



AUREN ENERGIA S.A.

Publicly-held Company

Corporate Taxpayer's ID (CNPJ/MF) No. 28.594.234/0001-23
Company Registry No. (NIRE) 35300508271 | CVM Code No. 026620

MATERIAL FACT

Business Combination with AES Brasil Energia S.A.

AUREN ENERGIA S.A. ("**AUREN**" or "**COMPANY**"), in compliance with Article 157, § 4º, of Law No. 6,404, of 1976, as amended ("**Corporations Law**") and in accordance with CVM Resolution No. 44, of August 23, 2021, in line with the best transparency practices for providing information, announces that on May 15th, 2024, has signed, along with ARN HOLDING ENERGIA S.A. ("**ARN**"), AES BRASIL ENERGIA S.A. ("**AES BRASIL**"), AES HOLDINGS BRASIL LTDA. and AES HOLDINGS BRASIL II LTDA. the *Business Combination Agreement and Other Covenants* ("**Agreement**"), through which, among other matters, the combination of the businesses of AUREN and AES BRASIL was regulated, and to be implemented through a corporate reorganization that will ultimately result in AES BRASIL becoming a wholly-owned subsidiary of AUREN and in the unification of the shareholding bases of AUREN and AES BRASIL ("**Business Combination**" or "**Transaction**").

The Transaction will result in a single publicly-held company listed on B3's New Market (*Novo Mercado*), with a solid portfolio of 39 operating and under construction assets and potential to benefit from significant corporate, operational and financial synergies.

The Business Combination of AUREN and AES BRASIL will result in a significant platform with an installed capacity of 8.8 GW made-up of a solid portfolio of entirely renewable energy generation and combined EBITDA, for the year 2023, of R\$ 3.5 billion. AUREN, as the resulting combined company, will become the 3rd largest energy generating company in Brazil and one of the country's best combinations in terms of renewable source diversification, through the distribution of its capacity in hydroelectric generation (54%), wind generation (36%) and solar generation (10%). AUREN currently occupies the 11th position among the largest generators in Brazil.

The transaction will consolidate AUREN's already-held leadership as the largest energy trader in Brazil, which will have an additional competitive advantage with the aggregation of the combined company's generation capacity. With an outstanding performance in all customer segments, essential to meet the growth and energy demand in Brazil, Auren Comercializadora will now trade 4.1 GW of average energy, equivalent to more than 5% of the country's total consumption.



The Agreement establishes that the Transaction will be implemented through the merger, by ARN, a company wholly owned by AUREN, of the totality of the ordinary shares issued by AES BRASIL, with the consequent conversion of AES BRASIL into a wholly-owned subsidiary of ARN (“**Merger of Shares**”) and issuance, by ARN, of new common shares and compulsorily redeemable preferred shares. Subsequently, ARN will be merged into AUREN, so that ARN will cease to exist and AUREN will become the sole owner and holder of all shares issued by AES BRASIL (“**Merger**”).

The profitability perspective parameter (income approach) provided for in article 170, paragraph 1, item I of the Corporations Law, was adopted for negotiating the share exchange ratio proposed for the Merger and evaluating the equity value of AES BRASIL (“**AES BRASIL ON Shares**”) and AUREN (“**AUREN ON Shares**”).

In this regard, for each 1 AES BRASIL ON Shares held by AES BRASIL shareholders, 0,762376237623 Auren ON Shares will be delivered (“**Exchange Ratio**”).

In the context of the Transaction, each shareholder of AES BRASIL may choose between 3 options as described below.

Based on the Exchange Ratio, AES BRASIL’s shareholders will be granted the following options, represented by the sum of the value of AUREN ON Shares (if applicable in the chosen option) plus the amount in national currency, per each AES BRASIL ON Share:

	Option 1	Option 2	Option 3
AUREN ON Shares received for each AES BRASIL ON Share	0,686138613861	0,381188118811	0,000000000000
Amount in national currency received for each AES BRASIL ON Share	R\$ 1,155000000000	R\$ 5,775000000000	R\$ 11,550000000000
Percentage received in AUREN ON Shares	90%	50%	0%
Percentage received in national currency	10%	50%	100%

Option 1 shall be considered the standard applicable to all of AES BRASIL’s shareholders that do not manifest their choice for Option 2 or Option 3 in the form and within the deadlines to be disclosed upon consummation of the Transaction.

The AES Corporation, the indirect controlling shareholder of AES BRASIL, has sent a letter to AUREN and to AES BRASIL on the date hereof, informing that it will opt for Option 3 and receive 100% of its stake in national currency.



However, Votorantim S.A., which is part of the controlling block of AUREN and that also currently holds 4,1% of the total and voting share capital of AES BRASIL, has informed, by means of a letter sent to AUREN and AES BRASIL on the date hereof that, considering its long-term investment strategy in the Brazilian market of energy generation and commercialization, it will opt and choose Option 1 and receive its stake in AES BRASIL 90% in AUREN ON Shares and 10% in national currency.

Once the required documentation is concluded, including the protocol and justification of the Merger of Shares and of the Merger, the management of both AUREN and AES BRASIL will call their respective general shareholders' meetings to resolve the matters related to the Transaction.

In accordance with Articles 136 and 137 of the Corporations Law, since AUREN is the merging entity, the shareholders of AUREN will not be entitled to withdrawal rights as a result of the approval of the Transaction.

The controlling shareholders of both AUREN and AES BRASIL have committed to vote in favor of approving the Transaction in all applicable instances.

The closing of the Transaction is subject to fulfillment of customary conditions precedent for transactions of this nature, including approval by the Administrative Council for Economic Defense (*Conselho Administrativo de Defesa Econômica - CADE*) and by the National Electric Energy Agency (*Agência Nacional de Energia Elétrica - ANEEL*).

At this important stage in its history, AUREN reinforces its belief and confidence in the potential of the Brazilian electricity sector, as well as its commitment to value creation and financial discipline. Based on the Company's guiding principle of building a transparent and solid relationship with the market, AUREN's management remains fully available for any clarifications required.

The Agreement will be available to AUREN shareholders as of the date hereof on its headquarters, on its Investor Relations website (<https://ri.aurenenergia.com.br/en/>) and on the websites of Brazilian Securities and Exchange Commission - *Comissão de Valores Mobiliários - CVM* (www.cvm.gov.br) and B3 S.A. - *Brasil, Bolsa, Balcão* (www.b3.com.br).

Additional disclosures to the market will be made in due course in accordance with the applicable law, including those required by CVM Resolution No. 78, dated as of March 29, 2022.



Lazard acted as financial advisor to AUREN and Stocche Forbes Advogados acted as legal advisor to AUREN.

Additionally, AUREN will host an open presentation to its investors and the market in general regarding the information contained in this Material Fact, which will take place on May 16th, 2024, 2024, at 9 a.m., with online streaming available through the following link: https://mzgroup.zoom.us/webinar/register/WN_wE6PLNXBT3Sty-XUFcsXvg.

São Paulo, May 15th, 2024.

Mario Bertoncini

Finance VP and Investor Relations Officer