6%
Administrative expenses <sup>1</sup>	1,302	1,458	-10.7%	4,459	5,950	-25.1%
Insurance	1,487	844	76.2%	4,679	4,360	7.3%
Taxes and rates	51	118	-56.8%	657	1,524	-56.9%
Civil and labor contingencies	2,545	780	226.3%	2,397	27,337	-91.2%
Regulatory expenses <sup>2</sup>	(79,760)	20,266	n.a.	(77,738)	38,028	n.a.
Onerous contract	-	-	n.a.	-	(23,465)	n.a.
Impairment of property, plant and equipment	-	(819,755)	n.a.	-	(819,755)	n.a.
Contractual indemnifications	(3,940)	-	n.a.	-	-	n.a.
Depreciation	1,322	8,495	-84.4%	4,942	9,907	-50.1%
Other	4,572	439	941.5%	(2,777)	(4,207)	-34.0%
<b>Total</b>	<b>(60,070)</b>	<b>(770,732)</b>	<b>-92.2%</b>	<b>(19,975)</b>	<b>(710,208)</b>	<b>-97.2%</b>

<sup>1</sup> Administrative Expenses consider Travel, Telephony and IT and Consumable Materials.

<sup>2</sup> Regulatory Expenses considers Fees, Reimbursements and Penalties.

<sup>3</sup> Other considers: rents and leases, licenses and environmental studies and other expenses (revenues)

### 3.5 EBITDA and Adjusted EBITDA

In the fourth quarter of 2023, EBITDA reached R\$ 240.0 million, accounting for a reduction of 71.0% compared to the same period of the previous year, and the EBITDA margin reached 474.4%.

In 2023, EBITDA reached R\$ 303.0 million, with a margin of 133%, accounting for a decrease of 71.3% compared to the same period of the previous year.

Disregarding the effects of (i) results of future commitments, (ii) penalties and (iii) grant reversal, adjusted EBITDA in the fourth quarter of 2024 reached R\$ 11.3 million, accounting for a decrease of 71.8% in relation to same period of the previous year. In 2023, adjusted EBITDA reached R\$ 67.5 million, compared to R\$ 75.4 million in the same period of the previous year, or a reduction of 10.5%, as shown below:

(Amounts in R\$'000)	4Q23	4Q22	Change %	2023	2022	Change %
Net operating revenue (NOR)	50,584	64,072	-21.1%	227,838	206,403	10.4%
<b>Net profit/loss</b>	<b>125,856</b>	<b>750,283</b>	<b>-83.2%</b>	<b>(9,238)</b>	<b>777,120</b>	<b>n.a.</b>
(+) Income tax and social contribution	58,469	4,344	1246.0%	60,008	10,806	455.3%
(+) Depreciation and amortization	24,592	35,006	-29.7%	102,726	53,654	91.5%
(+) Financial expenses	31,792	38,450	-17.3%	152,875	231,495	-34.0%
(-) Financial revenues	(757)	(1,267)	-40.3%	(3,339)	(16,910)	-80.3%



<b>EBITDA1</b>	<b>239,952</b>	<b>826,816</b>	<b>-71.0%</b>	<b>303,032</b>	<b>1,056,165</b>	<b>-71.3%</b>
<i>EBITDA margin</i>	474.4%	1290.4%	-816.1 p.p.	133.0%	511.7%	-378.7 p.p.
(+) Impairment of fixed assets	-	(819,755)	n.a.	-	(819,755)	n.a.
(+) Gain/Loss from the sale of assets	-	(8,498)	n.a.	(6,878)	(233,818)	-97.1%
(-) Fine on reimbursement	-	7,865	n.a.	-	7,865	n.a.
(-) Regulatory penalties <sup>2</sup>	-	33,645	n.a.	-	64,938	n.a.
(-) Reversal of Grant Phase B	(61,080)		n.a.	(61,080)		n.a.
(-) Future commitments - mark-to-market	(167,560)	-	n.a.	(167,560)	-	n.a.
<b>Adjusted EBITDA<sup>1</sup></b>	<b>11,312</b>	<b>40,073</b>	<b>-71.8%</b>	<b>67,514</b>	<b>75,395</b>	<b>-10.5%</b>
<i>Adjusted EBITDA margin</i>	22.4%	62.5%	-40.2 p.p.	29.6%	36.5%	-6.9 p.p.

<sup>1</sup> EBITDA is a non-accounting measurement prepared by the Company and not reviewed by independent auditors, reconciled with its consolidated financial statements, in accordance with CVM Resolution 156, of June 23, 2022, consisting of net profit, adjusted for the effects of the net financial income, depreciation and amortization, and income tax and social contribution.

<sup>2</sup> Public notice fine R\$ 31,293, fine on reimbursement (LER 2013 and LER 2014) of R\$ 7,865, penalties for insufficient collateral of R\$ 4,549, fine for canceling the CUST of R\$ 21,231.

### 3.6 Financial result

The Company presented a net financial loss of R\$ 31.0 million in the fourth quarter of 2023, accounting for a decrease of 16.5% compared to the same period of the previous year.

In 2023, it totaled a negative amount of R\$ 149.6 million, a reduction of 30.3% compared to the same period of the previous year.

The main item that impacted the improvement in results was the termination of interests with related parties. Moreover, the lower cash balance impacted financial revenue by 40.3% in the fourth quarter of 2023.

The details of the Company's financial results are presented below:

<b>(Amounts in R\$'000)</b>	<b>4Q23</b>	<b>4Q22</b>	<b>Change %</b>	<b>2023</b>	<b>2022</b>	<b>Change %</b>
<b>Financial revenues</b>	<b>757</b>	<b>1,267</b>	<b>-40.3%</b>	<b>3,339</b>	<b>16,910</b>	<b>-80.3%</b>
Yields from financial investments	691	1,478	-53.2%	2,933	16,795	-82.5%
Other financial revenues	66	(211)	n.a.	406	115	253.0%
<b>Financial expenses</b>	<b>(31,792)</b>	<b>(38,450)</b>	<b>17.3%</b>	<b>(152,875)</b>	<b>(231,495)</b>	<b>34.0%</b>
Debt charges	(29,784)	(30,764)	3.2%	(124,735)	(137,466)	9.3%
Related party interest <sup>1</sup>	-	193	n.a.	-	(59,779)	n.a.
Other financial expenses <sup>2</sup>	(2,008)	(7,879)	74.5%	(28,140)	(34,250)	17.8%
<b>Financial result</b>	<b>(31,035)</b>	<b>(37,183)</b>	<b>16.5%</b>	<b>(149,536)</b>	<b>(214,585)</b>	<b>30.3%</b>

<sup>1</sup> Adjustment made between Interest with Related Parties and Other Financial Expenses in 3Q22 and 9M22.

<sup>2</sup> Other Financial Expenses consider: Interest, DIP anticipation penalty, loss on investments.



### 3.7 Court-Ordered Reorganization

The liabilities of Renova Group negotiated under court-ordered reorganization were segregated into four classes. The table below shows the changes in the balance in each class as at December 31, 2023:

Classes	Balance at 12/31/2022	Eligible credits	Payments made	Credit converted into claim	Interest/Charges	Balance at 12/31/2023
Class I - labor creditors	1,420	341	(971)	(680)	8	118
Class II - creditors with real guarantee	959,144	-	(44,845)	-	120,975	1,035,274
Class III - unsecured creditors	310,640	23,972	(25,262)	(30,554)	5,972	284,768
Class IV - creditors for microenterprises and small businesses	744	-	-	-	98	842
Extra-bankruptcy	28,309	-	(1,316)	-	3,565	30,558
<b>Total</b>	<b>1,300,257</b>	<b>24,313</b>	<b>(72,394)</b>	<b>(31,234)</b>	<b>130,618</b>	<b>1,351,560</b>

### 3.8 Loans and financing

The details of the Company's debt with the banks included in the Court-Ordered Reorganization Plan are presented below, which totals R\$ 1,074 billion in the consolidated, of which R\$ 1,035 billion is Class II, R\$ 8.8 million is Class III and R\$ 30.6 million is out-of-court proceedings. Excluding cash and cash equivalents, the net amount is R\$ 1,057 billion.

Renova Energia				
Contract	Taxa <sup>1</sup>	Term	R\$'000	
BNDES - Ponte I Diamantina Eólica	100% CDI <sup>a</sup>	08/14/2031	334,907	
Banco Bradesco	100% CDI <sup>a</sup>	08/14/2031	398,238	
Banco Itaú	100% CDI <sup>a</sup>	08/14/2031	145,697	
Citibank	100% CDI <sup>a</sup>	08/14/2031	98,154	
Banco ABC	100% CDI <sup>a</sup>	08/14/2031	58,278	
Citibank	100% CDI <sup>a</sup>	08/14/2034	30,558	
Banco Bradesco	0.5% p.a. TR <sup>b</sup>	08/14/2034	4,461	
Banco Itaú	0.5% p.a. TR <sup>b</sup>	08/14/2034	4,333	
<b>Total loans and financing</b>			<b>1,074,626</b>	
Disponibilidades <sup>2</sup>			17,600	
<b>Total loans and financing, net</b>			<b>1,057,026</b>	

<sup>1</sup> The rates were renegotiated in the court-ordered reorganization plan.

<sup>2</sup> Cash and cash equivalents are considered;

<sup>a</sup> Class II creditors; and

<sup>b</sup> Class III creditors.

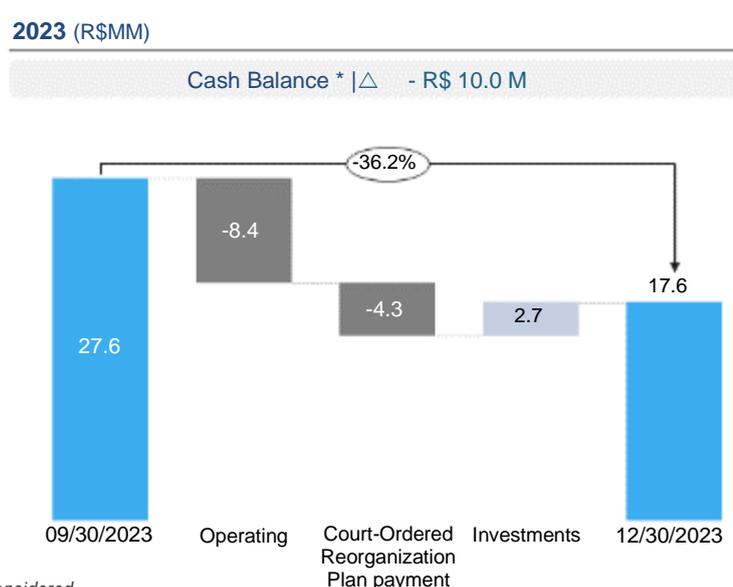


### 3.9 Cash flow (R\$ million)

In the fourth quarter of 2023, the Company's cash reduced by R\$ 10.0 million compared to the position as at September 30, 2023.

The changes are due to:

- **Operational (- R\$ 8.4 MM):** drop in cash in operational activities compared to 3Q23, mainly due to the new reimbursement values for LER 13 contracts, lower generation due to the ASIII wind cycle.
- **Court-Ordered Reorganization Plan payment (-R\$ 4.3 M):** decrease of R\$ 3.4 million referring to Class II payments and R\$ 900 thousand referring to Class III, made in the third quarter and which did not occur in the fourth quarter of 2023.
- **Investments (+R\$ 2.7 M):** expenses with investments linked to the payment of equipment suppliers for the implementation phase of wind farms and projects under development.



\*cash and cash equivalents are considered.

### 3.10 Statement of financial position

In the YTD for 2023, the Company' equity recorded an improvement of R\$ 22.1 million, with the main change in the increase in share capital carried out in the first quarter of 2023. Regarding accumulated losses, there was an increase of R\$ 9.2 million against 2022.

As the table below:



Statement of financial position

Amounts in R\$'000

Consolidated assets			Consolidated liabilities		
	12/31/2023	12/31/2022		12/31/2023	12/31/2022
<b>Current assets</b>	<b>138,882</b>	<b>116,702</b>	<b>Current liabilities</b>	<b>437,914</b>	<b>341,621</b>
Cash	17,600	63,773	Borrowings and financing	172,754	49,939
Financial investments	5,180	4,282	Trade accounts payable	63,750	58,392
Clients	32,930	30,367	Taxes payable	15,033	15,509
Recoverable taxes	20,300	13,032	Salaries, social security charges and vacation payable	7,220	9,111
Related parties	-	-	Accounts payable - CCEE	48,699	37,621
Advances to suppliers	1,620	1,127	Leases payable	1,395	3,686
Prepaid expenses	4,114	3,832	Other accounts payable	95,237	167,363
Future commitments	52,443	-	Future commitments	33,477	-
Other	4,433	289	Advances from clients	22	-
			Related parties	-	-
Assets held for sale	262	-	Liabilities directly linked to assets held for sale	327	-
<b>Non-current assets</b>	<b>2,937,256</b>	<b>2,697,717</b>	<b>Non-current liabilities</b>	<b>1,705,204</b>	<b>1,561,836</b>
Financial investments	312	278	Trade accounts payable	215,284	192,924
Other	9,454	10,838	Borrowings and financing	901,872	950,914
Property, plant and equipment	2,622,001	2,686,601	Provision for civil, tax, labor and regulatory risks	204,388	196,614
Future commitments	305,489	-	Future commitments	156,894	-
			Other	226,766	221,384
			<b>Equity</b>	<b>933,020</b>	<b>910,962</b>
			Capital	4,170,394	4,139,098
			(-) Cost for the issue of shares	(41,757)	(41,757)
			Capital reserve	1	1
			Accumulated losses	(3,195,618)	(3,186,380)
<b>Total assets</b>	<b>3,076,138</b>	<b>2,814,419</b>	<b>Total liabilities</b>	<b>3,076,138</b>	<b>2,814,419</b>



## 4. Shareholding structure

The subscribed and paid-in share capital until December 31, 2023 is R\$ 4,170,394,390 (gross of share issuance costs), divided into 249,483,956 registered, book-entry shares with no par value, of which 124,741,981 are common shares and 124,741,975 preferred shares, as follows:

Renova Energia S.A.*						
	Common shares		Preferred shares		Total shares	
<b>Controlling Block</b>	<b>26,328,648</b>	<b>21.11%</b>	<b>-</b>	<b>0.00%</b>	<b>26,328,648</b>	<b>10.55%</b>
AP Energias Renováveis Fundo de Invest. Em Part Multiestratégia	15,115,371	12.12%	-	0.00%	15,115,371	6.06%
Caetité Participações	10,329,025	8.28%	-	0.00%	10,329,025	4.14%
Renato do Amaral Figueiredo	884,252	0.71%	-	0.00%	884,252	0.35%
<b>Other shareholders</b>	<b>98,413,333</b>	<b>78.89%</b>	<b>124,741,975</b>	<b>100.00%</b>	<b>223,155,308</b>	<b>89.45%</b>
AP Energias Renováveis Fundo de Invest. Em Part Multiestratégia	66,545,129	53.35%	68,107,270	54.60%	134,652,399	53.97%
Renato do Amaral Figueiredo <sup>1</sup>	5,764,804	4.62%	4,527,141	3.63%	10,291,945	4.13%
Bndespar	696,683	0.56%	1,393,366	1.12%	2,090,049	0.84%
Caetité Participações	27,359	0.02%	406,795	0.33%	434,154	0.17%
Ricardo Lopes Delneri	3,943,770	3.16%	10,865,714	8.71%	14,809,484	5.94%
Free Float	21,435,588	17.18%	39,441,689	31.62%	60,877,277	24.40%
<b>Total</b>	<b>124,741,981</b>	<b>100.00%</b>	<b>124,741,975</b>	<b>100.00%</b>	<b>249,483,956</b>	<b>100.00%</b>

<sup>1</sup> it has 36,162 common shares blocked by the shareholders' agreement with BNDESPAR

## 5. Environmental, Social and Governance Issues

### 5.1 Environment

In the Alto Sertão III project, operating in the state of Bahia, the 22<sup>nd</sup> Ordinary Meeting of the Project Monitoring Committee – CAE was held on December 14, 2023. The members of the Commission (Governmental & Non-Governmental representatives and community leaders) had the opportunity to exchange information about the operational phase of this project, covering the aspects of meeting the conditions, with updates on the execution of basic environmental programs.



Figure 1 - Invitation to the 22<sup>nd</sup> CAE Meeting

During the meeting, the origin of the Alto Sertão da Bahia Museum - MASB was explained. This museum aims to “preserve the cultural heritage of Alto Sertão, adopting this territory as a field of research and social intervention.”

In this context and throughout the entire process, archaeological research carried out since 2010, during the environmental licensing of Renova Energia’s Wind Farms, has enabled the identification of a significant archaeological heritage, involving the study of 178 archaeological sites and 345 historical sites of archaeological interest to date.



Over 30 thousand archaeological pieces have already been collected, which, together with the documentation generated, provide references of major relevance to the history of this portion of the Alto Sertão da Bahia territory and achieving its main objective, which is its commitment to the development and strengthening of the territory, so that all archaeological material collected within the scope of licensing is kept in the museum’s collection. It is worth highlighting that this was one of the actions of the Company’s private initiative projects, within the scope of the Catavento Program.

Furthermore, a technical visit was carried out by members at the Renova Energia Operations Center – COREN, where attendees were given the opportunity to learn about the operation and monitoring system for energy production at the Alto Sertão III Wind Farm – COREN.

Thus, Renova Energia consolidates the channel for dialogue between the industries involved and affected, directly or indirectly, by the aforementioned project, celebrating the strengthening of the relationship with stakeholders.



Figure2 - Piece of the Campaign lecture

With the purpose of making Renova Energia employees and contracted companies aware of care and prevention attitudes, the socio-educational campaigns of the Social Communication Program were carried out by specialized professionals, highlighting the Yellow September campaigns (suicide prevention), Pink October (breast cancer prevention) and Blue November (prostate cancer prevention). Renova Energia’s Social Team continued the campaigns by distributing informative material in digital and printed media, aimed at several stakeholders for disclosing on the bulletin boards of schools and companies.

## 5.2 Social



Image 1 - Technical visit by students to the Alto Sertão III Complex wind farms.

Renova Energia participated in the 2<sup>nd</sup> Business Fair in the municipality of Pindaí/BA with an exhibition of handicrafts and family farming products. During the event, the Company’s social team carried out an action aimed at environmental education with debates on the environment, educational and informative lectures focused on family farming and entrepreneurship, as well as planting seeds.

Moreover, a technical visit was carried out to the wind farms of the Alto Sertão III Complex with students and teachers from schools in the Project region. They had the opportunity to follow the assembly of the section of a wind turbine at the wind farm and acquire technical knowledge on the process of implementing and operating a wind farm, enabling these students to internalize the relevance of the renewable energy generation topic and encouraging good neighborhood relationship between the project and the community.



## 6. Risks and Compliance

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The Compliance area’s mission is to ensure compliance with the Company’s rules and procedures, and value the strengthening of a culture of integrity based on risk management and monitoring.

Aiming to contribute to the dissemination of the Company’s Integrity and Sustainability program, we highlight one of the corporate actions related to the Sustainable Development Goals: **Community Relations**.

The Company develops sustainable actions, consecutively legitimized by the communities and which contribute to the establishment of long-term relationships based on ethics, trust and credibility of the company towards the people and communities in which it operates, respecting freedom of expression and peaceful demonstration, in accordance with the law and within the limits of the Code of Conduct and Corporate Anti-Corruption Policy.

## 7. Company’s projects

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### 7.1 Alto Sertão III Complex – Phase A

Alto Sertão III – Phase A has 26 wind farms, with an installed capacity of 432.6 MW – 155 GE Turbines and started commercial operation in December 2022. Energy is sold on the free and regulated markets (53.3% and 46.7%, respectively).



Image 2 Alto Sertão III Complex - Phase A

### 7.2 Caetitê Solar Complex



The Caetitê Solar Complex, located in the southwest of Bahia, has an installed capacity of 4.8MWp, consisting of 19,200 modules/panels of 245W each and 4 inverters.

The plant is completed and awaiting connection works and the energy will be sold in distributed generation, serving local consumers.



### 7.3 Projects under development

In the development phase, the Company has several projects with environmental licenses, certifications granted and in the initial phase of development with an estimated power of around 7 GW of wind and 2 GW of solar energy, located in several states in Brazil.

#### 7.3.1 Approximate location of wind projects

The environmental licenses granted to projects under development are under constant maintenance and fulfillment of their conditions, ensuring compliance with legal requirements.

Wind projects totaling 7 GW of capacity in the states: Bahia, Pernambuco, Paraíba, Rio Grande do Norte, Ceará, and Piauí.



#### 7.3.2 Approximate location of solar projects

We have a cluster of solar projects in the Caetit  region, a region with the highest solar irradiation in Brazil and with high development potential, totaling 420MW in an advanced phase.



## 8. Glossary

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**ACL** – Unregulated Contracting Environment

**ACR** – Regulated Contracting Environment

**ANEEL** – National Electrical Energy Agency

**CCEE** – Electric Power Trading Chamber

**Alto Sertão III Complex – Phase A (“AS III – Phase A”)** – Composed of 26 wind farms, located in the interior of Bahia, which sold energy in the LER 2013, LER 2014 and on the free market, with an installed capacity of 432.6 MW;

**Caetitê Solar Complex** – Solar farm with an installed capacity of 4.8 MWp, consisting of 19,200 panels of 245W each and 4 inverters, located in the southwest of Bahia, which will sell energy in the distributed generation modality;

**Market-to-Market (MtM)** – Market-to-Market or future energy purchase and sale commitments aim to reflect the positive and negative effects of the negotiated contracts. These are measured at fair value, with the forward price curve being used as the best estimate. Thus, the result of the difference between the contract price curve and the forward price curve is recorded as Market-to-Market (MtM), in addition to providing a more accurate assessment of the current value of an asset, reflecting the current market conditions.

**Curtailement or Constrained-off** - Cuts or reductions in energy production, ordered by the National System Operator (ONS).

**EBITDA** – Earnings before Interests, Taxes, Depreciation and Amortization.

**ESG** – Environmental, Social and Governance, generally used to measure a company’s environmental, social and governance practices;

**LER** – Reserve Energy Auction;

**Free Market** – Electric power contracting environment where prices are freely negotiated between the consumer and the generation or trading agent;

**Regulated Market** – Electric power contracting environment where the tariffs charged are regulated by ANEEL;

**UN** – The United Nations, an intergovernmental organization created to promote international cooperation;

**PCHs** – Small Hydroelectric Plants;

**PPR** – Profit sharing program;

**PLD Price** – Difference Settlement Price, serves as a benchmark for prices in the Free Energy Market and is used to value energy in the Short Term Market (MCP).

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*In compliance with Instruction of the Brazilian Securities and Exchange Commission (“CVM”) 381/03, we hereby disclose that in the period ended December 31, 2023, the independent auditors, BDO RCS Auditores Independentes (“BDO”), who provide services to the Company and its subsidiaries, did not perform any services not linked to the external audit that accounted for more than 5% of the fees contracted annually.*

