# Indices

## Company Information / Capital Breakdown

| Number of Shares (Thousand) | Current Quarter 06/30/2023 |
|---|---|
| **Paid-up Capital** | |
| **Common Shares** | 15,527 |
| **Preferred Shares** | 23,044 |
| **Total** | 38,571 |
| **Treasury Shares** | |
| **Common Shares** | 0 |
| **Preferred Shares** | 0 |
| **Total** | 0 |

## Parent Company Financial Statements / Statement of Financial Position – Assets (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous year 12/31/2022 |
|---|---|---|---|
| 1 | Total Assets | 3,417,178 | 3,105,004 |
| 1.01 | Current Assets | 290,758 | 302,455 |
| 1.01.01 | Cash and Cash Equivalents | 48,418 | 48,205 |
| 1.01.06 | Taxes Recoverable | 46,805 | 44,331 |
| 1.01.06.01 | Current Taxes Recoverable | 46,805 | 44,331 |
| 1.01.06.01.01 | Income Tax and Social Contribution Recoverable | 46,805 | 44,331 |
| 1.01.08 | Other Current Assets | 195,535 | 209,919 |
| 1.01.08.03 | Other | 195,535 | 209,919 |
| 1.01.08.03.01 | Dividends Receivable | 195,361 | 209,296 |
| 1.01.08.03.03 | Other Credits | 174 | 623 |
| 1.02 | Noncurrent Assets | 3,126,420 | 2,802,549 |
| 1.02.01 | Long-Term Receivables | 80,005 | 77,660 |
| 1.02.01.02 | Financial Investments at Fair Value through Other Comprehensive Income | 208 | 217 |
| 1.02.01.02.02 | Other Securities | 208 | 217 |
| 1.02.01.10 | Other Noncurrent Assets | 79,797 | 77,443 |
| 1.02.01.10.03 | Court Deposits | 79,780 | 77,402 |
| 1.02.01.10.04 | Other Credits | 17 | 41 |
| 1.02.02 | Investments | 3,042,723 | 2,720,813 |
| 1.02.02.01 | Equity Interests | 3,042,723 | 2,720,813 |
| 1.02.02.01.01 | Interests in Affiliates | 126,066 | 116,358 |
| 1.02.02.01.02 | Interests in Affiliates | 2,774,519 | 2,468,490 |
| 1.02.02.01.03 | Interest in Joint Ventures | 142,138 | 135,965 |
| 1.02.03 | PP&E | 5 | 138 |
| 1.02.03.01 | Fixed Assets in Operation | 5 | 6 |
| 1.02.03.02 | Right of Use - Lease | 0 | 132 |
| 1.02.04 | Intangible Assets | 3,687 | 3,938 |
| 1.02.04.01 | Intangible Assets | 3,687 | 3,938 |
| 1.02.04.01.01 | Concession Agreement | 3,687 | 3,938 |

## Parent Company Financial Statements / Statement of Financial Position – Liabilities (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous year 12/31/2022 |
|---|---|---|---|
| 2 | Total Liabilities | 3,417,178 | 3,105,004 |
| 2.01 | Current Liabilities | 188,118 | 196,375 |
| 2.01.01 | Social and Labor Obligations | 1,715 | 1,538 |
| 2.01.01.01 | Social Obligations | 1,715 | 1,538 |
| 2.01.01.01.01 | Social Charges | 1,715 | 1,538 |
| 2.01.02 | Suppliers | 560 | 900 |
| 2.01.02.01 | Domestic Suppliers | 560 | 900 |
| 2.01.03 | Tax Obligations | 9,273 | 34,799 |
| 2.01.03.01 | Federal Tax Obligations | 9,177 | 34,705 |
| 2.01.03.01.01 | Income Tax and Social Contribution Payable | 0 | 2,863 |
| 2.01.03.01.02 | Other Federal Tax Obligations | 3,935 | 22,183 |
| 2.01.03.01.03 | PIS/COFINS | 5,242 | 9,659 |
| 2.01.03.03 | Municipal Tax Obligations | 96 | 94 |
| 2.01.05 | Other Liabilities | 176,570 | 159,138 |
| 2.01.05.02 | Other | 176,570 | 159,138 |
| 2.01.05.02.01 | Dividends and IOE payable | 175,224 | 157,602 |
| 2.01.05.02.04 | Other Current Liabilities | 1,346 | 1,395 |
| 2.01.05.02.08 | Lease liabilities | 0 | 141 |
| 2.02 | Noncurrent Liabilities | 27,869 | 25,453 |
| 2.02.04 | Provisions | 27,869 | 25,453 |
| 2.02.04.01 | Tax, Social Security, Labor, and Civil Provisions | 24,511 | 22,095 |
| 2.02.04.01.01 | Tax Provisions | 23,983 | 19,222 |
| 2.02.04.01.03 | Provisions for Employee Benefits | 0 | 2,298 |
| 2.02.04.01.04 | Civil Provisions | 528 | 575 |
| 2.02.04.02 | Other Provisions | 3,358 | 3,358 |
| 2.02.04.02.04 | Regulatory Provisions | 3,358 | 3,358 |
| 2.03 | Shareholders’ Equity | 3,201,191 | 2,883,176 |
| 2.03.01 | Paid-up Share Capital | 2,480,000 | 2,480,000 |
| 2.03.02 | Capital Reserves | 316 | 316 |
| 2.03.02.06 | Advance for Future Capital Increase | 316 | 316 |
| 2.03.04 | Profit Reserves | 1,538,825 | 1,561,699 |
| 2.03.04.01 | Legal Reserve | 251,495 | 251,495 |
| 2.03.04.05 | Retained Earnings Reserve | 1,287,330 | 1,287,330 |
| 2.03.04.08 | Additional dividend proposed | 0 | 22,874 |
| 2.03.05 | Retained Earnings/Accumulated Losses | 341,182 | 0 |
| 2.03.06 | Equity Valuation Adjustments | -1,159,132 | -1,158,839 |

## Individual Financial Statements / Income Statement (R$ thousand)

| Code Account | Description | Current Quarter 01/04/2023 to 06/30/2023 | 1st Half of 2023 01/01/2023 to 06/30/2023 | 2nd Quarter of 2022 04/01/2022 to 06/30/2022 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|---|---|
| 3.04 | Operating Expenses/Revenues | 212,129 | 433,125 | 100,532 | 363,264 |
| 3.04.02 | General and Administrative Expenses | -9,036 | -15,016 | -9,181 | -14,662 |
| 3.04.04 | Other Operating Income | 120 | 2,006 | 0 | 3,699 |
| 3.04.05 | Other Operating Expenses | 0 | 0 | -89 | 0 |
| 3.04.06 | Equity Pickup | 221,045 | 446,135 | 109,802 | 374,227 |
| 3.05 | Income Before Financial Results and Taxes | 212,129 | 433,125 | 100,532 | 363,264 |
| 3.06 | Financial Result | 2,841 | -92 | 634 | -2,239 |
| 3.06.01 | Financial Income | 2,935 | 54 | 826 | 0 |
| 3.06.02 | Financial Expenses | -94 | -146 | -192 | -2,239 |
| 3.07 | Earnings Before Taxes on Income | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.09 | Net Income from Continuing Operations | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.11 | Profit/Loss for the Period | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.99 | Earnings per Share - (R$/Share) | | | | |
| 3.99.01 | Basic Earnings per Share | | | | |
| 3.99.01.01 | Common Shares | 5.2591 | 10.5938 | 2.4749 | 8.8322 |
| 3.99.01.02 | Preferred Shares | 5.785 | 11.6532 | 2.7224 | 9.7154 |
| 3.99.02 | Diluted Earnings per Share | | | | |
| 3.99.02.01 | Common Shares | 5.2591 | 10.5938 | 2.4749 | 8.8322 |
| 3.99.02.02 | Preferred Shares | 5.785 | 11.6532 | 2.7224 | 9.7154 |

## Individual Financial Statements / Statement of Comprehensive Income (R$ thousand)

| Code Account | Description | Current Quarter 01/04/2023 to 06/30/2023 | 1st Half of 2023 01/01/2023 to 06/30/2023 | 2nd Quarter of 2022 04/01/2022 to 06/30/2022 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|---|---|
| 4.01 | Net Income for the Period | 214,970 | 433,033 | 101,166 | 361,025 |
| 4.02 | Other Comprehensive Income | 0 | 0 | -6,614 | -6,614 |
| 4.03 | Comprehensive Income for the Period | 214,970 | 433,033 | 94,552 | 354,411 |

## Parent Company Financial Statements / Statement of Cash Flows - Indirect Method (R$ thousand)

| Code Account | Description | 1st Half of 2023 01/01/2023 to 06/30/2023 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|
| 6.01 | Net Cash from Operating Activities | -43,544 | -49,551 |
| 6.01.01 | Cash Generated from Operations | -15,987 | -8,047 |
| 6.01.01.01 | Net Income before Income Tax and Social Contribution | 433,033 | 361,025 |
| 6.01.01.02 | Depreciation and Amortization | 1,118 | 1,100 |
| 6.01.01.03 | Equity Pickup | -446,135 | -374,227 |
| 6.01.01.04 | Interest and Monetary Variations | -3,520 | -146 |
| 6.01.01.06 | Interest Paid | -3 | -12 |
| 6.01.01.07 | Creation (Reversal) of Provision for Contingent Liabilities | 2,416 | 4,213 |
| 6.01.01.08 | IRPJ and CSLL Paid | -2,896 | 0 |
| 6.01.02 | Variations in Assets and Liabilities | -27,557 | -41,504 |
| 6.01.02.01 | Taxes Recoverable | -2,474 | 561 |
| 6.01.02.02 | Other Accounts - Assets | 482 | 2 |
| 6.01.02.03 | Court Deposits | 1,145 | -24,547 |
| 6.01.02.04 | Suppliers | -340 | -431 |
| 6.01.02.05 | Social Security and Labor Obligations | 177 | 1,006 |
| 6.01.02.06 | Taxes Payable | -26,498 | -18,421 |
| 6.01.02.07 | Other Accounts - Liabilities | -49 | 326 |
| 6.02 | Net Cash from Investing Activities | 137,426 | 126,232 |
| 6.02.02 | Interest Received from Loans Celesc D | 0 | 409 |
| 6.02.03 | Principal Amount Received from Loan - Celesc D | 0 | 15,000 |
| 6.02.04 | Dividends Received | 137,426 | 110,823 |
| 6.03 | Net Cash from Financing Activities | -93,669 | -69,735 |
| 6.03.02 | Dividends Paid | -93,528 | -69,622 |
| 6.03.04 | Payment of Lease Liabilities | -141 | -113 |
| 60,05 | Increase (Decrease) in Cash and Cash Equivalents | 213 | 6,946 |
| 6.05.01 | Opening Balance of Cash and Cash Equivalents | 48,205 | 26,872 |
| 6.05.02 | Closing Balance of Cash and Cash Equivalents | 48,418 | 33,818 |

# Income Statement - Parent Company / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2023 to 06/30/2023 (R$ thousand)

| Code Account | Description | Paid-up Capital | Capital Reserves, Options Granted and Treasury Shares | Profit Reserves | Retained Earnings/Accumulated Losses | Other Comprehensive Income | Equity |
|---|---|---|---|---|---|---|---|
| 5.01 | Opening Balances | 2,480,000 | 316 | 1,561,699 | 0 | -1,158,839 | 2,883,176 |
| 5.03 | Adjusted Opening Balances | 2,480,000 | 316 | 1,561,699 | 0 | -1,158,839 | 2,883,176 |
| 5.04 | Capital transactions with members | 0 | 0 | -22,874 | -92,144 | 0 | -115,018 |
| 5.04.06 | Dividends | 0 | 0 | -22,874 | 0 | 0 | -22,874 |
| 5.04.07 | Interest on Equity | 0 | 0 | 0 | -92,144 | 0 | -92,144 |
| 5.05 | Total Comprehensive Income | 0 | 0 | 0 | 433,326 | -293 | 433,033 |
| 5.05.01 | Net Income for the Period | 0 | 0 | 0 | 433,033 | 0 | 433,033 |
| 5.05.03 | Reclassifications to Profit/Loss | 0 | 0 | 0 | 293 | -293 | 0 |
| 5.05.03.02 | Realization of Attributed Cost | 0 | 0 | 0 | 293 | -293 | 0 |
| 5.07 | Closing Balances | 2,480,000 | 316 | 1,538,825 | 341,182 | -1,159,132 | 3,201,191 |

# Income Statement - Parent Company / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2022 to 06/30/2022 (R$ thousand)

| Code Account | Description | Paid-up Capital | Capital Reserves, Options Granted and Treasury Shares | Profit Reserves | Retained Earnings/Accumulated Losses | Other Comprehensive Income | Equity |
|---|---|---|---|---|---|---|---|
| 5.01 | Opening Balances | 2,480,000 | 316 | 1,191,329 | 0 | -1,050,276 | 2,621,369 |
| 5.03 | Adjusted Opening Balances | 2,480,000 | 316 | 1,191,329 | 0 | -1,050,276 | 2,621,369 |
| 5.04 | Capital transactions with members | 0 | 0 | 0 | -76,599 | 0 | -76,599 |
| 5.04.07 | Interest on Equity | 0 | 0 | 0 | -76,599 | 0 | -76,599 |
| 5.05 | Total Comprehensive Income | 0 | 0 | 0 | 361,344 | -6,933 | 354,411 |
| 5.05.01 | Net Income for the Period | 0 | 0 | 0 | 361,025 | 0 | 361,025 |
| 5.05.02 | Other Comprehensive Income | 0 | 0 | 0 | 0 | -6,614 | -6,614 |
| 5.05.02.01 | Financial Instrument Adjustments | 0 | 0 | 0 | 0 | -6,614 | -6,614 |
| 5.05.03 | Reclassifications to Profit/Loss | 0 | 0 | 0 | 319 | -319 | 0 |
| 5.05.03.02 | Realization of Attributed Cost | 0 | 0 | 0 | 319 | -319 | 0 |
| 5.07 | Closing Balances | 2,480,000 | 316 | 1,191,329 | 284,745 | -1,057,209 | 2,899,181 |

## Parent Company Financial Statements / Value Added Statement (R$ thousand)

| Code Account | Description | 1st Half of 2023 01/01/2023 to 06/30/2023 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|
| 7.01 | Revenue | 11,456 | 11,220 |
| 7.01.02 | Other Revenues | 11,456 | 11,220 |
| 7.02 | Inputs Acquired from Third Parties | -10,221 | -8,284 |
| 7.02.02 | Materials, Energy, Outsourced Services, and Others | -10,221 | -8,284 |
| 7.03 | Gross Value Added | 1,235 | 2,936 |
| 7.04 | Retentions | -1,118 | -1,101 |
| 7.04.01 | Depreciation, Amortization, and Depletion | -1,118 | -1,101 |
| 7.05 | Net Value Added Produced | 117 | 1,835 |
| 7.06 | Value Added Received in Transfer | 456,178 | 380,219 |
| 7.06.01 | Equity Pickup | 446,135 | 374,226 |
| 7.06.02 | Financial Income | 7,381 | 1,993 |
| 7.06.03 | Other | 2,662 | 4,000 |
| 7.07 | Total Value Added to be Distributed | 456,295 | 382,054 |
| 7.08 | Distribution of Value Added | 456,295 | 382,054 |
| 7.08.01 | Personnel | 10,276 | 10,189 |
| 7.08.01.01 | Direct Compensation | 9,521 | 9,486 |
| 7.08.01.02 | Benefits | 332 | 304 |
| 7.08.01.03 | Guarantee Fund for Length of Service (FGTS) | 423 | 399 |
| 7.08.02 | Taxes, Fees, and Contributions | 12,819 | 10,415 |
| 7.08.02.01 | Federal | 12,111 | 9,992 |
| 7.08.02.03 | Municipal | 708 | 423 |
| 7.08.03 | Return on Third-Party Capital | 167 | 425 |
| 7.08.03.01 | Interest | 146 | 238 |
| 7.08.03.02 | Rental | 21 | 187 |
| 7.08.04 | Return on Equity | 433,033 | 361,025 |
| 7.08.04.01 | Interest on Equity | 92,144 | 0 |
| 7.08.04.02 | Dividends | 0 | 76,599 |
| 7.08.04.03 | Retained Earnings/Accumulated Losses for the Period | 340,889 | 284,426 |

## Consolidated Financial Statements / Statement of Financial Position – Assets (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous Year 12/31/2022 |
|---|---|---|---|
| 1 | Total Assets | 11,795,191 | 11,628,067 |
| 1.01 | Current Assets | 3,891,018 | 3,678,616 |
| 1.01.01 | Cash and Cash Equivalents | 1,033,761 | 940,684 |
| 1.01.03 | Accounts Receivable | 1,742,512 | 1,758,933 |
| 1.01.03.01 | Trade Receivables | 1,560,557 | 1,584,123 |
| 1.01.03.01.01 | Trade receivables | 1,909,457 | 1,908,703 |
| 1.01.03.01.02 | Allowance for doubtful accounts - PECLD | -348,900 | -324,580 |
| 1.01.03.02 | Other Accounts Receivable | 181,955 | 174,810 |
| 1.01.04 | Inventories | 30,574 | 20,019 |
| 1.01.06 | Taxes Recoverable | 824,330 | 699,238 |
| 1.01.06.01 | Current Taxes Recoverable | 824,330 | 699,238 |
| 1.01.06.01.01 | Income Tax and Social Contribution Recoverable | 71,641 | 64,134 |
| 1.01.06.01.02 | Taxes Recoverable | 752,689 | 635,104 |
| 1.01.08 | Other Current Assets | 259,841 | 259,742 |
| 1.01.08.03 | Other | 259,841 | 259,742 |
| 1.01.08.03.01 | Financial Asset - Indemnification of the Pery Plant Basic Project | 18,065 | 17,536 |
| 1.01.08.03.02 | Water Shortage Bonus | 1,138 | 1,138 |
| 1.01.08.03.03 | Dividends Receivable | 11,836 | 20,422 |
| 1.01.08.03.04 | Other Credits | 140,488 | 133,541 |
| 1.01.08.03.06 | Financial Asset - Grant Bonus | 41,228 | 40,019 |
| 1.01.08.03.07 | CDE Funds to Cover CVA | 47,086 | 47,086 |
| 1.02 | Noncurrent Assets | 7,904,173 | 7,949,451 |
| 1.02.01 | Long-Term Receivables | 2,859,083 | 3,143,744 |
| 1.02.01.02 | Financial Investments at Fair Value through Other Comprehensive Income | 208 | 217 |
| 1.02.01.02.02 | Other Securities | 208 | 217 |
| 1.02.01.04 | Accounts Receivable | 16,238 | 19,273 |
| 1.02.01.04.01 | Customers | 13,412 | 16,775 |
| 1.02.01.04.03 | Other Accounts Receivable | 2,826 | 2,498 |
| 1.02.01.07 | Deferred Taxes | 665,376 | 709,023 |
| 1.02.01.07.01 | Deferred Income Tax and Social Contribution | 665,376 | 709,023 |
| 1.02.01.10 | Other Noncurrent Assets | 2,177,261 | 2,415,231 |
| 1.02.01.10.03 | Taxes Recoverable | 167,499 | 524,780 |
| 1.02.01.10.04 | Court Deposits | 390,528 | 359,870 |
| 1.02.01.10.05 | Financial Assets Indemnification - Concession | 673,785 | 599,069 |
| 1.02.01.10.06 | Financial Assets - Portion A – CVA | 0 | 76,448 |
| 1.02.01.10.07 | Financial Asset - Grant Bonus | 314,081 | 306,791 |
| 1.02.01.10.09 | Financial Asset - Indemnification of the Pery Plant Basic Project | 142,645 | 139,304 |
| 1.02.01.10.10 | Contract assets | 488,723 | 408,969 |
| 1.02.02 | Investments | 378,744 | 363,279 |
| 1.02.02.01 | Equity Interests | 378,744 | 363,279 |
| 1.02.02.01.01 | Interests in Affiliates | 236,606 | 227,314 |
| 1.02.02.01.04 | Interest in Joint Ventures | 142,138 | 135,965 |
| 1.02.03 | PP&E | 167,131 | 133,865 |
| 1.02.03.01 | Fixed Assets in Operation | 35,582 | 35,945 |
| 1.02.03.02 | Right of Use - Lease | 19,683 | 7,765 |

## Consolidated Financial Statements / Statement of Financial Position – Assets (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous Year 12/31/2022 |
|---|---|---|---|
| 1.02.03.03 | Construction in Progress | 111,866 | 90,155 |
| 1.02.04 | Intangible Assets | 4,499,215 | 4,308,563 |
| 1.02.04.01 | Intangible Assets | 4,499,215 | 4,308,563 |
| 1.02.04.01.01 | Concession Agreement | 4,450,239 | 4,258,464 |
| 1.02.04.01.02 | Hydrological Risk Renegotiation – GSF | 45,289 | 46,161 |
| 1.02.04.01.03 | Other Intangible Assets | 3,687 | 3,938 |

## Consolidated Financial Statements / Statement of Financial Position – Liabilities (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous Year 12/31/2022 |
|---|---|---|---|
| 2 | Total Liabilities | 11,795,191 | 11,628,067 |
| 2.01 | Current Liabilities | 4,114,933 | 3,757,419 |
| 2.01.01 | Social and Labor Obligations | 220,844 | 227,670 |
| 2.01.01.01 | Social Obligations | 220,844 | 227,670 |
| 2.01.02 | Suppliers | 920,189 | 1,016,513 |
| 2.01.02.01 | Domestic Suppliers | 920,189 | 1,016,513 |
| 2.01.03 | Tax Obligations | 302,154 | 289,797 |
| 2.01.03.01 | Federal Tax Obligations | 121,695 | 118,891 |
| 2.01.03.01.01 | Income Tax and Social Contribution Payable | 58,301 | 30,996 |
| 2.01.03.01.02 | PIS/COFINS | 48,610 | 49,419 |
| 2.01.03.01.03 | Other | 14,784 | 38,476 |
| 2.01.03.02 | State Tax Obligations | 178,145 | 168,346 |
| 2.01.03.03 | Municipal Tax Obligations | 2,314 | 2,560 |
| 2.01.04 | Loans and Financing | 549,764 | 507,699 |
| 2.01.04.01 | Loans and Financing | 371,179 | 297,229 |
| 2.01.04.01.01 | In Domestic Currency | 305,420 | 262,833 |
| 2.01.04.01.02 | In Foreign Currency | 65,759 | 34,396 |
| 2.01.04.02 | Debentures | 178,585 | 210,470 |
| 2.01.05 | Other Liabilities | 1,878,942 | 1,473,502 |
| 2.01.05.02 | Other | 1,878,942 | 1,473,502 |
| 2.01.05.02.01 | Dividends and IOE payable | 175,224 | 157,602 |
| 2.01.05.02.04 | Regulatory Fees | 61,585 | 56,066 |
| 2.01.05.02.07 | Financial Liability - "Portion A" - CVA | 580,524 | 753,564 |
| 2.01.05.02.08 | Lease liabilities | 9,471 | 1,579 |
| 2.01.05.02.09 | Water Shortage Bonus | 1,120 | 1,144 |
| 2.01.05.02.10 | PIS/COFINS to be Refunded to Consumers | 914,125 | 366,981 |
| 2.01.05.02.20 | Other Current Liabilities | 136,893 | 136,566 |
| 2.01.06 | Provisions | 243,040 | 242,238 |
| 2.01.06.01 | Tax, Social Security, Labor, and Civil Provisions | 243,040 | 242,238 |
| 2.01.06.01.03 | Provisions for Employee Benefits | 243,040 | 242,238 |
| 2.02 | Noncurrent Liabilities | 4,479,067 | 4,987,472 |
| 2.02.01 | Loans and Financing | 1,924,030 | 1,941,569 |
| 2.02.01.01 | Loans and Financing | 1,606,285 | 1,545,926 |
| 2.02.01.01.01 | In Domestic Currency | 368,891 | 414,003 |
| 2.02.01.01.02 | In Foreign Currency | 1,237,394 | 1,131,923 |
| 2.02.01.02 | Debentures | 317,745 | 395,643 |
| 2.02.02 | Other Liabilities | 446,190 | 897,732 |
| 2.02.02.02 | Other | 446,190 | 897,732 |
| 2.02.02.02.03 | Social and Labor Obligations | 33,252 | 50,410 |
| 2.02.02.02.04 | Regulatory Fees | 104,470 | 106,643 |
| 2.02.02.02.06 | Financial Liability - "Portion A" - CVA | 65,162 | 0 |
| 2.02.02.02.09 | PIS/COFINS refundable to Consumers | 232,272 | 733,963 |
| 2.02.02.02.10 | Lease liabilities | 11,034 | 6,716 |
| 2.02.03 | Deferred Taxes | 94,235 | 89,214 |
| 2.02.03.01 | Deferred Income Tax and Social Contribution | 94,235 | 89,214 |
| 2.02.04 | Provisions | 2,014,612 | 2,058,957 |

## Consolidated Financial Statements / Statement of Financial Position – Liabilities (R$ thousand)

| Code Account | Description | Current Quarter 06/30/2023 | Previous Year 12/31/2022 |
|---|---|---|---|
| 2.02.04.01 | Tax, Social Security, Labor, and Civil Provisions | 1,881,055 | 1,935,507 |
| 2.02.04.01.01 | Tax Provisions | 36,782 | 30,847 |
| 2.02.04.01.02 | Social Security and Labor Provisions | 57,763 | 45,704 |
| 2.02.04.01.03 | Provisions for Employee Benefits | 1,608,480 | 1,659,937 |
| 2.02.04.01.04 | Civil Provisions | 178,030 | 199,019 |
| 2.02.04.02 | Other Provisions | 133,557 | 123,450 |
| 2.02.04.02.04 | Regulatory Provisions | 132,031 | 121,027 |
| 2.02.04.02.05 | Environmental Provisions | 1,526 | 2,423 |
| 2.03 | Consolidated Equity | 3,201,191 | 2,883,176 |
| 2.03.01 | Paid-up Share Capital | 2,480,000 | 2,480,000 |
| 2.03.02 | Capital Reserves | 316 | 316 |
| 2.03.02.06 | Advance for Future Capital Increase | 316 | 316 |
| 2.03.04 | Profit Reserves | 1,538,825 | 1,561,699 |
| 2.03.04.01 | Legal Reserve | 251,495 | 251,495 |
| 2.03.04.05 | Retained Earnings Reserve | 1,287,330 | 1,287,330 |
| 2.03.04.08 | Additional dividend proposed | 0 | 22,874 |
| 2.03.05 | Retained Earnings/Accumulated Losses | 341,182 | 0 |
| 2.03.06 | Equity Valuation Adjustments | -1,159,132 | -1,158,839 |

## Consolidated Financial Statements / Income Statement (R$ thousand)

| Code Account | Description | Current Quarter 01/04/2023 to 06/30/2023 | 1st Half of 2023 01/01/2023 to 06/30/2023 | 2nd Quarter of 2022 04/01/2022 to 06/30/2022 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|---|---|
| 3.01 | Revenue from the Sale of Goods and/or Services | 2,599,831 | 5,206,816 | 2,365,674 | 5,042,828 |
| 3.01.01 | Revenue from Sales and Services | 2,115,490 | 4,554,160 | 1,888,859 | 4,704,362 |
| 3.01.02 | Construction Revenue | 309,032 | 584,540 | 301,922 | 559,154 |
| 3.01.03 | Revenue Portion A - CVA | 170,498 | 55,249 | 166,855 | -234,984 |
| 3.01.04 | Financial Asset Restatement VNR | 4,811 | 12,867 | 8,038 | 14,296 |
| 3.02 | Cost of Goods and/or Services | -2,127,840 | -4,238,627 | -2,051,075 | -4,187,367 |
| 3.02.01 | Cost of Sale and Services | -1,597,659 | -3,218,787 | -1,538,996 | -3,223,407 |
| 3.02.02 | Cost of Goods Sold | -4,060 | -7,749 | -3,792 | -6,600 |
| 3.02.03 | Cost of Services | -217,089 | -427,551 | -206,365 | -398,206 |
| 3.02.04 | Construction Costs | -309,032 | -584,540 | -301,922 | -559,154 |
| 3.03 | Gross Profit | 471,991 | 968,189 | 314,599 | 855,461 |
| 3.04 | Operating Expenses/Revenues | -159,070 | -302,807 | -161,515 | -312,911 |
| 3.04.01 | Selling Expenses | -55,836 | -115,825 | -62,697 | -121,522 |
| 3.04.02 | General and Administrative Expenses | -151,697 | -301,935 | -131,320 | -249,646 |
| 3.04.04 | Other Operating Income | 36,509 | 86,410 | 14,471 | 24,988 |
| 3.04.06 | Equity Pickup | 11,954 | 28,543 | 18,031 | 33,269 |
| 3.05 | Income Before Financial Results and Taxes | 312,921 | 665,382 | 153,084 | 542,550 |
| 3.06 | Financial Result | -20,196 | -73,092 | -9,275 | -28,768 |
| 3.06.01 | Financial Income | 136,327 | 421,948 | 131,175 | 229,098 |
| 3.06.02 | Financial Expenses | -156,523 | -495,040 | -140,450 | -257,866 |
| 3.07 | Earnings Before Taxes on Income | 292,725 | 592,290 | 143,809 | 513,782 |
| 3.08 | Income Tax and Social Contribution | -77,755 | -159,257 | -42,643 | -152,757 |
| 3.08.01 | Current | -53,278 | -110,589 | -10,199 | -152,500 |
| 3.08.02 | Deferred | -24,477 | -48,668 | -32,444 | -257 |
| 3.09 | Net Income from Continuing Operations | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.11 | Consolidated Profit/Loss for the Period | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.11.01 | Attributed to the Parent Company's Shareholders | 214,970 | 433,033 | 101,166 | 361,025 |
| 3.99 | Earnings per Share - (R$/Share) | | | | |

## Consolidated Financial Statements / Income Statement (R$ thousand)

| Code Account | Description | Current Quarter 01/04/2023 to 06/30/2023 | 1st Half of 2023 01/01/2023 to 06/30/2023 | 2nd Quarter of 2022 04/01/2022 to 06/30/2022 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|---|---|
| 3.99.01 | Basic Earnings per Share | | | | |
| 3.99.01.01 | Common Shares | 5.2591 | 10.5938 | 2.4749 | 8.8322 |
| 3.99.01.02 | Preferred Shares | 5.785 | 11.6532 | 2.7224 | 9.7154 |
| 3.99.02 | Diluted Earnings per Share | | | | |
| 3.99.02.01 | Common Shares | 5.2591 | 10.5938 | 2.4749 | 8.8322 |
| 3.99.02.02 | Preferred Shares | 5.785 | 11.6532 | 2.7224 | 9.7154 |

## Consolidated Financial Statements / Statement of Comprehensive Income (R$ thousand)

| Code Account | Description | Current Quarter 01/04/2023 to 06/30/2023 | 1st Half of 2023 01/01/2023 to 06/30/2023 | 2nd Quarter of 2022 04/01/2022 to 06/30/2022 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|---|---|
| 4.01 | Consolidated Net Income for the Period | 214,970 | 433,033 | 101,166 | 361,025 |
| 4.02 | Other Comprehensive Income | 0 | 0 | -6,614 | -6,614 |
| 4.03 | Consolidated Comprehensive Income for the Period | 214,970 | 433,033 | 94,552 | 354,411 |
| 4.03.01 | Attributed to the Parent Company's Shareholders | 214,970 | 433,033 | 94,552 | 354,411 |

## Consolidated Financial Statements / Statement of Cash Flow - Indirect Method (R$ thousand)

| Code Account | Description | 1st Half of 2023 01/01/2023 to 06/30/2023 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|
| 6.01 | Net Cash from Operating Activities | 1,041,782 | 455,468 |
| 6.01.01 | Cash Generated from Operations | 1,217,240 | 835,927 |
| 6.01.01.01 | Earnings before Income Tax and Social Contribution | 592,290 | 513,782 |
| 6.01.01.02 | Depreciation and Amortization | 153,179 | 135,775 |
| 6.01.01.03 | PIS/COFINS Credit Right-of-use asset depreciation | 556 | 333 |
| 6.01.01.04 | Equity Pickup | -28,543 | -33,269 |
| 6.01.01.05 | Restatement/Interest Return/Concession Bonus | -42,911 | -53,929 |
| 6.01.01.06 | Interest and Monetary Variations | 233,601 | 246,305 |
| 6.01.01.07 | Write-off of Right of Use Lease Assets and Liabilities | 0 | -5 |
| 6.01.01.08 | Income Tax and Social Contribution Paid | -34,738 | -5,542 |
| 6.01.01.09 | Interest Paid | -171,342 | -113,781 |
| 6.01.01.11 | Provision for Actuarial Liability | 68,885 | 55,731 |
| 6.01.01.12 | Creation (Reversal) of Provision for Contingent Liabilities | 7,112 | 22,420 |
| 6.01.01.14 | Write-off of Property, Plant & Equipment/Intangible Assets | 28,626 | 33,534 |
| 6.01.01.15 | Financial Assets Adjustment – VNR | -12,868 | -14,296 |
| 6.01.01.17 | Allowance for Doubtful Accounts | 56,524 | 47,405 |
| 6.01.01.18 | Write-off of Indemnifying Financial Assets - Concession | 366,869 | 1,464 |
| 6.01.02 | Variations in Assets and Liabilities | -175,458 | -380,459 |
| 6.01.02.01 | Water Shortage Bonus Asset | 0 | 101,723 |
| 6.01.02.02 | Financial Assets - (CVA, Concession Bonus) | 491,090 | 316,085 |
| 6.01.02.03 | Accounts Receivable | -27,806 | 111,163 |
| 6.01.02.05 | Taxes Recoverable | 232,189 | 324,291 |
| 6.01.02.06 | Court Deposits | -16,015 | -4,888 |
| 6.01.02.07 | Inventories | -10,555 | -6,045 |
| 6.01.02.08 | Water Shortage Bonus Liability | -24 | -101,493 |
| 6.01.02.10 | Other Accounts - Assets | -16,200 | -3,579 |
| 6.01.02.11 | Suppliers | -96,324 | -207,286 |
| 6.01.02.12 | Taxes Payable | -67,362 | -740,103 |
| 6.01.02.13 | Social Security and Labor Obligations | -23,984 | -30,263 |
| 6.01.02.14 | Regulatory Fees | -3,372 | -205,996 |
| 6.01.02.15 | Financial Liabilities - CVA | -491,978 | 153,624 |
| 6.01.02.16 | PIS/COFINS to be Refunded to Consumers | -11,697 | 0 |
| 6.01.02.17 | Advance for Future Capital Increase | 0 | -2,600 |
| 6.01.02.19 | Actuarial Liability | -133,747 | -118,777 |
| 6.01.02.20 | Other Accounts - Liabilities | 327 | 33,685 |
| 6.02 | Net Cash from Investing Activities | -875,612 | -448,931 |
| 6.02.01 | Additions to PP&E/Intangible Assets | -896,542 | -470,657 |
| 6.02.03 | Capital Increase (Decrease) of Investees | -152 | -499 |
| 6.02.05 | Dividends Received | 21,082 | 22,225 |
| 6.03 | Net Cash from Financing Activities | -73,093 | 421,629 |
| 6.03.01 | Principal Amortization of Lease Liabilities | -5,264 | -3,989 |
| 6.03.03 | Amortization of Loans and Financings | -1,879 | -63,779 |
| 6.03.04 | Additions of Loans and Financing | 137,655 | 610,000 |
| 6.03.05 | Dividend Payment | -93,528 | -69,622 |
| 6.03.07 | Payment of Debentures | -110,077 | -50,981 |

## Consolidated Financial Statements / Statement of Cash Flow - Indirect Method (R$ thousand)

| Code Account | Description | 1st Half of 2023 01/01/2023 to 06/30/2023 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|
| 6.05 | Increase (Decrease) in Cash and Cash Equivalents | 93,077 | 428,166 |
| 6.05.01 | Opening Balance of Cash and Cash Equivalents | 940,684 | 844,088 |
| 6.05.02 | Closing Balance of Cash and Cash Equivalents | 1,033,761 | 1,272,254 |

# Income Statement – Consolidated / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2023 to 06/30/2023 (R$ thousand)

| Code Account | Description | Paid-up Capital | Capital Reserves, Options Granted and Treasury Shares | Profit Reserves | Retained Earnings/Accumulated Losses | Other Comprehensive Income | Equity | Non-Controlling Interest | Consolidated Equity |
|---|---|---|---|---|---|---|---|---|---|
| 5.01 | Opening Balances | 2,480,000 | 316 | 1,561,699 | 0 | -1,158,839 | 2,883,176 | 0 | 2,883,176 |
| 5.03 | Adjusted Opening Balances | 2,480,000 | 316 | 1,561,699 | 0 | -1,158,839 | 2,883,176 | 0 | 2,883,176 |
| 5.04 | Capital transactions with members | 0 | 0 | -22,874 | -92,144 | 0 | -115,018 | 0 | -115,018 |
| 5.04.06 | Dividends | 0 | 0 | -22,874 | 0 | 0 | -22,874 | 0 | -22,874 |
| 5.04.07 | Interest on Equity | 0 | 0 | 0 | -92,144 | 0 | -92,144 | 0 | -92,144 |
| 5.05 | Total Comprehensive Income | 0 | 0 | 0 | 433,326 | -293 | 433,033 | 0 | 433,033 |
| 5.05.01 | Net Income for the Period | 0 | 0 | 0 | 433,033 | 0 | 433,033 | 0 | 433,033 |
| 5.05.03 | Reclassifications to Profit/Loss | 0 | 0 | 0 | 293 | -293 | 0 | 0 | 0 |
| 5.05.03.02 | Realization of Attributed Cost | 0 | 0 | 0 | 293 | -293 | 0 | 0 | 0 |
| 5.07 | Closing Balances | 2,480,000 | 316 | 1,538,825 | 341,182 | -1,159,132 | 3,201,191 | 0 | 3,201,191 |

# Income Statement – Consolidated / Statement of Changes in Shareholders' Equity / DMPL - 01/01/2022 to 06/30/2022 (R$ thousand)

| Code Account | Description | Paid-up Capital | Capital Reserves, Options Granted and Treasury Shares | Profit Reserves | Retained Earnings/Accumulated Losses | Other Comprehensive Income | Equity | Non-Controlling Interest | Consolidated Equity |
|---|---|---|---|---|---|---|---|---|---|
| 5.01 | Opening Balances | 2,480,000 | 316 | 1,191,329 | 0 | -1,050,276 | 2,621,369 | 0 | 2,621,369 |
| 5.03 | Adjusted Opening Balances | 2,480,000 | 316 | 1,191,329 | 0 | -1,050,276 | 2,621,369 | 0 | 2,621,369 |
| 5.04 | Capital transactions with members | 0 | 0 | 0 | -76,599 | 0 | -76,599 | 0 | -76,599 |
| 5.04.07 | Interest on Equity | 0 | 0 | 0 | -76,599 | 0 | -76,599 | 0 | -76,599 |
| 5.05 | Total Comprehensive Income | 0 | 0 | 0 | 361,344 | -6,933 | 354,411 | 0 | 354,411 |
| 5.05.01 | Net Income for the Period | 0 | 0 | 0 | 361,025 | 0 | 361,025 | 0 | 361,025 |
| 5.05.02 | Other Comprehensive Income | 0 | 0 | 0 | 0 | -6,614 | -6,614 | 0 | -6,614 |
| 5.05.02.01 | Financial Instrument Adjustments | 0 | 0 | 0 | 0 | -6,614 | -6,614 | 0 | -6,614 |
| 5.05.03 | Reclassifications to Profit/Loss | 0 | 0 | 0 | 319 | -319 | 0 | 0 | 0 |
| 5.05.03.02 | Realization of Attributed Cost | 0 | 0 | 0 | 319 | -319 | 0 | 0 | 0 |
| 5.07 | Closing Balances | 2,480,000 | 316 | 1,191,329 | 284,745 | -1,057,209 | 2,899,181 | 0 | 2,899,181 |

## Consolidated Financial Statements / Value Added Statement (R$ thousand)

| Code Account | Description | 1st Half of 2023 01/01/2023 to 06/30/2023 | 1st Half of 2022 01/01/2022 to 06/30/2022 |
|---|---|---|---|
| 7.01 | Revenue | 8,046,955 | 8,408,678 |
| 7.01.01 | Sales of Goods, Products and Services | 7,340,630 | 7,748,995 |
| 7.01.02 | Other Revenues | 178,309 | 147,935 |
| 7.01.03 | Revenues from Construction of Company Assets | 584,540 | 559,154 |
| 7.01.04 | Provision/Reversal of Credits of Doubtful Accounts | -56,524 | -47,406 |
| 7.02 | Inputs Acquired from Third Parties | -4,447,978 | -4,445,685 |
| 7.02.01 | Costs of Products, Goods and Services Sold | -3,550,713 | -3,572,848 |
| 7.02.02 | Materials, Energy, Outsourced Services, and Others | -312,725 | -313,683 |
| 7.02.04 | Other | -584,540 | -559,154 |
| 7.02.04.01 | Revenues from Construction of Company Assets | -584,540 | -559,154 |
| 7.03 | Gross Value Added | 3,598,977 | 3,962,993 |
| 7.04 | Retentions | -153,735 | -136,109 |
| 7.04.01 | Depreciation, Amortization, and Depletion | -153,735 | -136,109 |
| 7.05 | Net Value Added Produced | 3,445,242 | 3,826,884 |
| 70,06 | Value Added Received in Transfer | 481,450 | 282,038 |
| 7.06.01 | Equity Pickup | 28,543 | 33,268 |
| 7.06.02 | Financial Income | 450,005 | 244,549 |
| 7.06.03 | Other | 2,902 | 4,221 |
| 7.07 | Total Value Added to be Distributed | 3,926,692 | 4,108,922 |
| 70,08 | Distribution of Value Added | 3,926,692 | 4,108,922 |
| 7.08.01 | Personnel | 363,049 | 345,332 |
| 7.08.01.01 | Direct Compensation | 214,738 | 217,053 |
| 7.08.01.02 | Benefits | 130,890 | 112,190 |
| 7.08.01.03 | Guarantee Fund for Length of Service (FGTS) | 17,421 | 16,089 |
| 7.08.02 | Taxes, Fees, and Contributions | 2,640,223 | 3,159,298 |
| 7.08.02.01 | Federal | 1,571,655 | 1,590,152 |
| 7.08.02.02 | State | 1,064,662 | 1,566,810 |
| 7.08.02.03 | Municipal | 3,906 | 2,336 |
| 7.08.03 | Return on Third-Party Capital | 490,387 | 243,267 |
| 7.08.03.01 | Interest | 486,011 | 238,135 |
| 7.08.03.02 | Rental | 4,376 | 5,132 |
| 7.08.04 | Return on Equity | 433,033 | 361,025 |
| 7.08.04.01 | Interest on Equity | 92,144 | 76,599 |
| 7.08.04.03 | Retained Earnings/Accumulated Losses for the Period | 340,889 | 284,426 |

# 1. INVESTMENTS

The funds invested by the Company in PP&E, Intangibles, and Equity Interests in Small Hydroelectric Power Plants totaled R$646.4 million in 1H23, outstripping by more than 8.46% the R$596.0 million reported in 1H22, as shown below:

| | | | | | Consolidated |
|---|---|---|---|---|---|
| Description | 06.30.2023 | | 06.30.2022 | | Horizontal Analysis |
| | R$ thousand | % | R$ thousand | % | |
| **Electricity Distribution** | **624,050** | **96.54%** | **590,795** | **99.13%** | **5.63%** |
| Company Resources | 508,471 | - | 465,963 | - | - |
| Consumer Financial Share | 115,579 | - | 124,832 | - | - |
| **Electricity Generation** | **22,376** | **3.46%** | **5,194** | **0.87%** | **330.80%** |
| Equity Interests | 152 | - | 499 | - | - |
| Own Generation Park | 22,224 | - | 4,695 | - | - |
| **Total** | **646,426** | **100%** | **595,989** | **100%** | **8.46%** |

**Electricity Distribution**

Of the total invested, the largest portion of R$624.1 million was allocated to the expansion and improvement of the system, operational efficiency, and modernization of Celesc D’s management. Of this amount, R$508.5 million was invested using the Company’s funds (R$470.9 million in materials and services and R$37.6 million in company labor), and R$115.6 million was invested using third-party funds, arising from Consumer Financial Share in Celesc D’s works. Consumer Financial Share rules are established in ANEEL Regulatory Resolution 1,000, of December 07, 2021.

**Electricity Generation**

Of the main investments made in Celesc G's own generator park in the first half of 2023, R$ 10.6 million were used in the acquisition of a photovoltaic generator for UFV IV Oeste; R$ 4.4 million were spent on the purchase and assembly of the 1MW photovoltaic generator for UFV Campos Novos; R$ 1.7 million were allocated to the gate, forced conduit and mobilization of the construction site of US Maroin; R$1.5 million was spent on implementation, electrical assemblies of UFV III Oeste, R$1.5 million was spent on turbine, mechanical executive project, plastic container and drone with accessories of US Salto, R$1.4 million was disbursed in panel of auxiliary services and automation of US Pery and R$907 thousand was applied in plant automation, circuit breakers and supervision and control panel of US Celso Ramos.

# 2. STOCK MARKET

The BOVESPA index closed 3Q23 with an 15.91% appreciation. The Energy Sector Index (IEE), an indicator of the electricity sector, increased by 21.73% in the same period.

In the same period, the Company’s Preferred Shares (PN) increased by 21.75%, while Common Shares (ON) increased by 23.20%.

The table below shows the final share prices on June 30, 2023, the respective percentage variations of the Company's shares and the key market indicators:

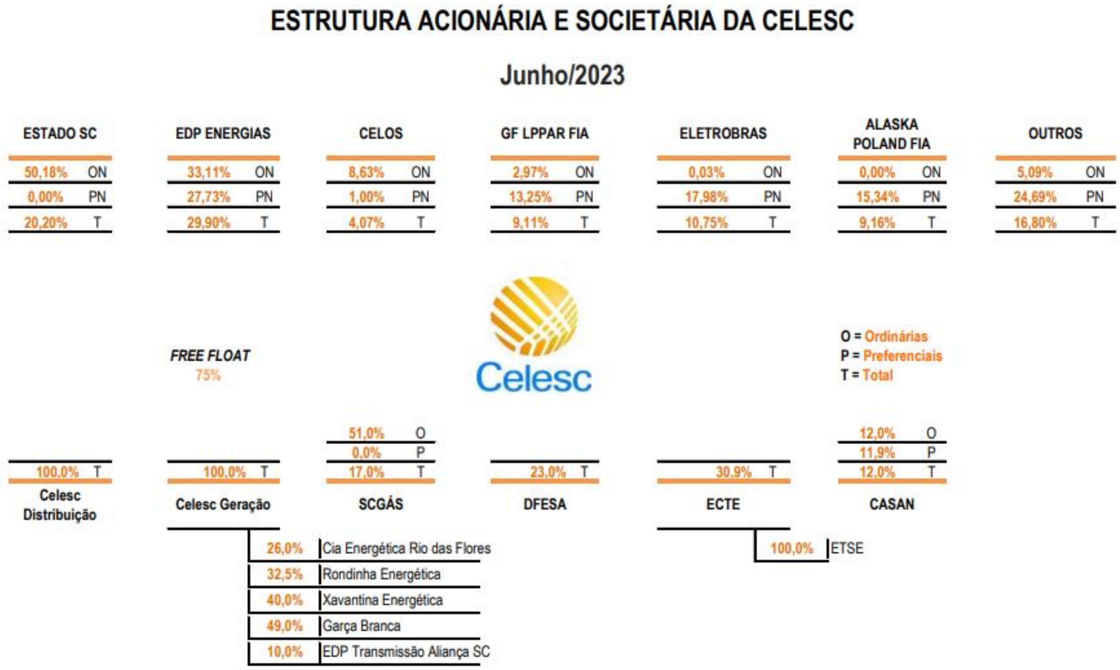
| Description | Closing | Variation % | |
|---|---|---|---|
| | 06.30.2023 | 2Q23 | 12 Months |
| **Celesc Preferred Shares** | R$59.00 | 21.75% | 11.93% |
| **Celesc Common Shares** | R$58.90 | 23.20% | 15.11% |
| **IBOVESPA** | 118,087 | 15.91% | 19.83% |
| **Electricity Index (IEE)** | 91,090 | 21.73% | 15.62% |

Percentage variations with earnings adjustments

# 3. STOCK MARKET VALUE

The Company's stock market value on June 30, 2023, as shown above, is: R$59.00 (fifty-nine reais) for each preferred share - PN (CLSC4) and R$58.90 (fifty-eight reais and ninety centavos) for each common share - ON (CLSC3).

The Santa Catarina state is the Company’s major shareholder, holding 50.2% of its common shares, corresponding to 20.2% of the total capital. The shareholding and corporate structure on June 30, 2023, is shown in the following organizational chart:




## 4. HUMAN RESOURCES

Celesc ended the first half of 2023 with 3,833 employees. The total number of employees fell by 0.03% YoY (3,834 employees last year).

## 5. ECONOMIC AND FINANCIAL PERFORMANCE

The following table shows the main economic and financial indicators for the period in comparison with the previous year:

| | | | Consolidated |
|---|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** | **Variation** |
| Gross Operating Income - GOI | 7,925,170 | 8,379,066 | -5.42% |
| Net Operating Income - NOI | 5,206,816 | 5,042,828 | 3.25% |
| Operating Result | 665,382 | 542,550 | 22.64% |
| EBITDA | 818,561 | 678,325 | 20.67% |
| EBITDA Margin (EBITDA/NOI) | 15.72% | 13.45% | 2.27 p.p. |
| Net Margin (Net Income/NOI) | 8.32% | 7.16% | 1.16 p.p. |
| Financial Result | (73,092) | (28,768) | 154.07% |
| Total Assets | 11,795,191 | 11,704,306 | 0.78% |
| PP&E | 167,131 | 128,779 | 29.78% |
| Shareholders' Equity | 3,201,191 | 2,899,181 | 10.42% |
| Net Income | 433,033 | 361,025 | 19.95% |

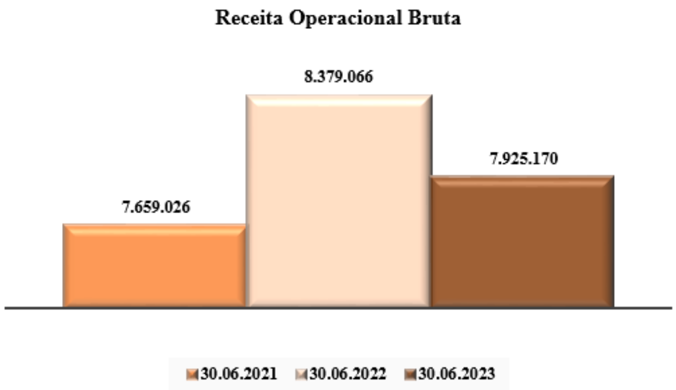
### 5.1. Gross Revenue and Net Operating Income

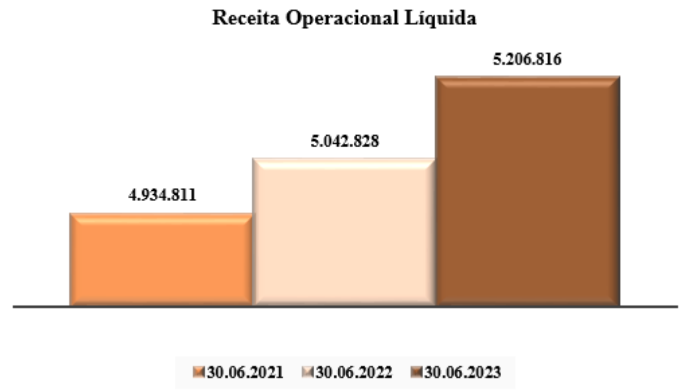
The Gross Operating Income (GOI) in 1H23, totaled R$7.9 billion, 5.4% lower than the R$8.4 billion reported in the same period in 2022.

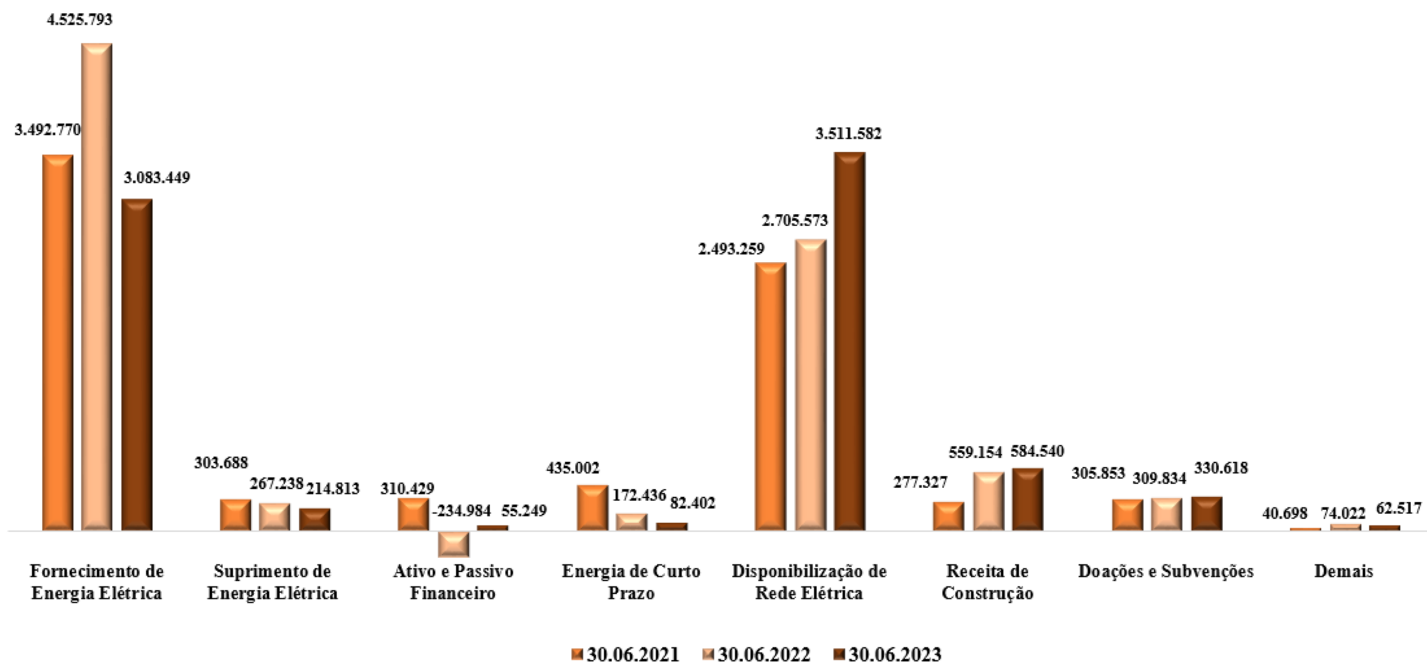
As for Celesc D, the lower performance of GOI was due to, among other factors, the revocation of Resolution 03, issued by the Ministry of Mines and Energy (MME) on August 31, 2021, which provided for the creation of the Water Scarcity Tariff Flag, in the amount of R$142.00/MWh. This resolution took effect from September 2021 to April 2022 and had an impact on GOI for the first half of 2022. This was another relevant factor for the lower GOI, through Supplementary Law 194 (LC), of June 23, 2022, effective as of July 1st, 2022, which limited ICMS rates in Brazilian states (this tax is included in the electricity revenue of distribution companies). In the state of Santa Catarina, Supplementary Law 194/2022 was regulated through Ordinary Law 18,521, of November 3, 2022, also with retroactive effects (prior to July 1st, 2022).

As for Celesc G, the lower GOI is related to the drop in sales of energy in the short-term market, and mostly, the recognition of interest and inflation adjustments of Financial Assets, which are adjusted according to IPCA and recorded in this group. These revenues from interest and inflation adjustments declined from R$53.9 million in the first half of 2022 to R$42.9 million in the same period of 2023, down by around 20%.

In the same period of 2023, Net Operating Income (NOI) was R$5.2 billion, approximately 3.25% up by the R$5.0 billion reported in 2022.

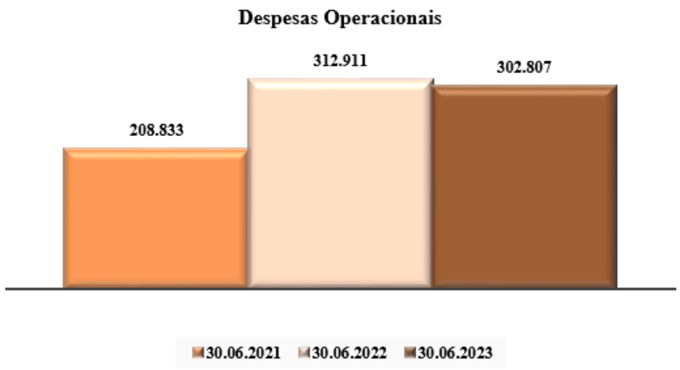


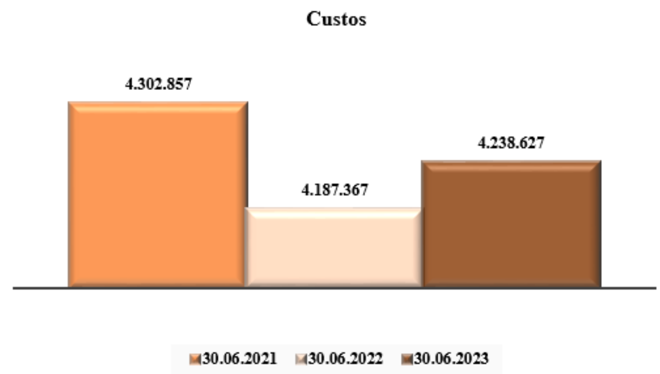




### 5.2. Costs and Expenses

Operating costs and expenses increased by approximately 0.91% YOY in 1H23. Energy costs increased by 1.22%, and operating expenses by 3.23% in the comparable periods.




Operating costs and expenses increased by approximately R$28.1 million at Celesc G. The main justification is the 2.7% increase in the cost of the system use charge.

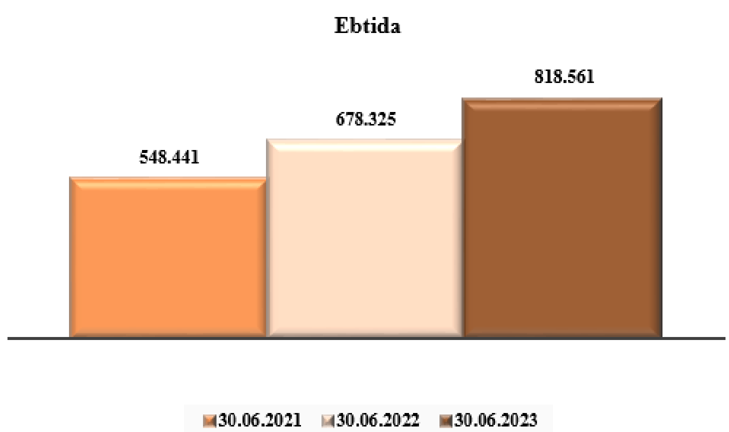
At Celesc G, operating costs and expenses did not show significant variations, jumping from R$27.5 million in the first half of 2022 to R$27.6 in the same period of 2023.

### 5.3. EBITDA

The variations in the Net Income for the year before interest, taxes, financial result and depreciation/amortization - EBITDA were as follows.

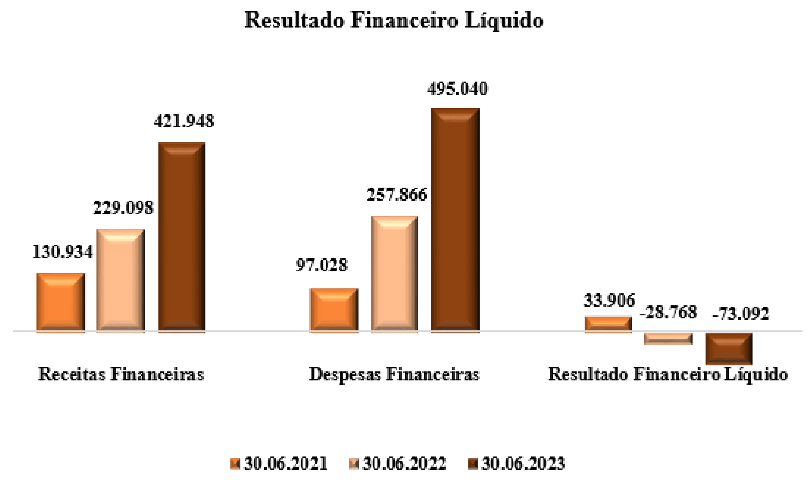
| | | Consolidated |
|---|---|---|
| **Reconciliation of EBITDA (R$/thousand)** | **06.30.2023** | **06.30.2022** |
| Net Income | 433,033 | 361,025 |
| Current and Deferred Income Tax and Social Contribution | 159,257 | 152,757 |
| Financial Result | 73,092 | 28,768 |
| Depreciation and Amortization | 153,179 | 135,775 |
| **EBITDA** | **818,561** | **678,325** |

EBITDA totaled R$818.6 million in 1H23, approximately 20.67% higher than the R$678.3 million reported in 1H22.



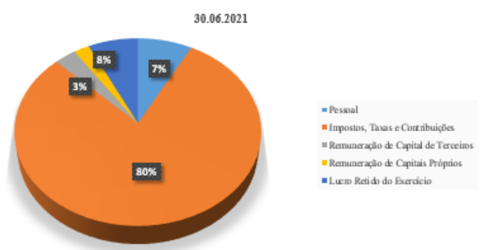

### 5.4. Financial Result

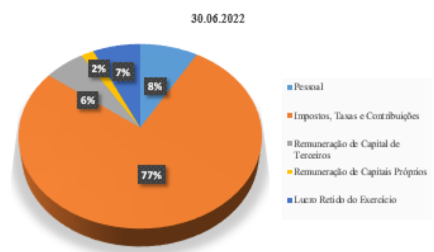
The Financial Result in 1H23 was negative by R$73.1 million. Considering the negative result of R$28.8 million reported in the same period in 2022, the R$44.3 million reduction in this group was mainly due to the significant rise in interest and monetary adjustments of the subsidiaries Celesc D and Celesc G's debts, especially those remunerated at the Interbank Deposit Certificate (CDI) rate.

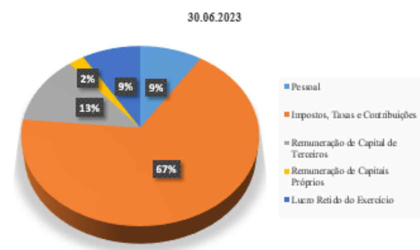



### 5.5. Added Value

The wealth produced by the Company was distributed among“Personnel”, “Taxes, Fees, and Contributions”, “Return on Third-Party Capital” and “Return on Equity”, and a portion remained as “Retained Earnings for the Year”, in the following proportions:



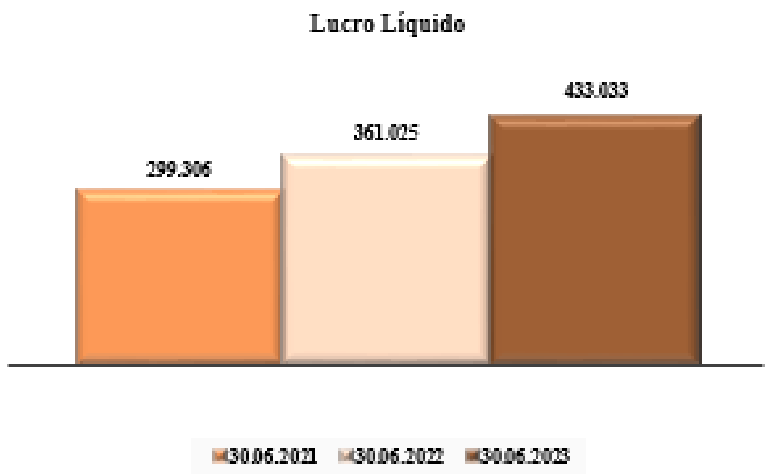

### 5.6. Economic and Financial Indices

Some economic and financial indices are shown below.

| | | | Consolidated |
|---|---|---|---|
| **Indices** | **06.30.2023** | **06.30.2022** | **06.30.2021** |
| General Liquidity | 0.79 | 0.82 | 0.80 |
| Current Liquidity | 0.95 | 1.19 | 1.57 |
| Shareholders’ Equity Profitability | 14.23% | 13.08% | 14.02% |
| General Indebtedness | 72.86% | 75.23% | 80.78% |

### 5.7. Net Income

In the first half of 2023, Celesc reported a net profit of R$433.0 million, an increase of 19.95% compared to the same period in 2022, when the figure was R$361.0 million. The increase is mainly due to Net Operating Revenue - NOR, which rose by 3.25%, despite the reduction in Gross Operating Revenue - ROB.




## 6. DELINQUENCY MANAGEMENT

Delinquency corresponds to billed revenue not received. Through sub-module 2.2 of PRORET – Operating Costs and Regulatory Delinquency -, ANEEL defines the concepts related to Regulatory Delinquency, an amount that has a tariff coverage and considers the sum of billed amounts not received between 49 and 60 months.

To calculate Default, it is necessary to divide it by the Gross Operating Income from Electricity Supply, Availability of Electricity Grid, and Taxed Service, and verify the percentage changes.

In the second quarter of 2023, short-term delinquency of up to 90 days (the period when most collection actions are concentrated) decreased by 0.24 percentage points over the previous quarter, and delinquency over 90 days rose by 0.14 percentage points, from 3.59% to 3.73%. The total default, compared to the previous quarter, shows an decrease of 0.10 percentage points, approximately 6.07% of the Gross Operating Income.

The following table shows the evolution of Celesc D's default:

| Delinquency up to 90 days | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2Q22 | | 3Q22 | | 4Q22 | | 1Q23 | | 2Q23 | | |
| **Categories** | **R$ thousand** | **% GOI** | **R$ thousand** | **% GOI** | **R$ thousand** | **% GOI** | **R$ thousand** | **% GOI** | **R$ thousand** | **% GOI** | **Variation 2Q23** |
| Residential | 160,810 | 1.13% | 139,713 | 1.02% | 149,515 | 1.14% | 200,119 | 1.61% | 176,968 | **1.42%** | -0.19 p.p. |
| Industrial | 31,124 | 0.22% | 24,935 | 0.18% | 29,481 | 0.22% | 30,672 | 0.25% | 29,643 | **0.24%** | -0.01 p.p. |
| Commercial | 49,325 | 0.35% | 52,387 | 0.38% | 45,524 | 0.35% | 57,102 | 0.46% | 49,934 | **0.40%** | -0.06 p.p. |
| Rural | 12,626 | 0.09% | 10,514 | 0.08% | 13,232 | 0.10% | 16,567 | 0.13% | 13,338 | **0.11%** | -0.02 p.p. |
| Government | 690 | 0.00% | 308 | 0.00% | 3,716 | 0.03% | 370 | 0.00% | 422 | **0.00%** | 0.00 p.p. |
| Public Lighting | 8 | 0.00% | 69 | 0.00% | 7 | 0.00% | 45 | 0.00% | 2 | **0.00%** | 0.00 p.p. |
| Public Service | 52 | 0.00% | 43 | 0.00% | 37 | 0.00% | 117 | 0.00% | 87 | **0.00%** | 0.00 p.p. |
| Supplies | 1,213 | 0.01% | 929 | 0.01% | 1,355 | 0.01% | 1,509 | 0.01% | 1,077 | **0.01%** | 0.00 p.p. |
| Order Use Electricity Grid | 1,548 | 0.01% | 1,018 | 0.01% | 2,245 | 0.02% | 2,900 | 0.02% | 2,653 | **0.02%** | 0.00 p.p. |
| Sundry Credits | 16,162 | 0.11% | 1,333 | 0.01% | 8,069 | 0.06% | 10,416 | 0.08% | 13,529 | **0.11%** | +0.03 p.p. |
| Service Fee | 988 | 0.01% | 10,927 | 0.08% | 1,029 | 0.01% | 1,006 | 0.01% | 1,207 | **0.01%** | 0.00 p.p. |
| Financial Share | 921 | 0.01% | 1,194 | 0.01% | 1,140 | 0.01% | 747 | 0.01% | 2,242 | **0.02%** | +0.01 p.p. |
| **Total** | **275,467** | **1.94%** | **243,370** | **1.78%** | **255,349** | **1.94%** | **321,570** | **2.58%** | **291,101** | **2.34%** | **-0.24 p.p.** |
| **GOI (LTM) in R$ thousand** | | **14,187,254** | | **13,660,528** | | **13,141,773** | | **12,452,993** | | **12,459,105** | |

| Delinquency over 90 days | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2Q22 | | 3Q22 | | 4Q22 | | 1Q23 | | 2Q23 | | |
| Categories | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | Variation 2Q23 |
| Residential | 198,853 | 1.40% | 207,423 | 1.52% | 211,208 | 1.61% | 216,812 | 1.74% | 227,208 | **1.82%** | +0.08 p.p. |
| Industrial | 75,564 | 0.53% | 74,803 | 0.55% | 72,113 | 0.55% | 73,654 | 0.59% | 76,056 | **0.61%** | +0.02 p.p. |
| Commercial | 107,012 | 0.75% | 103,605 | 0.76% | 106,683 | 0.81% | 110,874 | 0.89% | 116,326 | **0.93%** | +0.04 p.p. |
| Rural | 9,917 | 0.07% | 10,331 | 0.08% | 10,722 | 0.08% | 10,959 | 0.09% | 11,370 | **0.09%** | 0.00 p.p. |
| Government | 309 | 0.00% | 301 | 0.00% | 302 | 0.00% | 284 | 0.00% | 259 | **0.00%** | 0.00 p.p. |
| Public Lighting | 3,144 | 0.02% | 1,717 | 0.01% | 1,418 | 0.01% | 1,148 | 0.01% | 896 | **0.01%** | 0.00 p.p. |
| Public Service | 15 | 0.00% | 13 | 0.00% | 24 | 0.00% | 21 | 0.00% | 22 | **0.00%** | 0.00 p.p. |
| Supplies | 35 | 0.00% | 1,248 | 0.01% | 1,248 | 0.01% | 1,248 | 0.01% | 35 | **0.00%** | -0.01 p.p. |
| Order Use Electricity Grid | 2,233 | 0.02% | 3,848 | 0.03% | 1,445 | 0.01% | 1,488 | 0.01% | 1,481 | **0.01%** | 0.00 p.p. |
| Sundry Credits | 24,699 | 0.17% | 933 | 0.01% | 25,430 | 0.19% | 25,639 | 0.21% | 26,072 | **0.21%** | 0.00 p.p. |
| Service Fee | 3,799 | 0.03% | 26,207 | 0.19% | 3,899 | 0.03% | 4,000 | 0.03% | 4,105 | **0.03%** | 0.00 p.p. |
| Financial Share | 829 | 0.01% | 2,100 | 0.02% | 902 | 0.01% | 1,010 | 0.01% | 1,041 | **0.01%** | 0.00 p.p. |
| **Total** | **426,409** | **3.00%** | **432,529** | **3.17%** | **435,394** | **3.31%** | **447,138** | **3.59%** | **464,871** | **3.73%** | **+0.14 p.p.** |
| **GOI LTM in R$ thousand** | | **14,187,254** | | **13,660,528** | | **13,141,773** | | **12,452,993** | | **12,459,105** | |

| Total Delinquency | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2Q22 | | 3Q22 | | 4Q22 | | 1Q23 | | 2Q23 | | |
| Categories | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | R$ thousand | % GOI | Variation 2Q23 |
| Residential | 359,663 | 2.54% | 347,136 | 2.54% | 360,723 | 2.74% | 416,931 | 3.35% | 404,176 | **3.24%** | -0.11 p.p. |
| Industrial | 106,689 | 0.75% | 99,738 | 0.73% | 101,594 | 0.77% | 104,326 | 0.84% | 105,698 | **0.85%** | +0.01 p.p. |
| Commercial | 156,337 | 1.10% | 155,992 | 1.14% | 152,208 | 1.16% | 167,976 | 1.35% | 166,259 | **1.33%** | -0.02 p.p. |
| Rural | 22,542 | 0.16% | 20,845 | 0.15% | 23,954 | 0.18% | 27,526 | 0.22% | 24,708 | **0.20%** | -0.02 p.p. |
| Government | 999 | 0.01% | 609 | 0.00% | 4,018 | 0.03% | 654 | 0.01% | 681 | **0.01%** | 0.00 p.p. |
| Public Lighting | 3,152 | 0.02% | 1,786 | 0.01% | 1,424 | 0.01% | 1,193 | 0.01% | 898 | **0.01%** | 0.00 p.p. |
| Public Service | 67 | 0.00% | 56 | 0.00% | 60 | 0.00% | 138 | 0.00% | 110 | **0.00%** | 0.00 p.p. |
| Supplies | 1,248 | 0.01% | 2,177 | 0.02% | 2,603 | 0.02% | 2,757 | 0.02% | 1,113 | **0.01%** | -0.01 p.p. |
| Order Use Electricity Grid | 3,781 | 0.03% | 4,866 | 0.04% | 3,689 | 0.03% | 4,388 | 0.04% | 4,133 | **0.03%** | -0.01 p.p. |
| Sundry Credits | 40,863 | 0.29% | 2,266 | 0.02% | 33,500 | 0.25% | 36,055 | 0.29% | 39,601 | **0.32%** | +0.03 p.p. |
| Service Fee | 4,786 | 0.03% | 37,134 | 0.27% | 4,928 | 0.04% | 5,006 | 0.04% | 5,312 | **0.04%** | 0.00 p.p. |
| Financial Share | 1,750 | 0.01% | 3,294 | 0.02% | 2,042 | 0.02% | 1,757 | 0.01% | 3,283 | **0.03%** | +0.02 p.p. |
| **Total** | **701,877** | **4.95%** | **675,899** | **4.95%** | **690,742** | **5.26%** | **768,708** | **6.17%** | 755,972 | **6.07%** | **-0.10 p.p** |
| **GOI LTM in R$ thousand** | | **14,187,254** | | **13,660,528** | | **13,141,773** | | **12,452,993** | | **12,459,105** | |

## 7. SHAREHOLDING STRUCTURE

The shareholding structure, in number of shares held by shareholders with more than 5% of any type or class, is as follows:

| Shareholder Base on 06.30.2023 | | | | | | |
|---|---|---|---|---|---|---|
| **Shareholder** | **Common Shares** | | **Preferred Shares** | | **Total** | |
| | **Quantity** | **%** | **Quantity** | **%** | **Quantity** | **%** |
| Santa Catarina state | 7,791,010 | 50.18 | 191 | 0.00 | 7,791,201 | 20.20 |
| EDP Energias do Brasil S.A. | 5,140,868 | 33.11 | 6,390,720 | 27.73 | 11,531,588 | 29.90 |
| Fundação Celesc de Seguridade Social - CELOS | 1,340,474 | 8.63 | 230,800 | 1.00 | 1,571,274 | 4.07 |
| Geração LPar Fundo de Investimento | 460,600 | 2.96 | 3,054,400 | 13.25 | 3,515,000 | 9.11 |
| Centrais Elétricas Brasileiras – Eletrobras* | 4,233 | 0.03 | 4,142,774 | 17.98 | 4,147,007 | 10.75 |
| Alaska Poland FIA | - | 0.00 | 3,534,800 | 15.34 | 3,534,800 | 9.16 |
| Other | 789,952 | 5.09 | 5,690,769 | 24.69 | 6,480,721 | 16.80 |
| **Total** | **15,527,137** | **100.00** | **23,044,454** | **100.00** | **38,571,591** | **100.00** |
| **Overall Total** | **15,527,137** | **40.26** | **23,044,454** | **59.74** | **38,571,591** | **100.00** |

Share Capital: R$2,480,000,000.00 e Authorized Capital: R$2,600,000,000.00
*Public Held Company

## 8. EQUITY INTEREST ABROAD

Foreign investors accounted for 0.60% of the Company's total share capital in 1H23, holding a total of 232,110 shares, most of which preferred shares.

| Investors' Equity Interest by Residence | No. of Shares | % |
|---|---|---|
| Foreign Investors | 232,110 | 0.60% |
| National Investors | 38,339,481 | 99.40% |
| **Total** | **38,571,591** | **100.00** |

## 9. SHARES HELD BY THE CONTROLLING SHAREHOLDER, MANAGEMENT, AND THE FISCAL COUNCIL MEMBERS

The Company is bound to arbitration in the Market Arbitration Chamber, according to the arbitration clause contained in its Bylaws.

| Shareholder | Common Shares | | Preferred Shares | | Total | |
|---|---|---|---|---|---|---|
| | Quantity | % | Quantity | % | Quantity | % |
| Controlling Shareholder | 9,229,660 | 59.44% | 234,305 | 1.02% | 9,463,965 | 24.54% |
| Board of Directors | - | - | - | 0.00% | - | 0.00% |
| Executive Board | - | - | 22 | 0.00% | 22 | 0.00% |
| Fiscal Council | - | - | - | 0.00% | - | 0.00% |
| Other Shareholders | 6,297,477 | 40.56% | 22,810,127 | 98.98% | 29,107,604 | 75.46% |
| **Total** | **15,527,137** | **100.00%** | **23,044,454** | **100.00%** | **38,571,591** | **100.00%** |
| **Outstanding Shares** | **6,297,477** | **40.56%** | **22,810,127** | **98.98%** | **29,107,604** | **75.46%** |

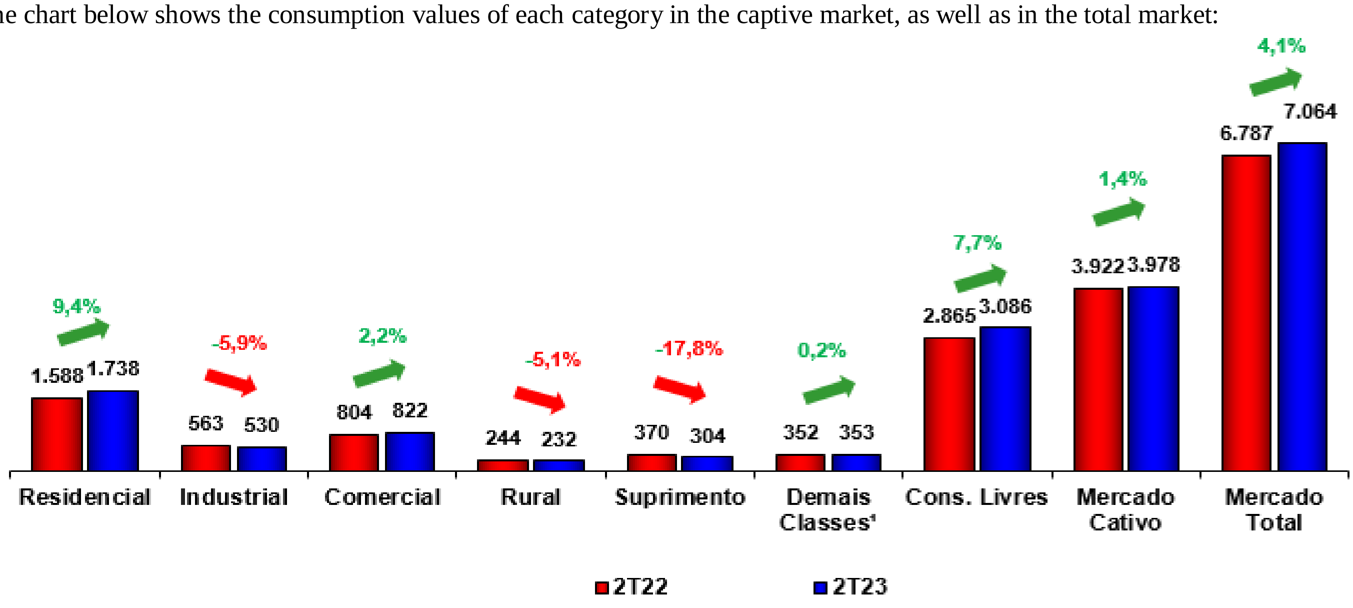
## 10. OUTSTANDING SHARES

| Description | Common Shares - CLSC3 | | Preferred Shares - CLSC4 | | Total | |
|---|---|---|---|---|---|---|
| | Quantity | % | Quantity | % | Quantity | % |
| Total Capital | 15,527,137 | 100.0 | 23,044,454 | 100.0 | 38,571,591 | 100.00 |
| Outstanding Shares | 6,297,477 | 40.56 | 22,810,127 | 98.98 | 29,107,604 | 75.46 |

## 11. ENERGY BALANCE

Celesc D's captive market increased by 1.4% YOY in the first half of 2023, reaching 3,978 GWh. In the Total Market, including free consumers, the increase in electricity consumption was 4.1%, reaching 7,064 GWh.

The chart below shows the consumption values of each category in the captive market, as well as in the total market:




**Other Categories¹ = Government + Public Lighting + Public Service. Excluding Own Consumption.**

## 12. ELECTRICITY CAPTIVE MARKET

**ELECTRICITY CAPTIVE MARKET**

| Description | 2023 | | 2022 | | Vertical Variation | | | | Variation Horizontal | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2Q | YTD | 2Q | YTD | 2Q 2023 | YTD 2023 | 2Q 2022 | YTD 2022 | 2Q 23-22 | YTD 23-22 |
| **Sales Revenue by Consumption Category in R$ thousand** | | | | | | | | | | |
| Residential | 1,174,660 | 2,626,134 | 1,125,469 | 2,869,336 | 45.6% | 47.0% | 41.8% | 44.1% | 4.4% | -8.5% |
| Industrial | 376,683 | 744,561 | 434,078 | 939,051 | 14.6% | 13.3% | 16.1% | 14.4% | -13.2% | -20.7% |
| Commercial | 593,435 | 1,297,884 | 640,455 | 1,551,633 | 23.1% | 23.2% | 23.8% | 23.9% | -7.3% | -16.4% |
| Rural | 153,961 | 349,834 | 160,715 | 416,158 | 6.0% | 6.3% | 6.0% | 6.4% | -4.2% | -15.9% |
| Government | 85,424 | 172,609 | 83,280 | 188,775 | 3.3% | 3.1% | 3.1% | 2.9% | 2.6% | -8.6% |
| Public Lighting | 58,454 | 116,158 | 74,071 | 164,172 | 2.3% | 2.1% | 2.8% | 2.5% | -21.1% | -29.2% |
| Public Service | 49,698 | 101,956 | 63,884 | 143,111 | 1.9% | 1.8% | 2.4% | 2.2% | -22.2% | -28.8% |
| **Subtotal** | **2,492,315** | **5,409,136** | **2,581,952** | **6,272,236** | **96.8%** | **96.8%** | **95.9%** | **96.5%** | **-3.5%** | **-13.8%** |
| Supply | 81,743 | 176,335 | 111,316 | 228,196 | 3.2% | 3.2% | 4.1% | 3.5% | -26.6% | -22.7% |
| **TOTAL** | **2,574,058** | **5,585,471** | **2,693,268** | **6,500,432** | **100%** | **100%** | **100%** | **100%** | **-4.4%** | **-14.1%** |
| **Consumption in MWh by Category** | | | | | | | | | | |
| Residential | 1,738,041 | 3,817,360 | 1,588,315 | 3,563,920 | 43.7% | 44.9% | 40.5% | 42.5% | 9.4% | 7.1% |
| Industrial | 530,055 | 1,047,150 | 563,270 | 1,057,800 | 13.3% | 12.3% | 14.4% | 12.6% | -5.9% | -1.0% |
| Commercial | 821,608 | 1,792,089 | 804,286 | 1,712,907 | 20.7% | 21.1% | 20.5% | 20.4% | 2.2% | 4.6% |
| Rural | 231,710 | 521,224 | 244,209 | 530,740 | 5.8% | 6.1% | 6.2% | 6.3% | -5.1% | -1.8% |
| Government | 124,273 | 251,421 | 110,911 | 232,227 | 3.1% | 3.0% | 2.8% | 2.8% | 12.0% | 8.3% |
| Public Lighting | 148,706 | 293,886 | 150,278 | 317,994 | 3.7% | 3.5% | 3.8% | 3.8% | -1.0% | -7.6% |
| Public Service | 79,825 | 163,466 | 90,907 | 174,226 | 2.0% | 1.9% | 2.3% | 2.1% | -12.2% | -6.2% |
| **Subtotal** | **3,674,218** | **7,886,596** | **3,552,176** | **7,589,814** | **92.4%** | **92.8%** | **90.6%** | **90.5%** | 3.4% | 3.9% |
| Supply | 303,960 | 616,190 | 369,842 | 795,777 | 7.6% | 7.2% | 9.4% | 9.5% | -17.8% | -22.6% |
| **TOTAL** | **3,978,178** | **8,502,786** | **3,922,018** | **8,385,591** | **100%** | **100%** | **100%** | **100%** | **1.4%** | **1.4%** |

## 13. ARBITRATION CLAUSE

The Company communicates that it is bound to arbitration in the Market Arbitration Chamber (CAM), according to the Arbitration Clause contained in article 73 of its Bylaws: “The Company, its shareholders, Management, and the Fiscal Council members undertake to resolve, through arbitration, before the Market Arbitration Chamber (CAM), any dispute or controversy that may arise between them, related to or arising in particular from the application, validity, effectiveness, interpretation, violation and its effects, of the provisions contained in Brazilian Corporate Law, the Company's Bylaws, the rules issued by the National Monetary Council, the Central Bank of Brazil, and the Brazilian Securities and Exchange Commission, as well as other rules applicable to the operation of the capital markets in general, in addition to those provided for in Level 2 Regulation, Level 2 Participation Contract, the Sanctions Regulation, and the Arbitration Regulation of the Market Arbitration Chamber.”

## 14. INDEPENDENT AUDITORS

According to CVM Resolution 162, of July 13, 2022, Celesc states that the Independent Auditor did not provide services other than those strictly related to external audit.

Florianópolis, August 10, 2023.

Management

# 1. OPERATIONAL CONTEXT

Centrais Elétricas de Santa Catarina S.A. – Celesc (the "Company" and, together with its wholly-owned subsidiaries, the "Group") is a publicly-held, mixed-capital company founded by State Decree No. 22, on December 9, 1955, headquartered at Avenida Itamarati, nº 160, Itacorubi neighborhood, CEP: 88.034-900, Florianópolis/SC, Brazil.

It was first listed on the stock market on March 26, 1973, and its shares are currently traded in Level 2 of Corporate Governance of B3 S.A. - Brasil, Bolsa, Balcão, in São Paulo.

The Company's controlling shareholder is the Santa Catarina state, which holds 50.18% of the Company's common shares, corresponding to 20.20% of the total capital. The Authorized Capital in its bylaws is R$2.60 billion, and the subscribed and paid-in capital is R$2.48 billion, represented by 38,571,591 nominative shares, with no par value, of which 40.26% are common shares with voting rights and 59.74% are preferred shares, also nominative, with no voting rights.

The Company, together with its subsidiaries and affiliates, is primarily engaged in the distribution, generation and transmission of electricity. In addition, its jointly-owned subsidiary, Companhia de Gás de Santa Catarina S.A. – SCGÁS, operates in piped natural gas distribution.

In the Consolidated Balance Sheet for June 30, 2023 the Company showed a net working capital calculation result of 0.95. This index was below 1.00, mainly because a significant part of the debt reached short-term status. In addition, the portion of the amount to be returned to consumers relating to the credit for the removal of ICMS from the PIS/COFINS calculation base has been included in short-term liabilities, and a significant portion of this amount will be returned to consumers in the August 2023 Annual Tariff Adjustment. Another factor increasing obligations over the next twelve months is the increase in the dividend distribution payout in 2022, from 25% in the previous year to 35%, in addition to the interest on equity earmarked for the first and second quarters of 2023.

As a reduction in current assets, which also contributed to the result below the limit considered satisfactory for this ratio, we would highlight the significant volume of investments made by the company in recent months.

Management does not see any risk related to the discontinuation of activities and expects to raise new funds in the next six months.

# 2. BUSINESS PROFILE

**2.1. Wholly-Owned Subsidiaries**

**2.1.1. Celesc Distribuição S.A. – Celesc D**

Centrais Elétricas de Santa Catarina S.A. – Celesc signed, on July 22, 1999, Concession Agreement No. 56 for the distribution of electricity, which regulates the exploitation of public electricity distribution services, which was effective until July 7, 2015.

On September 29, 2006, Celesc D was created as a privately held company, as authorized by State Law 13,570/2005. The deverticalization process in 2006 transferred the distribution activity to Celesc D.

On December 9, 2015, in a process conducted by the Ministry of Mines and Energy – MME, Celesc D signed the 5th Addendum to Concession Contract No. 56/99, thus extending the concession for another 30 years, until 2045. The Concession Agreement and the 5th Amendment that extended the concession are within the scope of ICPC01/IFRIC 12 – Concession Agreements.

Celesc D is a wholly-owned subsidiary of Centrais Elétricas de Santa Catarina S.A. - Celesc operates in the power distribution segment and serves, totally or partially, 285 municipalities, accounting for 3,362,010 consumer units. Of the total, 264 municipalities are covered by the distributor's concession agreement (263 in Santa Catarina and 1 in Paraná) and 21 municipalities are covered as Precarious services, in concession areas of other distributors (17 in Santa Catarina and 4 in Paraná). Precarious service is provided, under ANEEL's regulations, for reasons of technical and economic convenience, resulting from the lack of a network of the concessionaire holder of the concession. Additionally, Celesc D is responsible for supplying electricity to 4 concessionaires and 20 distribution permit holders, which operate in municipalities in Santa Catarina not served by Celesc D.

**2.1.1.1. Regulatory Environment**

The Brazilian energy sector is regulated by the Federal Government, acting through the Ministry of Mines and Energy (MME), which has exclusive authority over the energy sector. The regulatory policy for the sector is defined by the National Electric Energy Agency - ANEEL.

**a) Extension of the Concession**

Celesc D signed, on December 9, 2015, the 5th Addendum to the Concession Agreement 56/1999 for the distribution of electricity, effective for 30 years, which states that in the first 5 (five) years there will be targets to be achieved for indicators of technical quality and economic and financial sustainability, which are conditions for confirming the extension of the concession. Besides the continuity and power supply quality indicators, Celesc needs to pay attention to the economic indicators, which evaluate the quality and payment potential of the debt about the EBITDA generated by the Company.

From the sixth year following the conclusion of the contract, the failure to comply with the quality criteria for three consecutive years, or economic and financial management criteria for two consecutive years, will lead to the opening of the expiration process of the concession. On December 2022, ANEEL published Order 3,478/2022 recognizing the fulfillment of the continuity technical indicators and the efficiency in relation to the economic-financial management of the Company in the year 2021.

The company has calculated its indicators within the regulatory limits and has been showing a positive trajectory over the period.

**b) Annual Tariff Adjustment - 2022 RTA**

Through Ratifying Resolution 3,094 and Technical Note 161, ANEEL authorized the adjustment to the tariffs to be practiced by Celesc D as of August 22, 2022.

In the 2022 tariff readjustment, the average tariff effect perceived by consumers, of 11.32%, is composed of sector charges (8.23%), transmission costs (3.09%), energy expenses (4.13%), distributors' costs (1.92%), financial items of the current process (-5.62%), and removal of financial items from the previous ordinary process (-0.63%). Portion B (Manageable Costs) accounted for 1.92% of the tariff adjustment. Due to financial items that contributed to reducing the tariff, the effect on consumers was minimized.

**c) Tariff Flags**

The activation of the flags and the monthly amounts of the Centralizing Account of Tariff Flag Resources - CCRBT, transferred to Celesc D, as well as the amounts transferred from Celesc D to CCRBT for the purpose of settling short-term market operations with the Commercialization Chamber of Electric Energy - CCEE, in the first half of 2023 were:

| Month | Flag | Transfer from CCRBT to Celesc D (R$/thousand) | Transfer from Celesc D to CCRBT (R$/thousand) | No of Dispatches ANEEL |
|---|---|---|---|---|
| January | Green | 3,899 | - | 251/2023 |
| February | Green | 3,819 | - | 579/2023 |
| March | Green | 4,175 | - | 866/2023 |
| April | Green | 3,936 | - | 1,230/2023 |
| May | Green | 3,713 | - | 1,551/2023 |
| June | Green | 3,972 | - | 2,160/2023 |

**d) 2014 Contractual Exposure – ANEEL Orders 2642/2015 and 2078/2016**

Celesc D filed a lawsuit against ANEEL, seeking to challenge Order 2,078/2016, to obtain the full recognition of energy contractual exposures as involuntary, at the same time that it requested the grant of a preliminary injunction to suspend the application of tariff reducer of R$256.6 million, expected to be applied together with the ratification of the Periodic Tariff Revision process occurred on August 22, 2016.

In 2019, before the 2019 Annual Tariff Readjustment (RTA) process took place, a decision on the merits contrary to Celesc D's claim was issued. Given this decision, Celesc D was left to appeal to discuss the matter in a second instance, and is still awaiting a decision on the merits from the judges.

With ANEEL, Celesc D requested deferral of the amount (which would be deducted from its tariff coverage) in 5 tariff processes, and ANEEL then partially granted the request and approved the deferral of the financial effect of contractual exposure by one-fifth of the amount in the 2019 tariff adjustment, amounting to R$65.8 million, leaving the remaining balance to be discussed in the subsequent tariff process.

In the 2020 RTA, the same method was adopted considering the request formally made to the Regulatory Agency for deferral in 5 cases and this time with the treatment of the amount of R$68.5 million as a reduction, corresponding to the second parcel.

In the 2021 Periodic Tariff Adjustment - RTP, the reduction amount was R$70.2 million, corresponding to the third installment (3/5). The Agency will evaluate the possibility of maintaining the deferral or the full consideration of the remaining value, and the deferral alternative was accepted.

In the 2022 Annual Tariff Adjustment process the amount was deferred again, and the fourth portion (out of five) was considered a reducing component. R$76.8 million was considered a financial component, leading to a reducing effect of -0.79% to consumers.

The remaining balance on June 30, 2023 is R$86.4 million, being updated monthly by Selic and registered as a regulatory contingency.

**e) Itaipu Bonus**

ANEEL, through Ratifying Resolution No. 3,093, of August 16, 2022, approved the deferral of payments by distributors to ENBpar regarding the transfer of contracted power from Itaipu, for tariff reasonableness purposes, under the terms of Decree No. 11,027/2022. The amounts were transferred from the Itaipu Electricity Trading Account to the concessionaires to complement the payment of expenses with the transfer of contracted power from Itaipu. The Celesc D concession received R$239.5 million. This amount was included in the 2022 RTA as a CVA financial liability and has been amortized over 12 months (Note 13.1).

The transferred amounts will be recomposed to the Itaipu Energy Trading Account based on the respective 2024 tariff processes of the concessionaires that received the resource. The monthly quotas will be defined for the twelve months following the respective tariff process of 2024, and must be collected directly from ENBpar by the 10th of the month following the accrual month. The amounts to be recomposed will observe the remuneration at the Selic Rate for the period.

### 2.1.2. Celesc Geração S.A. – Celesc G

On September 29, 2006, Celesc G, a privately held corporation, was created, as authorized by State Law 13,570/2005, as a result of the process of deverticalization the electricity sector.

Celesc G is the wholly-owned subsidiary of Centrais Elétricas de Santa Catarina - Celesc and operates in the electricity generation and transmission segments through the operation, maintenance, sale and expansion of its generation park and participation in power generation and transmission projects in partnerships with private investors.

#### 2.1.2.1. Generation Park

As of June 30, 2023, Celesc G has its own generating park made up of thirteen hydroelectric plants, twelve of which are in commercial operation and one of which is in the process of being reactivated. It also has a photovoltaic solar plant under the Remote Distributed Generation model. All plants are located in the state of Santa Catarina.

Celesc G holds a minority stake in six more generation projects developed in partnership with private investors, in the form of Special Purpose Entities – SPE, all of which are already in commercial operation. These plants are also located in the state of Santa Catarina.

Celesc G's total generation capacity in operation in the period was 127.51 average MW, 116.27 average MW referring to its site and 11.24 average MW referring to the generation site established through partnerships - already proportional to the Celesc G shareholding in these ventures. The hydroelectric power plant in reactivation process will add 1MW of installed power to Celesc G's own generating park.

All the plants in the own generation park and in partnership participate in the Energy Reallocation Mechanism – MRE, a system for sharing hydrological risks in which the participating plants transfer the energy generated in excess to the plants that generated below their physical guarantee.

##### 2.1.2.1.1. Water Source Generating Park – 100% Celesc G

| Plants | Location | Final Concession Term | Installed Capacity (MW) | Physical Guarantee (MW) | Physical Guarantee in Shares |
|---|---|---|---|---|---|
| Pery HPP | Curitibanos/SC | 07/07/2054 | 30.00 | 14.08 | 100% |
| Palmeiras HPP | Rio dos Cedros/SC | 11/06/2053 | 24.60 | 16.70 | 70% |
| Bracinho HPP | Schroeder/SC | 11/06/2053 | 15.00 | 8.80 | 70% |
| Garcia HPP | Angelina/SC | 01/03/2053 | 8.92 | 7.10 | 70% |
| Cedros HPP | Rio dos Cedros/SC | 11/06/2053 | 8.40 | 6.75 | 70% |
| Salto Weissbach HPP | Blumenau/SC | 11/06/2053 | 6.28 | 3.99 | 70% |
| Celso Ramos SHP | Faxinal dos Guedes/SC | 05/31/2039 | 13.92 | 6.77 | (**) |
| Caveiras HGP | Lages/SC | (*) | 3.83 | 2.77 | (**) |
| Ivo Silveira HGP | Campos Novos/SC | (*) | 2.60 | 2.03 | (**) |
| Rio do Peixe HGP | Videira/SC | (*) | 0.52 | 0.50 | (**) |
| Piraí HGP | Joinville/SC | (*) | 0.78 | 0.45 | (**) |
| São Lourenço HGP | Mafra/SC | (*) | 0.42 | 0.22 | (**) |
| **Total** | | | **115.27** | **70.16** | |

(*) Plants with a power of less than 5 MW are exempt from the concession act (Federal Law 13,360/2016).
(**) Not applicable.

### 2.1.2.1.2. Photovoltaic Solar Generating Park – 100% Celesc G

| Remote UFV DG | Location | Final Concession Term | Installed Capacity (MW) |
|---|---|---|---|
| V Lages I | Lages/SC | N/A | 1.00 |
| **Total** | | | **1.00** |

### 2.1.2.1.3. Water Source Generating Park with Minority Participation

| Plants | Location | Final Concession Term | Installed Capacity (MW) | Physical Guarantee (MW) | Attendance at meetings Celesc G | Installed Power (MW) | Physical Guarantee Equivalent (MW) |
|---|---|---|---|---|---|---|---|
| Rondinha SHP | Passos Maia/SC | 04/06//2044 | 9.60 | 5.48 | 32.5% | 3.12 | 1.78 |
| Silver CGH (CRF)* | Bandeirante/SC | (**) | 3.00 | 1.68 | 26.07% | 0.78 | 0.44 |
| CGH Belmonte (CRF)* | Belmonte/SC | (**) | 3.60 | 1.84 | 26.07% | 0.94 | 0.48 |
| Bandeirante CGH (CRF)* | Bandeirante/SC | (**) | 3.00 | 1.76 | 26.07% | 0.78 | 0.46 |
| Xavantina SHP | Xanxerê/SC | 09/04/2045 | 6.08 | 3.54 | 40.0% | 2.43 | 1.42 |
| Garça Branca SHP | Anchieta/SC | 07/17/2048 | 6.50 | 3.44 | 49.0% | 3.19 | 1.69 |
| **Total** | | | **31.78** | **17.74** | | **11.24** | **6.27** |

(*) The Rio das Flores Energy Complex – CRF, is formed by the Prata, Belmonte and Bandeirante CGHs.
(**) Power plants with a power equal to or less than 5 MW are exempt from the concession act.

### 2.1.2.1.4. Company's Generation Park - Expansion Project

The Distributed Generation Business Plan foresees the implementation of up to 14.6 MW in solar photovoltaic projects, to be installed in the concession area of the Celesc Group distributor. The projects currently being implemented are listed below:

| Remote UFV DG | Location | Installed Power (MW) | Expected Start-Up | Status |
|---|---|---|---|---|
| UFV Campos Novos | Campos Novos/SC | 1.00 | Jul/2023 | Under construction |
| UFV São José do Cedro | São José do Cedro/SC | 2.50 | Set/2023 | Under construction |
| UFV Modelo | Modelo/SC | 2.50 | Set/2023 | Under construction |
| UFV Videira | Videira/SC | 1.00 | Mar/2024 | Under contract |
| UFV Capivari | Capivari de Baixo/SC | 3.00 | Mar/2024 | Under contract |
| UFV Lages II | Lages/SC | 1.00 | Mar/2024 | Under contract |
| **Total** | | **11.00** | | |

All the projects are contemplated within the regulatory window provided by Law, which brings the maintenance of the current rules of the energy compensation system until December 31, 2045. This factor makes it possible to achieve greater profitability in the solar farms model practiced by Celesc Geração.

Note also that the additional 2.6 average MW, approved in the last GD Business Plan review, will be prospected during 2023. This portfolio expansion will also be linked, above all, to the projects fitting into the regulatory window of Law 14,300/22.

As for the hydroelectric undertakings, the following table presents the projects for expansion/reactivation of the company's own plants and the respective stages of development. As for the physical guarantee (new or additional), the Company seeks to obtain, on average, a 50% factor for the plants' total capacity after their expansion/reactivation, which is a standard observed in other similar operational projects.

| Plants | Location | Final Concession Term | Installed Power (MW) | Power Increase (MW) | Pot Final (MW) | Expected Start-Up | Status |
|---|---|---|---|---|---|---|---|
| Salto Weissbach HPP | Blumenau/SC | 11/06/2053 | 6.28 | 23.00 | 29.28 | (**) | EPE/ANEEL Analysis |
| UHE Cedros Stages 1 and 2 | Rio dos Cedros/SC | 11/06/2053 | 8.40 | 4.50 | 12.90 | (**) | Basic Design Review |
| Palmeiras HPP | Rio dos Cedros/SC | 11/06/2053 | 24.60 | 0.75 | 25.35 | (**) | Basic Design Review |
| Maruim HGP | São José/SC | (*) | 0.00 | 1.00 | 1.00 | 2024 | Under construction |
| Caveiras HGP | Lages/SC | (*) | 3.83 | 5.57 | 9.40 | (**) | Environmental Licensing |
| **Total** | | | **43.11** | **34.82** | **77.93** | | |

(*) Plants with a power of less than 5 average MW are exempt from the concession act.
(**) Depends on regulatory, environmental and construction procedures.

### 2.1.2.2. EDP Transmissão Aliança SC

Celesc G has an equity interest in an electric power transmission project, containing five sections of 230 and 525kV transmission lines and a 525/230kV substation, as shown in the table below:

| Enterprise | Location | Final Concession Term | Transformation Capacity (MVA) | Transmission Lines (km) | Celesc G Interest |
|---|---|---|---|---|---|
| EDP – Transmissão Aliança SC | SC | 08/11/2047 | 1,344 | 433 | 10.0% |

EDP Aliança SC is a partnership between Celesc G (10%) and EDP Energias do Brasil (90%), formed from the success of the Transmission Auction nº 05/2016 held in April 2017.

### 2.1.2.3. Regulatory Environment

**a) Readjustment of Annual Revenue from Generation - RAG 2022/2023**

On July 12, 2022 ANEEL, through Ratifying Resolution 3,068, approved the Annual Generation Revenues - RAGs of hydroelectric plants under the quota regime for the 2022/2023 cycle, according to Federal Law 12,783/2013. The validity period of the new RAG is from July 1, 2022 to June 30, 2023.

In the RAG to be received by HPP Pery, R$18.6 thousand refer to the indemnification of the portion of investments in non-depreciated reversible assets.

The RAGs established for the plants owned by Celesc G, which must be billed monthly, are:

| Plants | Annual Revenue (R$/thousand) 2022/2023 Cycle | Monthly Revenue (R$/thousand) 2022/2023 Cycle |
|---|---|---|
| Pery HPP | 26,615 | 2,218 |
| Garcia HPP | 12,417 | 1,035 |
| Bracinho HPP | 15,547 | 1,296 |
| Cedros HPP | 11,386 | 949 |
| Palmeiras HPP | 24,186 | 2,016 |
| Salto Weissbach HPP | 8,073 | 673 |

### 2.1.2.3.1. Expansion Projects of the Own Fleet Plants

**a) Expansion of the Caveiras HGP**

The project to expand the Caveiras CGH is currently undergoing environmental licensing. Its design includes the construction of a new powerhouse and adductor system.

| Year | Legal Act | Share |
|---|---|---|
| 2018 | Order nº 3,005/2018 | Granted the inventory record to Celesc G, for a period of 630 days, counted from its publication |
| Sept/2020 | Order nº 2,752/2022 | Approved the revision of the Inventory Studies for the Caveiras river and guaranteed Celesc G the right of preference for the hydroelectric exploitation |
| Dez/2020 | Order nº 3,592/2022 | Granted Celesc G the Order for the Registration of Intent to Grant Authorization - DRI PCH. |
| Apr/2022 | Order nº 1,102/2022 | ANEEL decided to register the compatibility of the Executive Summary with the Hydroelectric Inventory Studies and with the use of hydraulic potential through the issuance of an Executive Summary Suitability Registration Order - DRS-PCH of PCH Caveiras, with 9,400 kW of Installed Power. |

With the approval of the Basic Expansion Project, environmental licensing with the IMA began. Celesc G is awaiting progress in the negotiations with the environmental agency to move forward with the stages of obtaining the grant from ANEEL and approval of the Business Plan for the bidding process and construction.

**b) Expansion of the Salto Weissbach HPP**

ANEEL approved, through Order 1,117, of May 21, 2018, the basic project for the expansion of HPP Salto Weissbach. Taking advantage of the same reservoir, the project foresees the construction of a new generation circuit, with an inlet canal, water intake, and a powerhouse with two new generating units with a power of 11.5 MW each, totaling an increase of 23.0 average MW, which added to the power of the four existing units in the current powerhouse, will result in a total power of 29.28 average MW.

On June 23, 2022, the Environmental Installation License (LAI) No. 3454/2022 was obtained from the Santa Catarina Environment Institute (IMA/SC) and on May 12, 2023, the Water Availability Reserve Declaration (DRDH) was issued using Order No. 12 SEMAE - State Secretariat for the Environment and Green Economy.

The plant operates under the quota regime, so the energy from the expansion will be fully allocated to this regime. After obtaining the environmental authorizations, the project received ANEEL Order No. 2,079 of June 27, 2023, which approved the parameters for calculating the revision of the physical guarantee of the Salto Weissbach Plant.

The project has been returned to analysis by EPE, which will carry out a technical and economic assessment of the project, so that ANEEL can then calculate the expansion tariff and the concession can be issued by the MME.

**c) Reactivation of CGH Maruim**

The Maruim Power Plant, owned by Celesc G, located in São José/SC, started operating in 1910, with 600 kW of installed capacity, and, after 62 years of operation, was deactivated in 1972. The powerhouse has an English architecture characteristic of the early 20th century, and was declared a historical, cultural, and natural heritage site in 2005 by the Municipal Decree of São José/SC no. 18,707.

After the stages related to environmental licensing and the consolidation of the basic project carried out in recent years, in the first quarter of 2023, work began on reactivating the plant, with this new construction configuration foreseeing an installed capacity of 1 MW, using the existing powerhouse and adapting the other civil and electromechanical structures.

Four different bidding processes were carried out for the implementation: (i) supervision and execution of environmental programs; (ii) supply and installation of turbines, generators, and associated equipment; (iii) supply and installation of penstock and hydromechanical equipment; and (iv) execution of civil works and executive engineering projects that, added together, result in an amount of around R$8 million and will be executed during 2023 and early 2024.

The energy resulting from the enterprise was sold in the regulated market, through the New Energy Auction 2022/A-4, with a tariff of R$264.99/MWh at the time.

**2.2. Other Participations**

| Investments | Classification | Description | Recognition |
|---|---|---|---|
| Companhia de Gás de Santa Catarina S.A. – SCGÁS | Controlled in Set | A mixed-capital company, created on February 25, 1994, it has the concession for the exploration of natural gas distribution services in 100% of the territory of Santa Catarina and its channeled gas distribution concession contract, signed on March 28, 1994, is valid for 50 years (2044). Celesc holds 51% of the common shares, and 17% of the company's total capital stock. | Equity Pickup |
| Empresa Catarinense de Transmissão de Energia S.A. – ECTE | Affiliate | Established in August 2000, with the specific purpose of integrating the electricity transmission system in the state of Santa Catarina, with the exploration of electricity transmission lines in the eastern and coastal regions of Santa Catarina, the company is the concessionaire of the line transmission line SE Campos Novos/SC – SE Blumenau/SC C2, 252.5 km long. It is the second project in operation under the new modality designed for the new cycle of the electricity industry. ECTE, after winning lot D, of Auction nº 006/2011, constituted, in December/2011, its subsidiary Empresa de Transmissão Serrana S.A. – ETSE, which includes the concession of SE Abdon Batista (525/230 kV) and SE Gaspar (230/138 kV), both in the State of Santa Catarina, and aims to integrate the Electric Power Generation Plants to the SIN, as well as enable access to Celesc's distribution system, in addition to expanding the supply of electricity to the Vale do Itajaí region. The affiliate ECTE has an electricity transmission concession contract 088/2000, dated November 1, 2000, with a term of 30 years. For its subsidiary ETSE, the electric power transmission concession contract nº 006/2012, of May 10, 2012, has a term of 30 years. Celesc holds 30.88% of the company's total share capital. | Equity Pickup |
| Dona Francisca Energética S.A – DFESA | Affiliate | An independent electric energy producer, DFESA holds an 85% interest in the Dona Francisca Hydroelectric Power Plant, built on the Jacuí River, in Rio Grande do Sul. The plant has an installed capacity of 125 MW and assured energy of 80 MW. The venture opened in May 2001. DFESA holds the Concession Agreement 188/98 dated August 28, 1998. In 2021, the term of the concession increased from 35 to 39 years from the date of the signature of the contract. The extension was granted after complying with Law No. 14,052/2020. Celesc holds 23.03% of the company's share capital. | Equity Pickup |
| Catarinense Water and Sanitation Company – Casan | Equity Instrument | The publicly-held mixed-capital company, controlled by the Government of the State of Santa Catarina, Casan's role is to coordinate the planning and execute, operate and explore public sanitation and drinking water supply services, as well as carry out basic sanitation works. , in agreement with municipalities in the State of Santa Catarina. Celesc holds 11.95% of the company's total capital stock. | Fair Value Through Other Comprehensive Income - VJORA. |

## 3. PREPARATION BASIS

The bases of preparation applied in this Interim, Individual and Consolidated Accounting Information in accordance with Brazilian accounting practices and IFRS are described below:

### 3.1. Conformity declaration

The Interim Financial Information was prepared under Technical Pronouncement CPC 21 (R1) - Interim Financial Statements and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, and must be read in conjunction with the last Individual and consolidated Annual Financial Statements of the Group, for the year ended December 31, 2022, previously disclosed. The rules issued by the Securities and Exchange Commission – CVM also apply to the preparation.

The Statement of Added Value – DVA, required by Brazilian corporate law, is presented in its form and content in accordance with the criteria defined in Technical Pronouncement CPC 09 – Statement of Added Value, as supplementary information for IFRS purposes.

Management affirms that all relevant information proper of the individual and consolidated interim financial information under IFRS, and only such information, is being evidenced, and that it corresponds to that used by it in its management.

This Interim Accounting Information was approved by the Company's Board of Directors on August 10, 2023, as established in article 17 of CVM Resolution No. 105, dated May 20, 2022.

### 3.2. Functional Currency and Presentation Currency

The individual and consolidated interim financial information according to Brazilian accounting practices and IFRS is presented in reais, which is the functional currency, and all amounts are rounded to thousands of reais, unless otherwise indicated.

### 3.3. Critical Accounting Estimates and Judgments

Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events, considered reasonable under the circumstances. Accounting estimates are re-evaluated at each accounting closing and changed when there is evidence of best practice impacting on the following measurements:

a) Fair Value of Financial Instruments (Note 5.4);
b) Estimated Losses on Doubtful Accounts – PECLD (Note 9.2);
c) Financial Assets/Liabilities Portion A – CVA (Note 13.1);
d) Financial Asset – Grant Bonus (Note 13.2);
e) Financial Asset – Indemnity Basic Project Pery Plant (Note 14.3);
f) Contract assets (Note 15);
g) realization of Deferred IRPJ and CSLL (Note 18.2);
h) Impairment of Non-Financial Assets (Notes 19, 20 and 21);
i) Depreciation (Note 20.2);
j) Indemnifiable Intangible Assets – Celesc D (Note 21);
k) Intangibles Hydrological Risk Renegotiation – Celesc G (Note 21);
l) Contingencies (Note 28);
m) Actuarial liabilities – CPC 33/IAS 19 (Note 29);
n) Unbilled Revenue – Celesc D (Note 9 and 33.1).

## 4. ACCOUNTING POLICIES

The basis of preparation and accounting policies are the same as those used in the preparation of the Individual and consolidated Annual Financial Statements for the year ended December 31, 2022, contemplating the adoption of accounting pronouncements in effect as of January 1, 2023.

### 4.1. Measurement Base

The Individual and Consolidated Interim Accounting Information in accordance with Brazilian accounting practices and IFRS was prepared based on historical cost, with the exception of financial assets measured at Fair Value through Other Comprehensive Income (FVTOCI) and at Fair Value through Profit or Loss (FVTPL); and Celesc G's property, plant and equipment, which was measured at fair value (attributed cost), on the initial adoption of CPC 27.

### 4.2. Accounting Policies, Change of Estimate and Error Rectification

Technical pronouncement CPC 23/IAS 8, which deals with accounting policies, changes in estimates and correction of errors, establishes that adjustments or errors may occur in the recording, measurement, presentation or disclosure of elements of the financial statements. It also establishes that the entity must correct material errors from prior periods retrospectively in the first set of financial statements, whose authorization for publication occurs after the discovery of such errors, defining as one of the alternatives the restatement of comparative amounts for the previous period presented. where the error occurred.

The Company continually reviews how its financial statements are presented and disclosed, aiming at their construction in an appropriate manner and under the applicable regulations in force.

#### 4.2.1. Reclassification of Comparative Balance Sheet Figures

In a more careful analysis, specifically for the preparation of the Balance Sheet, based on technical pronouncement CPC 26 (R1)/IAS 1, inadequate classifications were observed between the subgroups of non-current assets. Although such inadequacies do not cause changes and losses to the statements of equity, it was deemed prudent to make corrections to this disclosure and, for purposes of comparability, reclassifications were carried out in the corresponding amounts for 2022.

The effects of these reclassifications are shown below:

| | | | | **Consolidated** |
|---|---|---|---|---|
| **Assets** | **Note** | **2022** | **Reclassification** | **2022 (Restated)** |
| **Current** | | **3,678,616** | **-** | **3,678,616** |
| Cash and Cash Equivalents | | 940,684 | - | 940,684 |
| Trade Receivables | | 1,758,933 | - | 1,758,933 |
| Inventories | | 20,019 | - | 20,019 |
| Taxes Recoverable | | 699,238 | - | 699,238 |
| Dividends and Interest on Equity - IoE | | 20,422 | - | 20,422 |
| Financial Assets – Concession Bonus Pery Power Plant | | 57,555 | - | 57,555 |
| Subsidy Decree 7891/2013 | | 47,086 | | 47,086 |
| Water Shortage Bonus | | 1,138 | - | 1,138 |
| Other | | 133,541 | - | 133,541 |
| **Noncurrent** | | **7,949,451** | **-** | **7,949,451** |
| **Achievable in the Long Term** | | **3,143,744** | **-** | **3,143,744** |
| Marketable Securities | | 217 | - | 217 |
| Trade Receivables | | 16,775 | - | 16,775 |
| Deferred Taxes | | 709,023 | - | 709,023 |
| Taxes Recoverable | | 524,780 | - | 524,780 |
| Court Deposits | | 359,870 | - | 359,870 |
| Indemnifiable Financial Assets - Concession | 14.1 | 1,008,038 | (408,969) | 599,069 |
| Contract Asset | 15 | - | 408,969 | 408,969 |
| Financial Asset - Portion A | | 76,448 | - | 76,448 |
| Financial Assets – Concession Bonus Pery Power Plant | | 446,095 | - | 446,095 |
| Other | | 2,498 | - | 2,498 |
| **Investments** | | **363,279** | **-** | **363,279** |
| **Property, Plant and Equipment** | | **133,865** | | **133,865** |
| **Intangible Assets** | | **4,308,563** | | **4,308,563** |
| **Total Assets** | | **11,628,067** | | **11,628,067** |

These refer to the amounts of assets in progress related to the energy distribution concession contract, in accordance with CPC 47/IFRS 15. Only when transferred to assets in service will they be bifurcated between intangible and financial assets, in the scope of ICPC 01/IFRS 12.

### 4.2.2 Reclassification of Comparative Cash Flow Statement Figures

| | | | Consolidated |
|---|---|---|---|
| **Cash flow from operating activities** | **06.30.2022** | **Reclassification** | **06.30.2022 (Reclassification)** |
| **Result before income tax and social contribution** | **513,782** | | **513,782** |
| **Adjustments to Reconcile the Profit for the year with Proceeds from Operating activities** | **452,092** | | **441,468** |
| Depreciation and Amortization | 135,775 | | 135,775 |
| Write-off of Property, Plant & Equipment/Intangible Assets | 33,534 | | 33,534 |
| Equity Pickup | (33,269) | | (33,269) |
| Financial Asset Adjustment – VNR | (14,296) | | (14,296) |
| Write-off of Indemnifying Financial Assets - Concession | 1,464 | | 1,464 |
| Interest and Monetary Variations | 256,929 | (10,624) | 246,305 |
| Creation (Reversal) of Provision for Contingent Liabilities | 22,420 | | 22,420 |
| Actuarial Expenses | 55,731 | | 55,731 |
| PIS/COFINS Credit Right-of-use asset depreciation | 333 | | 333 |
| Write-off of Right of Use Lease Assets and Liabilities | (5) | | (5) |
| Allowance for Doubtful Accounts | 47,405 | | 47,405 |
| Update/Interest Return/Bonus Grant | (53,929) | | (53,929) |
| **Increase (Decrease) in Assets** | **825,526** | | **836,150** |
| Accounts Receivable | 111,163 | | 111,163 |
| Taxes Recoverable | 324,291 | | 324,291 |
| Court Deposits | (15,512) | 10,624 | (4,888) |
| Inventories | (6,045) | | (6,045) |
| Financial Assets - (CVA, Concession Bonus) | 316,085 | | 316,085 |
| Water Shortage Bonus Asset | 101,723 | | 101,723 |
| Advance for Future Capital Increase | (2,600) | | (2,600) |
| Other Changes in Assets | (3,579) | | (3,579) |
| **Increase (Decrease) in Liabilities** | **(1,216,609)** | | **(1,216,609)** |
| Suppliers | (207,286) | | (207,286) |
| Social Security and Labor Obligations | (30,263) | | (30,263) |
| Taxes Payable | (740,103) | | (740,103) |
| Financial Liabilities | 153,624 | | 153,624 |
| Regulatory Fees | (205,996) | | (205,996) |
| Actuarial Liability | (118,777) | | (118,777) |
| Water Shortage Bonus Liability | (101,493) | | (101,493) |
| Other Changes in Liabilities | 33,685 | | 33,685 |
| **Cash provided by (used in) operating activities** | **574,791** | | **574,791** |
| Interest Paid | (113,781) | | (113,781) |
| Income Tax and Social Contribution Paid | (5,542) | | (5,542) |
| **Net cash provided by (used in) operating activities** | **455,468** | | **455,468** |
| **Cash Flows From Investing Activities** | | | |
| Additions Financial Assets/Fixed Assets/Intangible Assets | (470,657) | | (470,657) |
| Capital Payment/Reduction | (499) | | (499) |
| Dividends and Interest on Equity Received | 22,225 | | 22,225 |
| **Net cash provided by (used in) investment activities** | **(448,931)** | | **(448,931)** |
| **Cash Flows From Financing Activities** | | | |
| Payment of Loans and Financing | (63,779) | | (63,779) |
| Inflow of Loans and Financing | 610,000 | | 610,000 |
| Payment of Debentures | (50,981) | | (50,981) |
| Payment of IoE and Dividends | (69,622) | | (69,622) |
| Payment of Lease Liabilities | (3,989) | | (3,989) |
| **Net cash provided by (used in) Financing activities** | **421,629** | | **421,629** |
| **Net Increase (Decrease) in Cash and Cash Equivalents** | **428,166** | | **428,166** |
| **Opening Balance of Cash and Cash Equivalents** | **844,088** | | **844,088** |
| **Closing Balance of Cash and Cash Equivalents** | **1,272,254** | | **1,272,254** |
| **Change in Cash and Cash Equivalents** | **428,166** | | **428,166** |

Based on technical pronouncement CPC 03 (R2)/IAS 7, in order to better present the financial updates of judicial deposits in the cash flows from operating activities, the Company has segregated interest and monetary variations from the movements in judicial deposits in assets. The figures for the 2nd quarter of 2022 have been reclassified for comparability purposes.

### 4.3. New Standards and Interpretations

The following amendments to standards were issued by the IASB, and are effective for the 2023 fiscal year. Early adoption of standards, although encouraged by the IASB, is not permitted by the Accounting Pronouncements Committee (CPC) in Brazil.

| Standard | Corresponding CPC | Change | Application |
|---|---|---|---|
| IFRS 17 | CPC 50 | Insurance contracts. | 01/01/2023 |
| IFRS 10 | CPC 36 | Sale or contribution of assets between an Investor and its affiliate or Joint Venture | Not yet informed by IASB |
| IAS 1 | CPC 26 | Classification of Liabilities as Current or Noncurrent | 01/01/2023 |
| IAS 1 | CPC 26 | Disclosure of Accounting Policies | 01/01/2023 |
| IAS 8 | CPC 23 | Definition of Accounting Estimates | 01/01/2023 |
| IAS 12 | CPC 32 | Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction | 01/01/2023 |

The Group has performed a relevant analysis of the matter and has not identified significant impacts on its Interim Financial Statements as a result of the application of the amendments to the standards.

There are no other IFRS standards or IFRIC interpretations that are not yet effective that could have a significant impact on the Company's Interim Financial Statements.

## 5. RISK MANAGEMENT

Celesc and its wholly-owned subsidiaries have a governance structure aligned with good corporate practices and related to the Second Line according to the Global Institute of Internal Auditors (IIA) Three Lines model, such as Risk Management, Internal Controls and Compliance.

Celesc has a Strategic Risk Management and Internal Controls Policy, available for consultation on the Investor Relations Portal (www.celesc.com.br/ri), which guides the Board of Directors, managers and other employees in the prevention and mitigation of risks inherent to the Company's processes and businesses, pointing out the guidelines to be observed for the execution of the strategic management of Corporate Risks, Financial Reporting Risks and Integrity Risks, defining the responsibilities of the Board of Directors, the Statutory Audit Committee, the Executive Board and others involved.

Celesc Group's governance structure for controls and risks is organized as follows:

- The Board of Directors, the highest body in the company's organizational structure and strategic risk management body, has the specific responsibility of implementing and supervising the risk management and internal control systems established to prevent and mitigate the main risks to which the company is exposed (Federal Law No. 13,303/2016 - State-Owned Companies Law).

- As an advisory body to the Board of Directors, to integrate the organizational structure of risk management, the company has since 2018, also in compliance with Law No. 13,303/2016, the Statutory Audit Committee - CAE, whose duties include supervising, evaluating and monitoring the quality and integrity of the internal control mechanisms and monitoring the exposure to risks of Celesc and its wholly-owned subsidiaries Celesc D and Celesc G.

- As an integral part of the risk management process, the Board of Executive Officers plays a fundamental role in identifying, evaluating, controlling, mitigating, monitoring, proposing limits, developing action plans to mitigate risks and monitoring their execution.

The Board of Planning, Controls and Compliance - DPL of the Company develops the strategic management of risks and internal controls, preparing the map of corporate risks, evaluating and monitoring these risks to mitigate them through action plans, thus aiming at the achievement of the Company's long-term strategies.

The Group's Financial, Operational, Compliance and Strategic Risk classes, and their categories, have not been updated concerning the policies disclosed in the Consolidated Annual Financial Statements as of December 31, 2022.

### 5.1. Financial Risk

#### 5.1.1. Liquidity Risk

**a) Cash Flow**

Risk of low financial liquidity, whether due to low collection, impossibility of funding, default, excess expenses and/or investments, to meet financial commitments and the business strategy.

The amounts disclosed in the table are the undiscounted contracted cash flows as of June 30, 2023.

**Consolidated**

| Description | Rates % | Less than a month | From one to three months | From three months to a year | Between one and five years | Over five years | Total |
|---|---|---|---|---|---|---|---|
| Accounts Receivable (net of PECLD) | | 1,628,515 | 65,788 | 48,209 | 12,708 | 704 | **1,755,924** |
| Cash and Cash Equivalents | | 1,033,761 | - | - | - | - | **1,033,761** |
| Court Deposits | | - | - | - | 390,528 | - | **390,528** |
| CDE Subsidy (Decree 7.891/2013) | | 47,086 | - | - | - | - | **47,086** |
| Financial Asset - Grant Grant | IPCA | 3,624 | 7,154 | 30,832 | 134,995 | 221,050 | **397,655** |
| Financial Asset – Ind. Pery Plant Basic Project | IPCA | 1,585 | 3,130 | 13,517 | 59,735 | 102,096 | **180,063** |
| **Total Assets** | | **2,714,571** | **76,072** | **92,558** | **597,966** | **323,850** | **3,805,017** |
| Banking Loans - CDI | CDI + 0.8% to 1.65% p.a. | 28,449 | 138,308 | 141,172 | 438,744 | - | **746,673** |
| Electricity Development Account – CDE | | 19,472 | - | - | - | - | **19,472** |
| Eletrobras | 5% p.a. | 75 | 147 | 666 | 903 | - | **1,791** |
| Finame | 2.5% to 9.5% p.a. | 244 | 357 | 587 | 39 | - | **1,227** |
| Debentures – Celesc D | CDI + 1.9% to 2.6% p.a. | 29,972 | 25,587 | 120,686 | 337,217 | - | **513,462** |
| Debentures – Celesc G | IPCA + 4.3% p.a. | - | - | 6,007 | 25,577 | 17,497 | **49,081** |
| Private Pension Entity | | 24,972 | 17,208 | 77,438 | 413,000 | 1,081,937 | **1,614,555** |
| Suppliers | | 658,732 | 259,886 | 1,571 | - | - | **920,189** |
| Financial Liabilities - CVA | Selic | 48,607 | 97,675 | 454,356 | 86,582 | - | **687,220** |
| Mathematical Reserve to be Amortized | IPCA + 6% p.a. | 20,982 | 20,249 | 94,798 | 71,937 | - | **207,966** |
| IDB | CDI + 0.76% to 1.93% p.a | 34,219 | - | 33,341 | 353,288 | 1,905,435 | **2,326,283** |
| **Total Liabilities** | | **865,724** | **559,417** | **930,622** | **1,727,287** | **3,004,869** | **7,087,919** |

## 5.2. Market risk

### 5.2.1. Sensitivity Analysis

Below is a table showing the sensitivity analysis of financial instruments, which describes the interest rate risks that may generate material effects for the Company, with the most likely scenario (scenario I) according to the assessment carried out by Management, considering a horizon twelve months, when the next financial information containing such analysis shall be disclosed.

In addition, four other scenarios are shown in order to present 25% and 50% increases and decreases in the risk variable considered. The amounts are presented in absolute terms rather than concerning the probable scenario presented. The scenarios were defined based on macroeconomic assumptions drawn up by specialized consultancies.

The sensitivity analysis presented considers changes in relation to a given risk, keeping all other variables, associated with other risks, constant, with balances as of June 30, 2023:

**Consolidated**

| Assumptions | Effects of the Accounts on the Result | NE | Balance | (Scenario I) | 25% Increase (Scenario II) | 50% Increase (Scenario III) | 25% Reduction (Scenario IV) | 50% Reduction (Scenario V) |
|---|---|---|---|---|---|---|---|---|
| **CDI** | | | | **13.03%** | **16.29%** | **19.55%** | **9.77%** | **6.52%** |
| | Financial Investments | 8 | 1,006,767 | 131,182 | 164,002 | 196,823 | (98,361) | (65,641) |
| | Loans | 23 | (1,974,575) | (257,287) | (321,658) | (386,029) | 192,916 | 128,742 |
| | Debentures | 24 | (452,405) | (58,948) | (73,697) | (88,445) | 44,200 | 29,497 |
| **Selic** | | | | **12.04%** | **15.05%** | **18.06%** | **9.03%** | **6.02%** |
| | CVA - Passive | 13.1 | (645,686) | (77,741) | (97,176) | (116,611) | 58,305 | 38,870 |
| **IPCA** | | | | **3.16%** | **3.95%** | **4.74%** | **2.37%** | **1.58%** |
| | Indemnifiable Financial Assets - Concession | 14 | 671,364 | 21,225 | 26,519 | 31,823 | (15,911) | (10,608) |
| | Debentures | 24 | (43,925) | (1,389) | (1,735) | (2,082) | 1,041 | 694 |
| | Financial Assets – Concession Bonus | 13.2 | 355,309 | 11,233 | 14,035 | 16,842 | (8,421) | (5,614) |
| | Financial Asset – Ind. Pery Plant Basic Project | 14.3 | 160,710 | 5,081 | 6,348 | 7,618 | (3,809) | (2,539) |
| | Mathematical Reserve to be Amortized | 29 | (198,844) | (6,286) | (7,854) | (9,425) | 4,713 | 3,142 |

The Company and its subsidiaries have market risk associated with the CDI, IPCA and SELIC indexes, and may experience fluctuations in the realization of these operations.

## 5.3. Capital Management

The objectives when managing its capital are to safeguard the Company's ability to continue as a going concern to offer returns to shareholders and benefits to other stakeholders, in addition to maintaining an ideal capital structure to reduce this cost.

To maintain or adjust the capital structure, the Company may review the dividend payment policy, return capital to shareholders or even issue new shares or sell assets to reduce, for example, the level of indebtedness.

In line with other companies in the sector, the Company monitors capital based on the financial leverage ratio. This ratio corresponds to net debt divided by total capital.

Net debt, in turn, corresponds to total loans and financing, including short- and long-term loans and debentures, less cash and cash equivalents. Total capital is calculated by adding net equity to net debt.

The following table presents the Financial Leverage Ratio:

| | | | Consolidated |
|---|---|---|---|
| **Description** | **NE n** | **06.30.2023** | **12.31.2022** |
| Loans and Financing – National Currency | 23 | 674,311 | 676,836 |
| Loans and Financing - Foreign Currency | 23 | 1,303,153 | 1,166,319 |
| Debentures | 24 | 496,330 | 606,113 |
| ( - ) Cash and Cash Equivalents | 8 | (1,033,761) | (940,684) |
| **Net Debt** | | **1,440,033** | **1,508,584** |
| **Total Shareholders' Equity** | | **3,201,191** | **2,883,176** |
| **Total Capital** | | **4,641,224** | **4,391,760** |
| **Financial Leverage Ratio (%)** | | **31.03%** | **34.35%** |

### 5.4. Fair Value Estimate

It is assumed that the balances of trade accounts receivable and accounts payable to suppliers at book value, less impairment loss, are close to their fair values.

The fair value of financial liabilities, for disclosure purposes, is estimated by discounting future contractual cash flows at the prevailing market interest rate, which is available to the Company for similar financial instruments.

For financial instruments measured in the balance sheet at fair value, the Company applies CPC 13/IFRS 13 – Measurement at Fair Value, which requires disclosure, by level, in the following hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities that the Company may have access to on the measurement date (Level 1);

- Information, other than quoted prices, included in Level 1 that is observable for the Asset or Liability, either directly, as prices, or indirectly, as derived from prices (Level 2);

- Inputs for assets or liabilities that are not based on data adopted by the market, ie, unobservable inputs (Level 3).

The following table presents the Group's assets measured at fair value as of June 30, 2023, comprising only level 3 estimation:

| | | | Parent Company |
|---|---|---|---|
| **Description - Level 3** | **NE** | **06.30.2023** | **12.31.2022** |
| **Fair Value through Other Comprehensive Income (VJORA)** | | | |
| Marketable Securities - Other | 16 | 208 | 217 |
| **Total Assets** | | **208** | **217** |

| | | | Consolidated |
|---|---|---|---|
| **Description - Level 3** | **NE** | **06.30.2023** | **12.31.2022** |
| **Fair Value through Other Comprehensive Income (VJORA)** | | | |
| Marketable Securities - Other | 16 | 208 | 217 |
| **Fair Value through Profit and Loss - VJR** | | | |
| Indemnifiable Asset - Concession | 14 | 673,785 | 599,069 |
| **Total Assets** | | **673,993** | **599,286** |
| Sector Charges - CDE | 27 | 19,472 | 19,472 |
| **Total Liabilities** | | **19,472** | **19,472** |

Specific valuation techniques used to measure financial instruments at fair value include:

a) Market Approach; b) Cost Approach; c) Revenue Approach; d) Other techniques.

For assets accounted for as Bonds and Securities, valued at VJORA, other techniques were used, such as discounted cash flow analysis. The cost approach was applied to the Others account.

For the indemnifiable financial assets, valued at VJR, the measurement was through the cost approach technique.

The carrying amount of financial instruments measured at amortized cost reasonably approximates their fair value.

# 6. FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the financial instruments by category as of June 30, 2023:

| | | | | Parent Company |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Assets** | **48,418** | **-** | **208** | **48,626** |
| Cash and Cash Equivalents | 48,418 | - | - | 48,418 |
| Other | - | - | 208 | 208 |

| | | | | Parent Company |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Liabilities** | **175,784** | **-** | **-** | **175,784** |
| Suppliers | 560 | - | - | 560 |
| Dividends and Interest on Equity | 175,224 | - | - | 175,224 |

| | | | | Consolidated |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Assets** | **3,352,790** | **673,785** | **208** | **4,026,783** |
| Cash and Cash Equivalents | 1,033,761 | - | - | 1,033,761 |
| Trade Receivables | 1,755,924 | - | - | 1,755,924 |
| CDE - Subsidy Decree 7,891/2013 | 47,086 | - | - | 47,086 |
| Indemnifiable Financial Assets - Concession | - | 673,785 | - | 673,785 |
| Financial Assets – Concession Bonus | 355,309 | - | - | 355,309 |
| Financial Asset - Indemnification of the Pery Plant Basic Project | 160,710 | - | - | 160,710 |
| Other | - | - | 208 | 208 |

| | | | | Consolidated |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Liabilities** | **4,413,737** | **19,472** | **-** | **4,433,209** |
| Suppliers | 920,189 | - | - | 920,189 |
| Dividends and Interest on Equity | 175,224 | - | - | 175,224 |
| National Currency Loans | 674,311 | - | - | 674,311 |
| Foreign Currency Loan | 1,303,153 | - | - | 1,303,153 |
| Debentures | 496,330 | - | - | 496,330 |
| Mathematical Reserve to be Amortized | 198,844 | - | - | 198,844 |
| Sector Charges - CDE | - | 19,472 | - | 19,472 |
| Financial Liabilities - CVA | 645,686 | - | - | 645,686 |

The following tables present the financial instruments by category as of December 31, 2022:

| | | | | Parent Company |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Assets** | **48,205** | **-** | **217** | **48,422** |
| Cash and Cash Equivalents | 48,205 | - | - | 48,205 |
| Other | - | - | 217 | 217 |

| | | | | Parent Company |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Liabilities** | **158,502** | **-** | **-** | **158,502** |
| Suppliers | 900 | - | - | 900 |
| Dividends and Interest on Equity | 157,602 | - | - | 157,602 |

| | | | | Consolidated (Restated) |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Assets** | **3,343,576** | **599,069** | **217** | **3,942,862** |
| Cash and Cash Equivalents | 940,684 | - | - | 940,684 |
| Trade Receivables | 1,775,708 | - | - | 1,775,708 |
| CDE - Subsidy Decree 7,891/2013 | 47,086 | - | - | 47,086 |
| Indemnifiable Financial Assets - Concession | - | 599,069 | - | 599,069 |
| Financial Asset - CVA | 76,448 | - | - | 76,448 |
| Financial Assets – Concession Bonus | 346,810 | - | - | 346,810 |
| Financial Asset - Indemnification of the Pery Plant Basic Project | 156,840 | - | - | 156,840 |
| Other | - | - | 217 | 217 |

| | | | | Consolidated (Restated) |
|---|---|---|---|---|
| **Description** | **Cost Amortized** | **Fair Value through Result** | **Fair Value through Other Comprehensive Results** | **Total** |
| **Liabilities** | **4,625,925** | **19,472** | **-** | **4,645,397** |
| Suppliers | 1,016,513 | - | - | 1,016,513 |
| Dividends and Interest on Equity | 157,602 | - | - | 157,602 |
| National Currency Loans | 676,836 | - | - | 676,836 |
| Foreign Currency Loan | 1,166,319 | - | - | 1,166,319 |
| Debentures | 606,113 | - | - | 606,113 |
| Mathematical Reserve to be Amortized | 248,978 | - | - | 248,978 |
| Sector Charges - CDE | - | 19,472 | - | 19,472 |
| Financial Liabilities - CVA | 753,564 | - | - | 753,564 |

## 7. CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets can be assessed by reference to internal credit limit assignment ratings.

| | | Consolidated |
|---|---|---|
| **Trade Receivables** | **06.30.2023** | **12.31.2022** |
| Group 1 - Customers with Collection on Maturity | 847,200 | 906,658 |
| Group 2 - Customers with an average delay between 01 and 90 days | 669,887 | 631,435 |
| Group 3 - Customers with an average delay of more than 90 days | 587,836 | 562,195 |
| **Total** | **2,104,923** | **2,100,288** |
| PECLD with customers | (348,999) | (324,580) |
| **Total** | **1,755,924** | **1,775,708** |

All other financial assets that the Company maintains, mainly current accounts and financial investments, are considered to be of high quality and do not show signs of loss.

## 8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held to meet short-term commitments and not for other purposes.

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Bank and Cash Resources | 12 | 5 | 26,994 | 44,725 |
| Financial Investments | 48,406 | 48,200 | 1,006,767 | 895,959 |
| **Total** | **48,418** | **48,205** | **1,033,761** | **940,684** |

Financial investments are highly liquid, readily convertible into a known amount of cash, and are not subject to significant risk of changes in value. These securities refer to Bank Deposit Certificates - CDBs, remunerated on average at the rate of 96% of the Interbank Deposit Certificate - CDI.

# 9. TRADE RECEIVABLES

## 9.1. Consumers, Concessionaires and Licensees

| | | | | | Consolidated |
|---|---|---|---|---|---|
| **Description** | **Falling Due** | **Overdue Up to 90 days** | **Overdue More than 90 days** | **06.30.2023** | **12.31.2022** |
| **Consumers** | **1,066,816** | **270,394** | **438,522** | **1,775,732** | **1,787,728** |
| Residential | 316,597 | 176,968 | 227,208 | 720,773 | 682,653 |
| Industrial | 71,125 | 29,643 | 82,441 | 183,209 | 182,744 |
| Business | 133,099 | 49,934 | 116,326 | 299,359 | 296,732 |
| Rural | 39,930 | 13,338 | 11,370 | 64,638 | 69,928 |
| Government | 41,083 | 422 | 259 | 41,764 | 40,860 |
| Public Lighting | 16,812 | 2 | 896 | 17,710 | 17,313 |
| Public Service | 16,238 | 87 | 22 | 16,347 | 16,015 |
| Non-Invoiced Supply | 431,932 | - | - | 431,932 | 481,483 |
| **Supply to Other Dealers** | **272,983** | **20,208** | **35,901** | **329,092** | **312,560** |
| Concessionaires and Licensees | 257,810 | 3,764 | 1,516 | 263,090 | 244,268 |
| Transactions within the scope of the CCEE | 1,256 | - | - | 1,256 | 22,711 |
| Other Receivables | 4,673 | 16,444 | 34,385 | 55,502 | 35,769 |
| Concessionaires and Licensees not Billed | 9,244 | - | - | 9,244 | 9,812 |
| **Total** | **1,339,799** | **290,602** | **474,423** | **2,104,824** | **2,100,288** |
| PECLD with customers | (8,506) | (6,989) | (333,405) | (348,900) | (324,580) |
| **Total Trade Receivables, Net** | **1,331,293** | **283,613** | **141,018** | **1,755,924** | **1,775,708** |
| **Current** | | | | **1,742,512** | **1,758,933** |
| **Noncurrent** | | | | **13,412** | **16,775** |

## 9.2. Allowance for Doubtful Accounts - ADA

At Celesc D, estimated losses on amounts falling due are recognized due to significant increases in credit risk since initial recognition, assessed individually or collectively, considering all reasonable and sustainable information, including forward-looking information.

The subsidiary Celesc G, in addition to defaults generated by bilateral contracts, is subject to defaults occurring in the electricity market of the national interconnected system, which are managed and accounted for by CCEE, and are apportioned among market agents.

The breakdown by consumption class is shown below:

| | | Consolidated |
|---|---|---|
| **Consumers** | **06.30.2023** | **12.31.2022** |
| Residential | 154,095 | 142,191 |
| Industrial | 67,947 | 65,574 |
| Commerce, Services and Others | 90,135 | 81,957 |
| Rural | 5,528 | 5,144 |
| Government | 254 | 276 |
| Public Lighting | 900 | 1,421 |
| Public Service | 27 | 23 |
| Concessionaires and Licensees | 1,686 | 960 |
| Free Consumers | 2,241 | 2,043 |
| Other | 26,087 | 24,991 |
| **Total Current** | **348,900** | **324,580** |

The changes are as follows:

| | Consolidated |
|---|---|
| **Description** | **Total** |
| **Balance on 12.31.2022** | **324,580** |
| Provision/Reversal Recorded in the Exercise | 47,590 |
| Write-offs of Accounts Receivable | (23,270) |
| **Balance on 06.30.2023** | **348,900** |

Celesc D, in accordance with CPC 48/IFRS 9, uses the provisions matrix as a practical expedient to estimate its expected credit losses over the next twelve months, having been updated in December 2022. Expected credit losses consider historical experience, adjusting it to better reflect information about current conditions and reasonable and supportable forecasts of future economic conditions, without disregarding market information about credit risk.

To prepare the default matrix, a report extracted and sent monthly to ANEEL was used with the amounts billed and not received. The purpose of the report is to demonstrate the amounts not received (overdue and due) of each billing until the chosen date and to define the stabilization point of the bill's aging curve, the Aging.

Below are the percentages of expected losses segregated by class of consumption, applied in the recognition of receivables:

| Aging Months | General | Residential | Industrial | Commercial | Rural | Government | Public Lighting | Public Service |
|---|---|---|---|---|---|---|---|---|
| Falling due | 0.52% | 0.67% | 0.38% | 0.63% | 0.18% | 0.01% | 0.01% | 0.02% |
| 0-3 months | 2.53% | 2.15% | 2.90% | 3.39% | 0.97% | 0.19% | 1.23% | 0.56% |
| 3-6 months | 24.84% | 19.62% | 48.39% | 33.08% | 7.69% | 5.88% | 100.00% | 50.00% |
| 6-12 months | 49.38% | 42.28% | 71.43% | 51.81% | 20.59% | 16.67% | 100.00% | 100.00% |
| 12-18 months | 61.54% | 56.52% | 73.17% | 66.15% | 37.84% | 33.33% | 100.00% | 100.00% |
| 18-24 months | 66.67% | 66.67% | 75.00% | 74.14% | 51.85% | 100.00% | 100.00% | 100.00% |
| 24-36 months | 72.73% | 73.24% | 76.92% | 84.31% | 66.67% | 100.00% | 100.00% | 100.00% |
| 36-48 months | 80.00% | 85.25% | 78.95% | 95.56% | 82.35% | 100.00% | 100.00% | 100.00% |
| 48-60 months | 97.56% | 98.11% | 96.77% | 97.73% | 93.33% | 100.00% | 100.00% | 100.00% |
| +60 months | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

**(i) Judicial Decision of the Generation Scaling Factor Adjustment Factor – GSF**

On September 27, 2021, Celesc G communicated to CCEE the withdrawal of the existing lawsuit for UHE's Garcia, Bracinho, Cedros, Palmeiras, Salto, Pery and PCH Celso Ramos. The value of the PECLD of these plants was fully reversed until October 2021. Celesc G maintains the preliminary injunctions referring to the CGH's and awaits an outcome from ANEEL.

The amounts referring to the adjustments in Celesc G of the preliminary measures related to the CGH's, in the first half of 2023, regarding the GSF in the reports of the results of the short-term market accounting, issued by the CCEE, were in the amount of R$4.2 million During the year, R$2.9 million was reverted due to its receipt.

On June 30, 2023, the balance of the PECLD is R$1.49 million, referring to the CGHs, for which Celesc G maintains the lawsuit.

The movement for the year is shown in the table below:

| | Consolidated |
|---|---|
| **Description** | **Total** |
| **Balance on 12.31.2022** | **172** |
| Net Provision in the Exercise | 4,202 |
| Write-off in Accounts Receivable | (2,886) |
| **Balance on 06.30.2023** | **1,488** |

## 10. STOCKS

Inventories are made up of materials used to maintain generation operations and, above all, those related to energy distribution.

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| Generation Warehouse | 70 | 73 |
| Distribution Warehouse | 30,504 | 19,946 |
| **Total** | **30,574** | **20,019** |

## 11. TAXES TO RECOVER

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| PIS/COFINS (Exclusion of ICMS Calculation Base) (11.1) | - | - | 859,271 | 1,100,944 |
| ICMS | - | - | 59,916 | 57,941 |
| PIS/COFINS | - | - | 6 | 6 |
| Other | - | - | 995 | 992 |
| **Total** | **-** | **-** | **920,188** | **1,159,884** |
| **Current** | **-** | **-** | **752,689** | **635,104** |
| **Noncurrent** | **-** | **-** | **167,499** | **524,780** |

ICMS credits to be recovered recorded in non-current assets arise from acquisitions of fixed assets and can be offset within 48 months.

### 11.1. PIS/COFINS (Exclusion of ICMS from the calculation base)

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| PIS/COFINS (Exclusion of ICMS Calculation Base) 2nd action | - | - | 859,271 | 1,100,944 |
| **Total** | **-** | **-** | **859,271** | **1,100,944** |
| **Current** | **-** | **-** | **722,587** | **609,890** |
| **Noncurrent** | **-** | **-** | **136,684** | **491,054** |

On July 9, 2019, Celesc D filed a second lawsuit, filed under No. 5016157-78.2019.4.04.7200, claiming the return of amounts referring to the period from January 2015 onwards. The action was judged in favor of the lower court, recognizing the concessionaire's right to exclude ICMS from the PIS and Cofins calculation base, as of January 1, 2015, a decision confirmed by the Federal Regional Court of the 4th Region when analyzing the Appeal filed by the Union – National Treasury.

However, as a result of the modulation of the effects of the decision handed down in leading case No. 574,706 - Item 69 - there was, in the court of withdrawal, the limitation of the right to repeat the overpayment, as of March 15, 2017, the date of the judgment on the merits of Extraordinary Appeal No. 574,706 by the Federal Supreme Court. The process became final and unappealable on May 26, 2022.The Federal Revenue Service authorized the credits on December 27, 2022, and in February 2023 began the process of offsetting outstanding taxes against the authorized credits.

Celesc D has been updating and offsetting its taxes with the credits arising from this 2nd action. As a result of future offsets of this balance, Celesc D reclassified the PIS and Cofins credit to current assets based on projections of amounts to be offset in the next twelve months.

## 12. DIVIDENDS/IOE TO RECEIVE AND OTHER ASSETS

### 12.1. Dividends and IoE to Receive

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Rondinha Dividends | - | - | 100 | - |
| Celesc G Dividends | 7,659 | - | - | - |
| SCGÁS Dividends | - | 4,374 | - | 4,374 |
| ECTE Dividends | - | 8,256 | - | 8,256 |
| Casan Dividends | 2,611 | - | 2,611 | - |
| DFESA Dividends | - | 909 | - | 909 |
| Dividends EDP Transmissão Aliança | - | - | 5,326 | 1,078 |
| IOE Celesc G | 19,362 | 38,724 | - | - |
| IOE Celesc D | 164,454 | 154,806 | - | - |
| IOE SCGÁS | 1,275 | 2,227 | 1,275 | 2,227 |
| IOE EDP Transmissão Aliança | - | - | 2,524 | 3,578 |
| **Total Current** | **195,361** | **209,296** | **11,836** | **20,422** |

### 12.2. Other Current and Noncurrent Assets

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Subsidy Decree 7,891/2013 | - | - | 47,086 | 47,086 |
| ICMS ST (i) | - | - | 37,958 | 35,043 |
| Infrastructure Sharing (ii) | - | - | 43,810 | 44,089 |
| Proinfa advance (iii) | - | - | 24,578 | 24,578 |
| CDE Refund Difference (iv) | - | - | 733 | 3,424 |
| Low Income Program | - | - | 5,778 | 5,621 |
| Prepaid Expenses (v) | 120 | 487 | 2,328 | 2,128 |
| Account Flags | - | - | 3,972 | 3,453 |
| Intended for Alienation | - | - | 2,809 | 2,457 |
| Staff at your disposal | - | - | 847 | 794 |
| Sundry advances (vi) | 64 | 177 | 17,171 | 9,443 |
| Other Credits (vii) | 7 | - | 3,330 | 5,009 |
| **Total** | **191** | **664** | **190,400** | **183,125** |
| **Current** | **174** | **623** | **187,574** | **180,627** |
| **Noncurrent** | **17** | **41** | **2,826** | **2,498** |

#### (i) ICMS Tax Replacement (ST)

Amounts receivable from Free Consumers arising from the collection of taxes on electricity bills linked to Convênio/CONFAZ 77, of August 5, 2011.

**(ii) Shared Infrastructure**

It refers to the use of attachment points on Celesc D poles, carried out by third parties, for the provision of telecommunications services of collective interest, such as telephony, internet, cable TV and others.

**(iii) Early Payment of the Incentive Program for Alternative Electricity Sources - PROINFA**

Refers to the advance of the charge regulated by Decree 5025/2004, at Celesc D, which aims to increase the share of alternative renewable sources in the production of electricity.

**(iv) CDE Reimbursement Difference**

Corresponds to the difference between the amounts granted for tariff discounts to Celesc D's consumer units and the amounts received from CEEE to offset said discounts on tariffs applicable to generators and consumers from incentivized sources, for irrigation and aquaculture services during special hours, public water, sewage and sanitation services, distributors with their own market, the rural class, the rural electrification cooperative subclass and the public irrigation service.

**(v) Expenses Paid in Advance**

They correspond to insurance premiums in the amount of R$2.3 million.

**(vi) Sundry advances**

The main anticipated expenses are salary advances (R$8.9 million), vacations (R$1.5 million), and food vouchers (R$6.1 million).

**(vii) Other Credits**

Correspond mainly to amounts receivable from contractual fines with suppliers and damage caused by third parties to the Company's assets.

## 13. FINANCIAL ASSETS/LIABILITIES

### 13.1. Installment A - CVA

| Description | 12.31.2022 | Addition | Amortization | Remuneration | 06.30.2023 | Amortization Balance | Incorporation Balance | Current | Noncurrent |
|---|---|---|---|---|---|---|---|---|---|
| **Active CVA** | **898,170** | **(88,548)** | **(416,935)** | **44,935** | **437,622** | **111,618** | **326,004 (iii)** | **390,532** | **47,090** |
| Energy | 137,397 | (45,787) | (64,001) | 4,117 | 31,726 | 17,445 | 14,281 | 29,663 | 2,063 |
| Proinfa | 59,745 | - | (49,531) | 3,177 | 13,391 | 13,391 | - | 13,391 | - |
| Basic Network Transport | 134,783 | 40,781 | (32,461) | 9,314 | 152,417 | 8,776 | 143,641 | 131,669 | 20,748 |
| Energy Transport | 23,707 | 4,774 | (10,194) | 1,525 | 19,812 | 2,756 | 17,056 | 17,349 | 2,463 |
| ESS | 70,811 | 16,453 | (54,498) | 9,069 | 41,835 | 13,474 | 28,361 | 37,738 | 4,097 |
| CDE | 277,536 | (30,716) | (205,444) | 14,167 | 55,543 | 55,543 | - | 55,543 | - |
| Neutrality Installment A | 45,881 | (46,241) | - | 360 | - | - | - | - | - |
| Energy overcontracting | 119,373 | (27,812) | - | 3,206 | 94,767 | - | 94,767 | 81,078 | 13,689 |
| Other | 28,937 | - | (806) | - | 28,131 | 233 | 27,898 | 24,101 | 4,030 |
| **Passive CVA** | **(1,575,286)** | **(469,203)** | **1,002,523** | **(41,342)** | **(1,083,308)** | **(289,619)** | **(793,689)** | **(971,056)** | **(112,252)** |
| Energy Acquisition | - | (2,712) | - | 2,712 | - | - | - | - | - |
| Itaipu Energy Cost | (74,702) | (149,245) | 7,590 | (7,783) | (224,140) | (2,193) | (221,947) | (192,081) | (32,059) |
| Proinfa | (3,800) | (24,075) | - | (1,366) | (29,241) | - | (29,241) | (25,017) | (4,224) |
| CDE | - | (7,327) | - | (2) | (7,329) | - | (7,329) | (6,270) | (1,059) |
| Energy Overcontracting | (52,302) | - | 40,579 | - | (11,723) | (11,723) | - | (11,723) | - |
| Neutrality Installment A | (14,851) | (60,226) | 11,522 | (2,634) | (66,189) | (3,329) | (62,860) | (57,109) | (9,080) |
| Tariff Returns (i) | (586,535) | (23,093) | 426,457 | (1,431) | (184,602) | (123,199) | (61,403) | (178,076) | (6,526) |
| Tariff Flags | (216) | (123) | - | - | (339) | - | (339) | (339) | - |
| Other (ii) | (842,880) | (202,402) | 516,375 | (30,838) | (559,745) | (149,175) | (410,570) | (500,441) | (59,304) |
| **Balance Assets/(Liabilities)** | **(677,116)** | **(557,751)** | **585,588** | **3,593** | **(645,686)** | **(178,001)** | **(467,685)** | **(580,524)** | **(65,162)** |

(i) Tariff refunds correspond, among other items, to PIS/Cofins on the ICMS calculation base, which is being refunded to the consumer.

(ii) Other - These correspond to other financial items, hydrological risk, CDE - Eletrobras Modicity and Itaipu Bonus.

(iii) Tranche A - CVA assets were reduced as a result of tariff coverage being more in line with actual costs incurred, with no mismatch in the creation of assets for economic rebalancing. CVA assets and liabilities have zero impact on the result. Financially, the expectation is positive, considering that when there are no more assets to receive than liabilities to return, it means that there has been no cash mismatch since the last annual tariff adjustment for these items from a tariff perspective.

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| CVA 2021 - from 08.23.2021 to 08.22.2022 | 109,192 | 487,164 |
| CVA 2022 - from 08.23.2022 to 08.22.2023 | (55,178) | 138,313 |
| **Total – CVA** | **54,014** | **625,477** |
| Other Items - from August 23, 2021 to August 22, 2022 | (287,193) | (1,281,318) |
| Other Items - from August 23, 2022 to August 22, 2023 | (412,507) | (21,275) |
| Total - Other Items - CVA | **(699,700)** | **(1,302,593)** |
| **Total** | **(645,686)** | **(677,116)** |

### 13.2. Financial Asset - Grant Bonus

In 2016, Celesc G paid R$228.6 million as Grant Bonus – BO referring to the new concessions of Usinas Garcia, Bracinho, Palmeiras, Cedros and Salto.

The amount was recognized as a financial asset, valued at amortized cost, due to Celesc G's unconditional right to receive the amount paid, updated by the IPCA and added to the interest calculated based on the Effective Interest Rate - IRR, during the term of the concession.

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| **Description** | **Garcia Plant** | **Bracinho Plant** | **Cedros Plant** | **Salto Plant** | **Palmeiras Plant** | **Total** |
| **Balance on 12.31.2022** | **50,530** | **72,634** | **55,400** | **33,571** | **134,675** | **346,810** |
| Restatement | 1,398 | 2,009 | 1,534 | 926 | 3,737 | 9,604 |
| Interest | 3,036 | 4,424 | 3,263 | 2,293 | 7,129 | 20,145 |
| Amortization / Write-off | (3,198) | (4,618) | (3,427) | (2,351) | (7,656) | (21,250) |
| **Balance on 06.30.2023** | **51,766** | **74,449** | **56,770** | **34,439** | **137,885** | **355,309** |
| **Current** | | | | | | **41,228** |
| **Noncurrent** | | | | | | **314,081** |

## 14. INDEMNIFYABLE FINANCIAL ASSET - CONCESSION

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022 (Restated)** |
| **Concession Asset - Energy Distribution** | **671,364** | **596,648** |
| In service | 671,364 | 596,648 |
| **Concession Asset - Power Generation** | **163,131** | **159,261** |
| Indemnifiable Asset | 2,421 | 2,421 |
| Indemnifiable Asset - Basic Project Usina Pery | 160,710 | 156,840 |
| **Total** | **834,495** | **755,909** |
| **Current** | **18,065** | **17,536** |
| **Noncurrent** | **816,430** | **738,373** |

### 14.1. Indemnifiable Financial Asset - Energy Distribution

Due to the extension of the 5th Addendum to the Concession Agreement No. 56/1999, Celesc D divided its assets linked to the concession into intangible assets and indemnifiable assets.

This is the fair value of the concession-related financial assets recorded in Corporate Accounting. The effect is due to the recording of the fair value of the financial asset corresponding to the right established, in the concession contract, to receive cash through compensation upon the reversion of the assets to the grantor at the end of the concession.

Based on Technical Interpretation ICPC 01/IFRIC 12 – Concession Agreements, the portion of the infrastructure that will be used during the concession was recorded in Intangible Assets, consisting of electricity distribution assets, net of special obligations (consumer interest).

| | Consolidated |
|---|---|
| **Description** | **Total (Restated)** |
| **Balance on 12.31.2022** | **596,648** |
| (+) New Applications (i) | 62,870 |
| (+) Variation in Fixed Assets in Progress - AIC | - |
| (+) Update Indemnifiable Financial Asset - Concession (i) | 12,868 |
| (-) Redemption | (1,022) |
| **Balance on 06.30.2023** | **671,364** |

(i) IPCA

(i) Refers to investments made by Celesc D, in the second quarter of 2023, bifurcated between intangible and financial assets.

### 14.2. Indemnifiable Financial Asset - Power Generation

The process of indemnification of the concessions began in 2013, when the Granting Authority, through Decrees 7,805 and 7,850 established, among others, the rules for indemnification of the residual value of the bound assets. Later, ANEEL, through REN No. 596/13 defined the details of the indemnification rules.

Celesc G requested from the granting authority at the end of the concessions of Usinas Bracinho, Cedros, Salto and Palmeiras, as compensation, according to criteria and procedures for calculation established by Normative Resolution - REN nº 596, of December 19, 2013, the investments carried out in infrastructure and not depreciated during the concession period, as it has an unconditional right to be indemnified, as provided for in the contract.

In 2018, in seeking to define the amounts to be passed on to concessionaires as indemnity, Granting Power and the Regulatory Agency found the rule to be inapplicable. Thus, in 2019 ANEEL set up a Public Hearing to discuss with the agents the particularities associated with the indemnification of improvements. This process was materialized in REN No. 942/2021. Two important aspects of this rule should be highlighted: a) agents that had not yet requested compensation could do so within 30 days after the rule came into effect (Celesc G, which had already requested compensation, reinforced its request); and b) the supporting documentation for the improvements should be filed within one year of the rule's entry into effect. Regarding this point, Celesc G hired a company accredited by ANEEL and filed an Evaluation Report prepared in accordance with the REN no. 942/21.

Although a long discussion, the indemnification process is in progress at the Regulatory Agency. And that the infra legal aspects do not discuss the right defined in Decree No. 7,850. Moreover, it is important to note that on January 19, 2023, ANEEL requested the submission of complementary data, with a view to validating the report sent and defining the indemnity amount, through SDI No. 1/2023.

The balances of the assets required in the indemnification are presented in the following table:

| | | Consolidated |
|---|---|---|
| **Plants** | **06.30.2023** | **12.31.2022** |
| Bracinho HPP | 85 | 85 |
| Cedros HPP | 195 | 195 |
| Salto HPP | 1,906 | 1,906 |
| Palmeiras HPP | 235 | 235 |
| **Total** | **2,421** | **2,421** |

### 14.3. Indemnifiable Financial Asset - Basic Project Usina Pery

As of July 1, 2021, Celesc G began to receive compensation retroactively to July 1, 2018, through the RAG.

The balance of R$160.7 million as of June 30, 2023, refers to the amount recognized as compensation for the Basic Project of the Pery plant in the amount of R$114.5 million, approved by Order No.2,018 of July 2021, issued by ANEEL, updated by IPCA and monthly remuneratory interest calculated based on the IRR.

The balance is amortized on a monthly basis, until the end of the concession period, which will occur in July 2047, according to amounts ratified annually in the RAG, and for the 2022/2023 cycle, R$18.6 million refer to compensation. Accounting recognition is based on CPC 9/IFRS 9 – Financial Instruments.

| | Consolidated |
|---|---|
| **Description** | **Pery Plant** |
| **Balance on 12.31.2022** | **156,840** |
| Restatement | 4,349 |

| | |
|---|---|
| Interest | 8,813 |
| Amortization / Write-off | (9.292) |
| **Balance on 06.30.2023** | **160,710** |

## 15. CONTRACT ASSET

These refer to assets under construction related to the energy distribution concession contract which, in accordance with CPC 47/IFRS 15, are classified as contract assets because they are subject to the satisfaction of performance obligations.

Upon completion of the construction of the infrastructure, these contract assets are bifurcated as Indemnifiable Financial Assets, within the scope of CPC 48/IFRS 9, or as Intangible Assets, according to the form of remuneration described in ICPC 01/IFRIC 12.

| | **Consolidated** |
|---|---|
| **Description** | **Total** |
| **Balance on 12.31.2022** | **408,969** |
| (-) Transfers to Intangible Assets | (365,847) |
| (-) Transfers to Financial Assets | (62,870) |
| (+) Fixed Assets in Progress – AIC | 624,050 |
| (-) Special Obligations in Progress - OE | (115,579) |
| **Balance on 06.30.2023** | **488,723** |

## 16. MARKETABLE SECURITIES

Temporary investments, which are classified in non-current assets, are measured at fair value and their balances are shown below:

| | **Parent Company** | | **Consolidated** | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Other Investments (i) | 208 | 217 | 208 | 217 |
| **Current** | **-** | **-** | **-** | **-** |
| **Noncurrent** | **208** | **217** | **208** | **217** |

(i) On March 16, 2023, the Board of Directors approved the exercise of the right to withdraw from the company and the sale of CGT Eletrosul and Eletronorte shares. The value registered in the books was R$9.8 thousand and the receipt was R$117.9 thousand, with a gain on disposal of R$108.1 thousand.

### 16.1. Catarinense Water and Sanitation Company – Casan

On June 30, 2023, the Company held 56,713,251 Common Shares – ON, and 56,778,178 Preferred Shares – PN, representing 11.95% of Casan's Capital Stock.

As it does not have significant influence on this company, Celesc measured the fair value of its shareholding as a temporary investment, adopting the discounted cash flow method for the annual valuation of this investment, with the historical cost of acquisition being the amount of R$110.7 million.

In order to calculate the valuation, projections of revenue, costs and expenses were made, by municipality, up to the expiration date of each service provision agreement. As there is uncertainty related to whether or not to renew these contracts and, if renewed, under what conditions they would be, the premise of optimizing observable data to determine fair value was followed, disregarding the perpetuity of cash flows.

The assessment refers to the Company individually, considering a normal operation, according to the same parameters observed on the base date of the calculation and adjusted to the network expansion plan, disclosed by Casan to the market, on March 15, 2022, and built based on the Technical Certification Opinion of the Foundation for Research and Development of Administration, Accounting and Economics - Fundace, which aims to achieve the goals of universalization of water supply and sanitary sewage established in Federal Laws No. 11.445, of January 5, 2007, and No. 14,026, of July 15, 2020.

In order to obtain revenue and cost assumptions, the information extracted, by municipality, from the National Sanitation Information System – SNIS, was compared with the information obtained from Casan's audited Financial Statements and Quarterly Reports.

The tariff adjustments, in the period from 2023 to 2065, the last year of the concession, were considered according to the monthly expectation of the IPCA, published by Bacen, accumulated in the 12 months prior to the month of June of each year. For the year 2022, an adjustment of 16.01% was considered, applied in July of that year, by municipality, on the average tariffs practiced in 2021.

For the discount rate, the nominal WACC of 11.54% per year was considered, taking into account the expiration of each municipality's permit contracts. The after-tax cost of debt was 10.52% per annum and the cost of equity was 11.89% per annum.

There was a reduction in the interest in Casan's Capital Stock, because the Company did not accept the proposal to pay dividends to increase the capital.
The calculations were performed by an external consulting firm and, considering the assumptions for the assessment of the fair value of this investment, the value of this asset was reduced to zero on December 31, 2022, and its adjustment was recognized as a debit to shareholders' equity in a subgroup of the equity valuation adjustment, where it is currently located.

## 17. RELATED PARTIES

The Company has a policy of transactions with related parties that followed market practices and the balances in assets and liabilities, current and non-current, are shown in the following table:

| | Parent Company | | | Consolidated | | |
|---|---|---|---|---|---|---|
| | Liabilities | Assets | | Liabilities | Assets | |
| Description | Trade Receivables | Dividends and IoE Payable | Others Debts | accounts to receive from Trade Receivables | Dividends and IoE Payable | Other Debts |
| **Controlling shareholder** | | | | | | |
| **Santa Catarina State Government** | | | | | | |
| Declared Dividends and IoE | - | 32,571 | - | - | 32,571 | - |
| Electricity Bill | - | - | - | 8,831 | - | - |
| Available staff | - | - | - | 256 | - | - |
| **Security Foundation** | | | | | | |
| **CELOS** | | | | | | |
| Contribution Pension Plan, Healthcare Plan, and Others | - | - | 83 | - | - | 1,862,612 |
| **Associates and Jointly Controlled Companies** | | | | | | |
| **DFESA** | | | | | | |
| Purchase of Energy | - | - | - | - | - | 1,356 |
| Dividends and Interest on Equity | 908 | - | - | 908 | - | - |
| **SC GAS** | | | | | | |
| Dividends and Interest on Equity | 6,602 | - | - | 6,602 | - | - |
| **ECTE** | | | | | | |
| Dividends and Interest on Equity | 8,256 | - | - | 8,256 | - | - |
| **Subsidiaries** | | | | | | |
| **Celesc G** | | | | | | |
| Dividends and Interest on Equity | 38,724 | - | - | - | - | - |
| **Celesc D** | | | | | | |
| Agreement Collection Fee | - | - | 102 | - | - | - |
| Available staff | - | - | 838 | - | - | - |
| Dividends and Interest on Equity | 154,806 | - | - | - | - | - |
| **Balance on 12.31.2022** | **209,296** | **32,571** | **1,023** | **24,853** | **32,571** | **1,863,968** |
| **Controlling shareholder** | | | | | | |
| **Santa Catarina State Government** | | | | | | |
| Declared Dividends and IoE | - | 36,028 | - | - | 36,028 | - |
| Electricity Bill | - | - | - | 10,989 | - | - |
| Available staff | - | - | - | 256 | - | - |
| **Security Foundation** | | | | | | |
| **CELOS** | | | | | | |
| Contribution Pension Plan, Healthcare Plan, and Others | - | - | 73 | - | - | 1,813,399 |
| **Associates and Jointly Controlled Companies** | | | | | | |
| **DFESA** | | | | | | |
| Purchase of Energy | - | - | - | - | - | 1,312 |
| Dividends and Interest on Equity | - | - | - | - | - | - |
| **SC GAS** | | | | | | |
| Dividends and Interest on Equity | 1,275 | - | - | 1,275 | - | - |
| **ECTE** | | | | | | |
| Dividends and Interest on Equity | - | - | - | - | - | - |
| **Subsidiaries** | | | | | | |
| **Celesc G** | | | | | | |
| Dividends and Interest on Equity | 27,021 | - | - | - | - | - |
| **Celesc D** | | | | | | |
| Agreement Collection Fee | - | - | 140 | - | - | - |
| Available staff | - | - | 656 | - | - | - |
| Dividends and Interest on Equity | 164,454 | - | - | - | - | - |
| **Balance on 06.30.2023** | **192,750** | **36,028** | **869** | **12,520** | **36,028** | **1,814,711** |

| | Parent Company | | | Consolidated | | |
|---|---|---|---|---|---|---|
| **Description** | **Operating Expenses** | **Other Expenses** | **Financial Revenue** | **Operating Expenses** | **Sales Revenue** | **Conventional Resale Cost** |
| **Controlling shareholder** | | | | | | |
| **Santa Catarina State Government** | | | | | | |
| Revenue from Sales | - | - | - | - | 56,005 | - |
| **Security Foundation** | | | | | | |
| **CELOS** | | | | | | |
| Pension and Assistance Plans | (4) | - | - | (72,580) | - | - |
| **Affiliate** | | | | | | |
| **DFESA** | | | | | | |
| Purchase of Energy | - | - | - | - | - | (7,184) |
| **Subsidiary** | | | | | | |
| **Celesc D** | | | | | | |
| Agreement Collection Fee | - | (867) | - | - | - | - |
| Available staff | (4,374) | - | - | - | - | - |
| Celesc D Loan | - | - | 158 | - | - | - |
| **Balance on 06.30.2022** | **(4,378)** | **(867)** | **158** | **(72,580)** | **56,005** | **(7,184)** |
| **Controlling shareholder** | | | | | | |
| **Santa Catarina State Government:** | | | | | | |
| Revenue from Sales | - | - | - | | 53,741 | - |
| **Security Foundation** | | | | | | |
| **CELOS** | | | | | | |
| Pension and Assistance Plans | (3) | - | - | (79,972) | - | - |
| **Affiliate** | | | | | | |
| **DFESA** | | | | | | |
| Purchase of Energy | | - | - | - | - | (7,184) |
| **Subsidiary** | | | | | | |
| **Celesc D** | | | | | | |
| Agreement Collection Fee | - | (918) | - | - | - | - |
| Available staff | (4,030) | - | - | - | - | - |
| **Balance on 06.30.2023** | **(4,033)** | **(918)** | - | **(79,972)** | **53,741** | **(7,184)** |

### 17.1 Remuneration of Key Management Personnel

The remuneration of the managers (Board of Directors - CA, Fiscal Council - CF, Statutory Audit Committee - CAE and Executive Board) are shown below:

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Fees | 3,136 | 5,987 | 3,136 | 5,987 |
| Participation in Profits and/or Results | 1,882 | 1,752 | 1,882 | 1,752 |
| Social Charges | 838 | 1,717 | 838 | 1,717 |
| Other | 657 | 1,111 | 657 | 1,111 |
| **Total** | **6,513** | **10,567** | **6,513** | **10,567** |

The structure and composition of the statutory bodies of the wholly-owned subsidiaries Celesc D and Celesc G must be made up of the members elected to occupy the respective positions in the company.

## 18. INCOME WITH CORPORATE INCOME TAX – IRPJ AND WITH SOCIAL CONTRIBUTION WITHOUT NET INCOME – CSLL

### 18.1. Composition of Net Deferred IRPJ and CSLL

The following table shows the balances of the deferred IRPJ and CSLL accounts:

| | Parent Company (i) | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Assets | - | - | 665,376 | 709,023 |

| | | | | |
|---|---|---|---|---|
| Liabilities | - | - | (94,235) | (89,214) |
| **Net Deferred Tax** | **-** | **-** | **571,141** | **619,809** |

(i) In accordance with CPC 32 / IAS 12, the Parent Company does not record deferred tax assets on tax losses, due to the unlikelihood that future taxable income will be available against which the temporary differences can be utilized.

Of the total of R$571.1 million in net deferred taxes, the amount of R$665.3 in deferred assets comes from Celesc D's temporary differences, while the deferred liability of R$94.2 million refers to Celesc G.

| | | | | | | **Consolidated** |
|---|---|---|---|---|---|---|
| **Temporary Differences** | **Deferred Assets** | | **Deferred Liabilities** | | **Net Deferred** | |
| | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Provision for Contingencies | 132,610 | 134,256 | - | - | 132,610 | 134,256 |
| Provision for Asset Losses | 24,862 | 18,510 | - | - | 24,862 | 18,510 |
| Post-Employment Benefit | 588,428 | 596,621 | - | - | 588,428 | 596,621 |
| Leases | 279 | 176 | - | - | 279 | 176 |
| Attributed Cost | - | - | 6,788 | 6,939 | (6,788) | (6,939) |
| Deferred Income Tax and Social Contribution on Tax Losses | 29,617 | 72,278 | - | - | 29,617 | 72,278 |
| Effects of ICPC 01 - Concession Agreements | - | - | 46,621 | 47,681 | (46,621) | (47,681) |
| Effects of CPC 39 - Financial Instruments | - | - | 57,444 | 58,749 | (57,444) | (58,749) |
| Grant Bonus | - | - | 58,040 | 54,139 | (58,040) | (54,139) |
| Financial Asset - Pery Plant | - | - | 21,004 | 19,123 | (21,004) | (19,123) |
| Hydrological Risk Renegotiation – GSF | - | - | 14,675 | 14,938 | (14,675) | (14,938) |
| Other Provisions | - | - | 83 | 463 | (83) | (463) |
| **Total** | **775,796** | **821,841** | **204,655** | **202,032** | **571,141** | **619,809** |

## 18.2. Realization of Deferred Assets

The taxable base of IRPJ and CSLL arises not only from the income generated, but from the existence of non-taxable income, non-deductible expenses, tax incentives and other variables, with no immediate correlation between the Company's net income and the result of income tax and contribution Social. Thus, the expectation of the use of tax credits should not be taken as the only indication of the Company's future results.

The realization of deferred taxes is based on budget projections approved by the Company's Board of Directors, with the objective of defining and presenting necessary actions to meet regulatory demands in order to also converge to the fulfillment of the concession contract.

The Company's Management considers that deferred assets arising from temporary differences will be realized, in proportion to the final resolution of the contingencies and events to which they refer, when they will be offset against taxable income.

Deferred taxes on actuarial liability for employee benefits are being realized through the payment of contributions.

The remaining balance of the process of initial recognition of the contractual exposure of 2014 by the regulatory agency in the amount of R$86.4 million updated until June 30, 2023 is in a lawsuit with the federal court and had its amounts of IRPJ and CSLL deferred until final judgment on the ongoing process. In August 2019, ANEEL, through Ratifying Resolution 2,593, approved the deferral of the financial effect of the 2014 contractual exposure, reflected in five subsequent annual tariff processes. Thus, the tariff adjustment for 2019, 2020,2021 and 2022 had a financial realization in the amount of R$65.8 million, R$68.5 million, R$70.2 million and R$76.8 million, respectively, and the consequent realization of deferred IRPJ and CSLL on this base.

The realization estimates for the balance of total assets as of June 30, 2023 are:

| | | **Consolidated** |
|---|---|---|
| **Year** | **06.30.2023** | **12.31.2022** |
| 2023 | 94,191 | 117,194 |
| 2024 | 89,412 | 115,770 |
| 2025 | 34,687 | 34,687 |
| 2026 | 25,605 | 25,606 |
| 2027 onwards | 531,900 | 528,584 |
| **Total** | **775,795** | **821,841** |

## 18.3. Conciliation IRPJ and CSLL Recognized in Shareholders' Equity

Changes in deemed cost and the amounts of IRPJ and CSLL, recognized directly in equity, are shown below:

| | **Consolidated** |
|---|---|
| **Description** | **Total** |
| **Balance on 12.31.2022** | **24,547** |
| (-) Write-off of the Attributed Cost | (444) |
| (-) Taxes (IRPJ/CSLL) | 151 |
| **Balance on 06.30.2023** | **24,254** |

### 18.4. IRPJ and CSLL Reconciliation Recognized in Other Comprehensive Income

The change in actuarial liabilities and fair value of CASAN with the amounts of IRPJ and CSLL, recognized directly in other comprehensive income, is shown below:

| | Consolidated |
|---|---|
| **Description** | **Total** |
| **Balance on December 31, 2021** | **1,064,375** |
| (+) Change in Actuarial Liabilities | (44,435) |
| (+) CASAN fair value | 137,261 |
| (-) Taxes (IRPJ/CSLL) | 15,108 |
| **Balance on 12.31.2022** | **1,172,309** |
| (+) Change in Actuarial Liabilities- | - |
| (+) CASAN fair value | - |
| (-) Taxes (IRPJ/CSLL) | - |
| **Balance on 06.30.2023** | **1,172,309** |

The non-accounting and disclosure of deferred IRPJ and CSLL related to the fair value of Casan in Celesc H occurs due to the lack of expectation of future taxable income against which tax credits can be used in the coming years, according to the criteria provided for in CPC 32 - Taxes about profit. However, the company will continue to reassess annually the expectation of generating future tax profits, so that at the opportune moment it can account for the amounts of deferred IRPJ and CSLL.

### 18.5. Reconciliation of IRPJ and Current and Deferred CSLL

The reconciliation of IRPJ and CSLL expenses, at the nominal and effective rate, is shown below:

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** |
| **Profit/(Loss) before IRPJ and CSLL** | **433,033** | **361,025** | **592,290** | **513,782** |
| Combined Nominal Rate of IRPJ and CSLL | 34% | 34% | 34% | 34% |
| **Income Tax and Social Contribution** | **(147,231)** | **(122,749)** | **(201,379)** | **(174,686)** |
| **Permanent Additions and Deletions** | | | | |
| Equity Pickup | 151,686 | 127,237 | 9,705 | 11,311 |
| Tax Benefit | - | - | (627) | (629) |
| Tax Incentive | - | - | 3,600 | 2,189 |
| Interest on Equity | (4,518) | (2,996) | 30,302 | 25,713 |
| Non-Deductible Provisions | (1,153) | (1,767) | (1,153) | (1,767) |
| Nondeductible Fines | - | - | (2,573) | (3,898) |
| IRPJ/CSLL w/o Tax Loss not recognized | (83) | (816) | (83) | (816) |
| Participation of Administrators | (233) | (216) | (265) | (242) |
| Good Law | - | - | 1,602 | - |
| Other Additions (Exclusions) | 1,532 | 1,307 | 1,614 | (9,932) |
| **Total Current and Deferred IRPJ and CSLL** | **-** | **-** | **(159,257)** | **(152,757)** |
| Current | - | - | (110,589) | (152,500) |
| Deferred | - | - | (48,668) | (257) |
| **Effective Rate** | **0.00%** | **0.00%** | **26.89%** | **29.73%** |

### 18.6. Uncertainty about the treatment of IRPJ and CSLL

#### 18.6.1 Tax action procedure no 0900100-2018-00117-1

On September 24, 2018, the Special Secretariat of the Federal Revenue of Brazil - SERFB initiated a tax action procedure no. 0900100-2018-00117-1. This procedure resulted, on January 8, 2019, in the issuance of the assessment notice No. 10980.727742/2018-81 in the amount of R$306.8 million. The aforementioned tax assessment is related to the calculation of the taxable income and the CSLL calculation basis, thus attributing to the concessionaire:

a) Undue adjustments attributed to the Compensation Account for the Variation of Values of Portion A Items – CVA;

b) Failure to comply with the remaining term of the concession agreement for the determinations provided for in article 69 of Federal Law 12,973/2014.

After analysis by the Administration, it was found that the amounts calculated by the tax entity are dissociated from tax rules, doctrine and judicial decisions in similar cases. Management, based on the position of its legal advisors, understands that the procedures adopted will probably be accepted in decisions of higher courts of last resort (probability of acceptance >50%), for their total value and, for this reason, did not record any liability of IRPJ/CSLL concerning these actions.

In 2020, the Administrative Council of Tax Appeals - CARF, in judgment of the Voluntary Appeal filed by the Company, partially granted the request, in order to cancel the requirements regarding the adjustments (additions) referred to in art. 69 of Law

12,973/2014, and the application of isolated fines for failure to collect estimates, maintaining the requirement to tax positive adjustments related to the CVA on an accrual basis. As a result, it is estimated that the granting of the appeal resulted in the reduction of the contingency to approximately R$165.0 million. The process awaits the return to the first administrative instance for the adjustment of the assessment to the terms of the final decision rendered in the Administrative Process. In parallel, the Company is evaluating the other measures to be taken.

## 19. INVESTMENTS IN SUBSIDIARIES, JOINT SUBSIDIARIES AND AFFILIATES

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| **Subsidiaries** | **2,774,519** | **2,468,490** | **-** | **-** |
| Celesc D | 1,990,401 | 1,716,726 | - | - |
| Celesc G | 784,118 | 751,764 | - | - |
| **jointly controlled** | **142,138** | **135,965** | **142,138** | **135,965** |
| SCGÁS | 142,138 | 135,965 | 142,138 | 135,965 |
| **affiliates** | **126,066** | **116,358** | **236,606** | **227,314** |
| ECTE | 95,503 | 88,313 | 95,503 | 88,313 |
| DFESA | 30,563 | 28,045 | 30,563 | 28,045 |
| SPEs | - | - | 110,540 | 110,956 |
| **Total** | **3,042,723** | **2,720,813** | **378,744** | **363,279** |

### 19.1. Investment Information

| | | | | | | | | | | **Parent Company** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Description** | **shares of Company** | **Company shareholding** | | **Assets Current** | **Non Current Assets** | **Current Liabilities** | **Non Current Liabilities** | **Net Equity** | **Revenue** | **Profit** |
| | **Common Shares** | **Share capital** | **Voting capital** | | | | | | | |
| **Balance on 12.31.2022** | | | | | | | | | | |
| Celesc D | 630,000 | 100.00% | 100.00% | 3,432,655 | 6,881,685 | 3,765,969 | 4,831,645 | 1,716,726 | 9,908,754 | 403,099 |
| Celesc G | 43,209 | 100.00% | 100.00% | 140,062 | 815,408 | 73,332 | 130,374 | 751,764 | 183,022 | 113,774 |
| ECTE | 13,001 | 30.88% | 30.88% | 114,041 | 584,334 | 60,762 | 351,671 | 285,942 | 72,276 | 106,921 |
| SCGÁS | 1,827 | 17.00% | 51.00% | 422,334 | 618,331 | 290,833 | 133,562 | 616,270 | 2,579,155 | 169,638 |
| DFESA | 153,381 | 23.03% | 23.03% | 10,149 | 165,266 | 22,374 | 31,266 | 121,776 | 66,786 | 24,522 |
| **Balance on 06.30.2023** | | | | | | | | | | |
| Celesc D | 630,000 | 100.00% | 100.00% | 3,669,371 | 6,788,753 | 4,150,573 | 4,317,150 | 1,990,401 | 5,121,258 | 376,088 |
| Celesc G | 43,209 | 100.00% | 100.00% | 124,920 | 851,372 | 58,126 | 134,048 | 784,118 | 89,766 | 47,673 |
| ECTE | 13,001 | 30.88% | 30.88% | 96,415 | 584,497 | 30,012 | 341,677 | 309,223 | 19,057 | 23,281 |
| SCGÁS | 1,827 | 17.00% | 51.00% | 595,581 | 427,885 | 241,792 | 124,772 | 656,901 | 1,123,747 | 74,505 |
| DFESA | 153,381 | 23.03% | 23.03% | 14,900 | 159,901 | 17,876 | 24,216 | 132,709 | 34,373 | 10,933 |

| | | | | | | | | | | **Consolidated** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Description** | **shares of Company** | **Company shareholding** | | **Assets Current** | **Non Current Assets** | **Current Liabilities** | **Non Current Liabilities** | **Net Equity** | **Revenue** | **Profit or Loss** |
| | **Common Shares** | **Share capital** | **Voting capital** | | | | | | | |
| **Balance on 12.31.2022** | | | | | | | | | | |
| ECTE | 13,001 | 30.88% | 30.88% | 114,041 | 584,334 | 60,762 | 351,671 | 285,942 | 72,276 | 106,921 |
| SCGÁS | 1,827 | 17.00% | 51.00% | 422,334 | 618,331 | 290,833 | 133,562 | 616,270 | 2,579,155 | 169,638 |
| DFESA | 153,381 | 23.03% | 23.03% | 10,149 | 165,266 | 22,374 | 31,266 | 121,776 | 66,786 | 24,522 |
| Rondinha Energética S.A. | 13,332 | 32.50% | 32.50% | 2,598 | 43,138 | 2,651 | 650 | 42,435 | 8,289 | 1,270 |
| Cia Energética Rio das Flores S.A. | 8,035 | 26.07% | 26.07% | 18,548 | 52,927 | 27,120 | 4,141 | 40,214 | 17,772 | 12,739 |
| Xavantina Energética S.A. | 271 | 40.00% | 40.00% | 3,301 | 31,703 | 3,406 | 4,058 | 27,540 | 11,984 | 1,767 |
| Garça Branca Energética S.A. | 24,669 | 49.00% | 49.00% | 1,289 | 57,276 | 4,008 | 15,164 | 39,393 | 5,149 | (353) |
| EDP Transmissão Aliança SC | 16,450 | 10.00% | 10.00% | 313,215 | 2,209,251 | 124,123 | 1,806,912 | 591,431 | 319,381 | 72,259 |
| **Balance on 06.30.2023** | | | | | | | | | | |
| ECTE | 13,001 | 30.88% | 30.88% | 96,415 | 584,497 | 30,012 | 341,677 | 309,223 | 19,057 | 23,281 |
| SCGÁS | 1,827 | 17.00% | 51.00% | 595,581 | 427,885 | 241,792 | 124,772 | 656,901 | 1,123,747 | 74,505 |
| DFESA | 153,381 | 23.03% | 23.03% | 14,900 | 159,901 | 17,876 | 24,216 | 132,709 | 34,373 | 10,933 |
| Rondinha Energética S.A. | 13,332 | 32.50% | 32.50% | 3,479 | 42,468 | 1,900 | - | 44,047 | 4,061 | 1,920 |
| Cia Energética Rio das Flores S.A. | 8,035 | 26.07% | 26.07% | 21,462 | 51,853 | 25,693 | 1,769 | 45,853 | 8,587 | 8,885 |
| Xavantina Energética S.A. | 271 | 40.00% | 40.00% | 3,264 | 30,885 | 3,693 | 2,794 | 27,662 | 5,808 | 1,283 |
| Garça Branca Energética S.A. | 24,669 | 49.00% | 49.00% | 1,290 | 55,923 | 3,047 | 14,528 | 39,638 | 2,457 | (282) |
| EDP Transmissão Aliança SC | 16,450 | 10.00% | 10.00% | 321,885 | 2,244,097 | 187,471 | 1,841,486 | 537,025 | 122,587 | 28,541 |

### 19.2. Summarized Financial Information of Subsidiaries

#### 19.2.1. Celesc D

#### 19.2.1.1. Statement of Financial Position – Assets

| **Assets** | **06.30.2023** | **12.31.2022 (Restated)** |
|---|---|---|

| | | |
|---|---|---|
| **Current** | **3,669,371** | **3,432,655** |
| Cash and Cash Equivalents | 950,117 | 835,653 |
| Trade Receivables | 1,729,398 | 1,743,436 |
| Inventory | 30,504 | 19,946 |
| Recoverable IRPJ and CSLL | 17,513 | 18,749 |
| Other Taxes Recoverable | 751,305 | 633,858 |
| CDE - Subsidy Decree 7,891/2013 | 47,086 | 47,086 |
| Water Shortage Bonus | 1,138 | 1,138 |
| Other | 142,310 | 132,789 |
| **Noncurrent** | **6,788,753** | **6,881,685** |
| **Achievable in the Long Term** | **2,318,831** | **2,615,588** |
| Trade Receivables | 13,412 | 16,775 |
| Deferred Taxes | 665,376 | 709,023 |
| Taxes Recoverable | 166,796 | 524,012 |
| Court Deposits | 310,351 | 281,256 |
| Indemnifiable Financial Assets - Concession | 671,364 | 596,648 |
| Contract Asset | 488,723 | 408,969 |
| Financial Asset - CVA | - | 76,448 |
| Other | 2,809 | 2,457 |
| **Property, Plant and Equipment** | **19,683** | **7,633** |
| **Intangible Assets** | **4,450,239** | **4,258,464** |
| **Total Assets** | **10,458,124** | **10,314,340** |

### 19.2.1.2. Statement of Financial Position – Liabilities

| **Liabilities** | **06.30.2023** | **12.31.2022** |
|---|---|---|
| **Current** | **4,150,573** | **3,765,969** |
| Suppliers | 915,432 | 1,008,600 |
| National Currency Loans | 305,420 | 262,833 |
| Foreign Currency Loans | 65,759 | 34,396 |
| Debentures | 172,658 | 207,621 |
| Social Security and Labor Obligations | 219,129 | 226,132 |
| IRPJ and CSLL Payable | 41,259 | 15,366 |
| Other Taxes Payable | 233,134 | 218,393 |
| Dividends and Interest on Equity - IoE Declared | 164,454 | 154,806 |
| Regulatory Fees | 61,061 | 55,568 |
| Loans - Affiliates, Subsidiaries or Parent Companies (i) | 87,853 | 81,701 |
| Lease Liabilities | 9,471 | 1,438 |
| Actuarial Liabilities (CPC 33) | 243,040 | 242,238 |
| Financial Liabilities - CVA | 580,524 | 753,564 |
| Water Shortage Bonus | 1,120 | 1,144 |
| PIS/COFINS to be Refunded to Consumers | 914,125 | 366,981 |
| Other | 136,134 | 135,188 |
| **Noncurrent** | **4,317,150** | **4,831,645** |
| National Currency Loans | 368,891 | 414,003 |
| Foreign Currency Loans | 1,237,394 | 1,131,923 |
| Debentures | 279,747 | 356,032 |
| Social Security and Labor Obligations | 33,252 | 50,410 |
| Regulatory Fees | 102,655 | 105,094 |
| Lease Liabilities | 11,034 | 6,716 |
| Actuarial Liabilities (CPC 33) | 1,608,480 | 1,659,937 |
| Provision for Contingencies | 378,263 | 373,567 |
| Financial Liabilities - CVA | 65,162 | |
| PIS/COFINS to be Refunded to Consumers | 232,272 | 733,963 |
| **Equity** | **1,990,401** | **1,716,726** |
| Share Capital | 1,580,000 | 1,580,000 |
| Profit Reserves | 1,171,774 | 1,171,774 |
| Equity Valuation Adjustments | (1,035,048) | (1,035,048) |
| Retained Earnings | 273,675 | - |
| **Total Liabilities** | **10,458,124** | **10,314,340** |

### (i) Mutual payments between Celesc D and Celesc G

On October 28, 2021, the Company's Board of Directors approved the transfer of R$70.0 million from Celesc G to Celesc D in the form of a loan agreement. ANEEL's consent was given through Order No. 3,316, of October 19, 2021, with the contract signed between the parties on November 1, 2021, the date on which the funds were transferred. The agreement provides for the addition of interest to the principal amount, based on CDI remuneration + 2.1% per year, and was effective for 12 months.

The funds transferred were intended to mitigate cash flows, especially in view of the challenges of complying with the concession contract and all regulatory requirements to achieve quality indicators.

In a meeting of the Board of Directors, held on October 5, 2022, the extension of this contract was approved for another 12 months, aiming to adjust Celesc D's cash flow to operational and investment needs, mitigating the risks of non-compliance with obligations financial statements in the years 2022 and 2023.

By June 30, 2023, R$16.7 million (R$10.5 million for 2022 and R$6.2 million for 2023) in interest payments had already been recognized.

### 19.2.1.3. Results report

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Net Operating Income – NOI** | **5,121,258** | **4,943,644** |
| Net Revenue from Electric Energy Sales and Service | 4,468,602 | 4,605,178 |
| Revenue from Financial Assets (Liabilities) - CVA | 55,249 | (234,984) |
| Construction Revenue - CPC 47 | 584,540 | 559,154 |
| Update of Indemnifiable Financial Asset - Concession | 12,867 | 14,296 |
| **Costs of Sales/Services Provided** | **(4,221,125)** | **(4,174,127)** |
| Cost of Goods Sold | (3,208,965) | (3,216,720) |
| Cost of Services | (427,620) | (398,253) |
| Construction Cost - CPC 47 | (584,540) | (559,154) |
| **Gross Operating Income** | **900,133** | **769,517** |
| **Operational expenses** | **(306,250)** | **(325,034)** |
| Selling Expenses | (114,272) | (121,447) |
| General and Administrative Expenses | (278,097) | (224,875) |
| Other Operating Income and Expenses | 86,119 | 21,288 |
| **Operating Result before Financial Result** | **593,883** | **444,483** |
| **Financial Result** | **(79,821)** | **(28,381)** |
| Financial Income | 418,656 | 227,459 |
| Financial Expenses | (498,477) | (255,840) |
| **Profit Before IRPJ and CSLL** | **514,062** | **416,102** |
| **Income Tax and Social Contribution** | **(137,974)** | **(126,381)** |
| Current | (94,327) | (131,337) |
| Deferred | (43,647) | 4,956 |
| **Net Income for the Year** | **376,088** | **289,721** |

### 19.2.1.4. Operating income

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Gross Operating Revenue - ROB** | **7,829,409** | **8,267,904** |
| Electricity Supply (a) | 3,119,529 | 4,475,458 |
| Unbilled Supply (a) | (49,117) | 33,145 |
| Electricity Supply (a) | 176,335 | 228,196 |
| Financial Assets and (Liabilities) - CVA | 55,249 | (234,984) |
| Availability of the Electricity Grid | 3,513,279 | 2,707,080 |
| Short-Term Power | 79,371 | 169,928 |
| Income from Services | 486 | 729 |
| Donations and Subsidies | 330,618 | 309,834 |
| Construction Revenue | 584,540 | 559,154 |
| Update of Indemnifiable Financial Asset - Concession | 12,867 | 14,296 |
| Other Operating Income | 6,252 | 5,068 |
| **Deductions from Gross Operating Revenue** | **(2,708,151)** | **(3,324,260)** |
| ICMS | (1,063,723) | (1,566,191) |
| PIS | (101,739) | (100,937) |
| COFINS | (468,616) | (464,923) |
| Energy Development Account - CDE | (1,024,194) | (1,073,491) |
| Research and Development - R&D | (33,985) | (21,908) |
| Energy Efficiency Program - PEE | (11,328) | (21,908) |
| Inspection Fee - ANEEL | (4,560) | (3,984) |
| Other Charges | (6) | (70,918) |
| **Net Operating Income – NOI** | **5,121,258** | **4,943,644** |

Supply: the decrease is due, mainly, to the reduction in the ICMS rate imposed by Complementary Law no. 194/2022, as well as the reduction in the billing of Tariff Flags, due to the revocation of Resolution no. 03, issued by the MME on August 31, 2021, which established the creation of the Hydric Shortage Tariff Flag, in the amount of R$142.00/MWh.

Short-Term Power: Reduction in the sale of short-term energy (SUMM001).

Availability of network use: the increase is due to the application of the average tariff adjustment of 11.32%, as of August 22, 2022 (2022/2023 cycle) and the average consumption increase of 5.6% MWh (free consumers). There is also the segregation of the TUSD revenue of Captive Consumers from Electricity Supply to Electricity Network Availability
Revenue regulatory financial asset (liability): It had a positive impact due to the amortization of liabilities from the last tariff review applied in August 2022.

**a) Power Supply**

The breakdown of Gross Revenue from electricity supply and supply by class of consumers is as follows:

| Description | Number of Consumers (i) | | MWh (i) | | Gross Revenue | |
|---|---|---|---|---|---|---|
| | 06.30.2023 | 06.30.2022 | 06.30.2023 | 06.30.2022 | 06.30.2023 | 06.30.2022 |
| Residential | 2,654,023 | 2,579,997 | 3,817,360 | 3,563,920 | 1,463,447 | 2,004,629 |
| Industrial | 136,073 | 129,870 | 5,449,139 | 5,422,889 | 437,766 | 701,608 |
| Commercial | 314,540 | 304,155 | 2,612,211 | 2,453,657 | 749,343 | 1,138,271 |
| Rural | 225,546 | 229,264 | 541,689 | 552,973 | 196,797 | 297,175 |
| Government | 25,952 | 24,459 | 251,421 | 232,228 | 94,549 | 132,261 |
| Public Lighting | 1,131 | 1,031 | 293,887 | 317,994 | 65,948 | 124,082 |
| Public Service | 4,237 | 4,096 | 220,625 | 198,918 | 62,562 | 110,577 |
| **Total Supply** | **3,361,502** | **3,272,872** | **13,186,332** | **12,742,579** | **3,070,412** | **4,508,603** |
| Power Supply | 54 | 54 | 1,196,998 | 1,212,378 | 176,335 | 228,196 |
| **Total** | **3,361,556** | **3,272,926** | **14,383,330** | **13,954,957** | **3,246,747** | **4,736,799** |

(i) Unrevised information

The reduction in the ROB in the first half of 2023 was determined, among other factors, by the revocation of Resolution No. 03, issued by the MME on August 31, 2021, which established the creation of the Water Scarcity Tariff Flag, in the amount of R$142.00/Mwh. This resolution took effect from September 2021 to April 2022 and had an impact on GOI for the first half of 2022. This was another relevant factor for the lower GOI, through Supplementary Law 194 (LC), of June 23, 2022, effective as of July 1st, 2022, which limited ICMS rates in Brazilian states (this tax is included in the electricity revenue of distribution companies). In the state of Santa Catarina, Supplementary Law 194/2022 was regulated through Ordinary Law 18,521, of November 3, 2022, also with retroactive effects (prior to July 1st, 2022).

### 19.2.1.5. Operating Costs and Expenses

| | | | | | 06.30.2023 |
|---|---|---|---|---|---|
| **Description** | **Cost of Goods and/or Services** | **General and Administrative Expenses** | **Selling Expenses** | **Other Net Expenses/Revenues** | **Total** |
| Electricity Purchased for Resale | 3,208,965 | - | - | - | 3,208,965 |
| Personnel | 172,307 | 128,585 | 14,290 | 626 | 315,808 |
| Actuarial Expenses | - | 68,885 | - | - | 68,885 |
| Private Pension Entity | 8,285 | 5,881 | 525 | - | 14,691 |
| Supplies | 18,755 | 4,157 | - | 8,022 | 30,934 |
| Construction Costs | 584,540 | - | - | - | 584,540 |
| Outsourced Costs and Services | 84,722 | 56,121 | 28,833 | 790 | 170,466 |
| Depreciation and Amortization | 133,144 | 17,038 | 186 | - | 150,368 |
| Net Provisions | - | - | 55,208 | 59,136 | 114,344 |
| Other | 10,407 | (2,570) | 15,230 | (154,693) | (131,626) |
| **Total** | **4,221,125** | **278,097** | **114,272** | **(86,119)** | **4,527,375** |

| | | | | | 06.30.2022 |
|---|---|---|---|---|---|
| **Description** | **Cost of Goods and/or Services** | **General and Administrative Expenses** | **Selling Expenses** | **Other Expenses/Revenues, Net** | **Total** |
| Electricity Purchased for Resale | 3,216,720 | - | - | - | 3,216,720 |
| Personnel | 176,179 | 102,322 | 30,739 | 435 | 309,675 |
| Actuarial Expense | - | 55,731 | - | - | 55,731 |
| Private Pension Entity | 8,253 | 4,408 | 1,072 | - | 13,733 |
| Supplies | 14,299 | 4,180 | - | 8,765 | 27,244 |
| Construction Costs | 559,154 | - | - | - | 559,154 |
| Outsourced Costs and Services | 72,247 | 44,410 | 24,256 | 717 | 141,630 |
| Depreciation and Amortization | 119,634 | 13,185 | 199 | - | 133,018 |
| Net Provisions | - | - | 47,878 | 88,065 | 135,943 |
| Other | 7,641 | 639 | 17,303 | (119,270) | (93,687) |
| **Total** | **4,174,127** | **224,875** | **121,447** | **(21,288)** | **4,499,161** |

### 19.2.1.6. Financial Result

Updating of financial assets and liabilities: Update is by Selic. Variations occur, depending on whether the amounts constituted are Financial Assets (income) or Liabilities (expense).

Most of the variation in debt charges refers to charges and interest on the loan agreement with Banco Safra, in the amount of R$550.0 million in February 2022, for working capital.

Debt Charges: The Charges for Loans in national currency, from the IDB and the debentures, are updated by the CDI rate. In the first half of 2023 the accumulated CDI was 6.44%, while in the same period of 2022 it was 5.36%.

| Description | 06.30.2023 | 06.30.2022 (Restated) |
|---|---|---|
| **Financial Income** | **418,656** | **227,459** |
| Income from Financial Applications | 45,298 | 53,165 |
| Monetary Variations | 20,740 | 28,506 |
| Monetary Restatement without Regulatory Assets | 47,885 | 74,851 |
| Interest and Delayed Payments on Energy Sold | 58,106 | 62,560 |
| Tax Update Recovery - ICMS PIS/COFINS | 251,551 | - |
| Other Financial Income | 15,355 | 19,425 |
| (-) Taxes on Financial Revenue | (20,279) | (11,048) |
| **Financial Expenses** | **(498,477)** | **(255,840)** |
| Debt Charges | (123,521) | (103,730) |
| Interest and Monetary Update Mathematical Reserve | (14,207) | (25,901) |
| IOF – Tax on Financial Operations | (1,021) | (3,981) |
| Mutual Charges | (6,152) | (4,774) |
| Update R&D and Energy Efficiency | (6,717) | (5,575) |
| Debenture Issue Costs | (764) | (764) |
| Monetary Variations - Debentures | (37,689) | (42,312) |
| Other Monetary Variations | (47) | (209) |
| Monetary Restatement without Regulatory Assets | (49,624) | (55,182) |
| Rent Interest Payable (CPC 06) | (917) | (507) |
| Update Amount to be returned to the consumer - ICMS PIS/COFINS | (255,880) | (10,898) |
| Other Financial Expenses | (1,938) | (2,007) |
| **Financial Result** | **(79,821)** | **(28,381)** |

### 19.2.2. Celesc G

### 19.2.2.1. Statement of Financial Position – Assets

| Assets | 06.30.2023 | 12.31.2022 |
|---|---|---|
| **Current** | **124,920** | **140,062** |
| Cash and Cash Equivalents | 35,226 | 56,826 |
| Trade Receivables | 13,411 | 15,800 |
| Inventory | 70 | 73 |
| Recoverable IRPJ and CSLL | 7,323 | 1,054 |
| Other Taxes Recoverable | 1,384 | 1,246 |
| Advance to Suppliers | - | 1,805 |
| Prepaid expenses | 261 | 1,043 |
| Dividends and Interest on Equity Receivable | 7,950 | 4,656 |
| Financial Assets – Concession Bonus | 41,228 | 40,019 |
| Financial Asset - Indemnification of the Pery Plant Basic Project | 18,065 | 17,536 |
| Other | 2 | 4 |
| **Noncurrent** | **851,372** | **815,408** |
| **Achievable in the Long Term** | **548,100** | **532,197** |
| Loans (Note 34.2) | 87,853 | 81,701 |
| Court Deposits | 397 | 1,212 |
| Other Taxes Recoverable | 703 | 768 |
| Indemnifiable Financial Assets - Concession | 2,421 | 2,421 |
| Financial Assets – Concession Bonus | 314,081 | 306,791 |
| Financial Asset - Indemnification of the Pery Plant Basic Project | 142,645 | 139,304 |
| **Investments** | **110,540** | **110,956** |
| **Property, Plant and Equipment** | **147,443** | **126,094** |
| **Intangible Assets** | **45,289** | **46,161** |
| **Total Assets** | **976,292** | **955,470** |

### 19.2.2.2. Statement of Financial Position – Liabilities

| Liabilities | 06.30.2023 | 12.31.2022 |
|---|---|---|
| **Current** | **58,126** | **73,332** |
| Suppliers | 4,654 | 7,316 |
| Debentures | 5,927 | 2,849 |
| IRPJ and CSLL Payable | 17,042 | 12,767 |
| Other Taxes Payable | 1,446 | 8,472 |
| Regulatory Fees | 524 | 498 |
| Dividends and Interest on Equity | 27,021 | 38,724 |
| Other | 1,512 | 2,706 |
| **Noncurrent** | **134,048** | **130,374** |
| Debentures | 37,998 | 39,611 |
| Deferred Taxes | 94,235 | 89,214 |
| Regulatory Fees | 1,815 | 1,549 |

| | | |
|---|---|---|
| **Equity** | **784,118** | **751,764** |
| Share Capital | 450,000 | 450,000 |
| Profit Reserves | 35,679 | 272,975 |
| Retained Earnings Reserve | 237,296 | - |
| Dividends Available at the ASM | - | 15,319 |
| Equity Valuation Adjustments | 13,177 | 13,470 |
| Retained Earnings | 47,966 | - |
| **Total Liabilities** | **976,292** | **955,470** |

### 19.2.2.3. Results report

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Net Operating Income – NOI** | **89,766** | **103,928** |
| Net Revenue from Electricity Sales | 89,766 | 103,928 |
| **Sales Costs** | **(21,710)** | **(17,984)** |
| Cost of operation | (21,710) | (17,984) |
| **Gross profit** | **68,056** | **85,944** |
| **Operational expenses** | **(5,921)** | **(9,518)** |
| With sales | (1,553) | (75) |
| General and Administrative | (8,822) | (10,109) |
| Other Operating Income and Expenses | (1,715) | 1 |
| Equity Pickup | 6,169 | 665 |
| **Operating Result before Financial Result** | **62,135** | **76,426** |
| **Financial Result** | **6,821** | **1,852** |
| Financial Income | 9,390 | 8,413 |
| Financial Expenses | (2,569) | (6,561) |
| **Profit Before IRPJ and CSLL** | **68,956** | **78,278** |
| **Income Tax and Social Contribution** | **(21,283)** | **(26,376)** |
| Current | (16,262) | (21,163) |
| Deferred | (5,021) | (5,213) |
| **Net Income for the Year** | **47,673** | **51,902** |

### 19.2.2.4. Operating income

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Gross Operating Revenue - ROB (a)** | **99,969** | **115,906** |
| Electricity Supply - Industrial | 11,332 | 13,820 |
| Electricity Supply - Industrial - Unbilled | (434) | 830 |
| Electricity Supply - Commercial | 2,208 | 2,587 |
| Power Supply | 41,488 | 43,211 |
| Electricity Supply - Not Billed | (568) | (979) |
| Short-Term Electricity | 3,031 | 2,508 |
| Financial Income Grant Bonus | 29,749 | 36,925 |
| Financial Revenue Usina Pery | 13,162 | 17,004 |
| UFV Leases and Rentals | 1 | - |
| **Deductions from Operating Income** | **(10,203)** | **(11,978)** |
| PIS | (1,439) | (1,760) |
| COFINS | (6,626) | (8,108) |
| Inspection Fee | (381) | (442) |
| Research and development - R&D | (579) | (738) |
| Financial Compensation for the Use of Water Resources | (1,178) | (930) |
| **Net Operating Income – NOI** | **89,766** | **103,928** |

Financial Revenue **-** The reduction in financial revenue, when comparing the first half of 2022 and 2023, is justified by the reduction in the IPCA. In the first half of 2022 the accumulated IPCA was 5.49%, and in the same period of 2023, the IPCA was 2.87%.

### a) Power Supply

| Description | Number of Consumers (i) | | MWh (i) | | Gross Revenue | |
|---|---|---|---|---|---|---|
| | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** |
| Industrial | 16 | 10 | 46,256 | 59,739 | 10,898 | 14,650 |
| Commercial, Services and Other | 1 | 1 | 10,427 | 12,125 | 2,208 | 2,587 |
| Power Supply | 85 | 80 | 318,369 | 273,203 | 40,920 | 42,232 |
| Short-Term Electricity (CCEE) | - | - | 2,412 | 6,252 | 3,031 | 2,508 |
| **Total** | **102** | **91** | **377,464** | **351,319** | **57,057** | **61,977** |

(i) Unrevised information

### 19.2.2.5. Operating Costs and Expenses

06.30.2023

| Description | Cost of Goods and/or Services | General and Administrative Expenses | Selling Expenses | Other Net Expenses/Revenues | Total |
|---|---|---|---|---|---|
| Electricity Purchased for Resale | 10,279 | - | - | - | 10,279 |
| Electricity Purchased for Resale CP | 1,985 | - | - | - | 1,985 |
| Charges from the Use of the Power Grid | 1,697 | - | - | - | 1,697 |
| Personnel | 1,432 | 7,160 | 8 | - | 8,600 |
| Supplies | 175 | 31 | - | 309 | 515 |
| Outsourced Costs and Services | 3,843 | 1,291 | 197 | - | 5,331 |
| Depreciation and Amortization | 1,478 | 215 | - | - | 1,693 |
| Insurance | 782 | - | - | - | 782 |
| Net Provisions | - | - | 1,316 | - | 1,316 |
| Taxes | 68 | 68 | 32 | - | 168 |
| Rental | - | 37 | - | - | 37 |
| Other | (29) | 20 | - | 1,406 | 1,397 |
| **Total** | **21,710** | **8,822** | **1,553** | **1,715** | **33,800** |

06.30.2022

| Description | Cost of Goods and/or Services | General and Administrative Expenses | Selling Expenses | Other Expenses/Revenues, Net | Total |
|---|---|---|---|---|---|
| Electricity Purchased for Resale | 8,680 | - | - | - | 8,680 |
| Electricity Purchased for Resale CP | 1,197 | - | - | - | 1,197 |
| Charges from the Use of the Power Grid | 1,507 | - | - | - | 1,507 |
| Personnel | 1,323 | 7,373 | 369 | - | 9,065 |
| Supplies | 361 | 84 | - | - | 445 |
| Outsourced Costs and Services | 3,312 | 1,840 | 149 | - | 5,301 |
| Depreciation and Amortization (i) | 1,492 | 165 | - | - | 1,657 |
| Insurance | 107 | 220 | - | - | 327 |
| Net Provisions | - | - | (473) | - | (473) |
| Taxes | 10 | 67 | 30 | - | 107 |
| Rental | - | 69 | - | (1) | 68 |
| Other | (5) | 291 | - | - | 286 |
| **Total** | **17,984** | **10,109** | **75** | **(1)** | **28,167** |

(i) Amortized: With the renegotiation of the hydrological risk in September 2021, there was the recognition of the Intangible Assets referring to the new concession period of the HPPs that were renegotiated. This Intangible Asset is amortized on a straight-line basis until the end of the new concession period.

### 19.2.2.6. Financial Result

The financial revenue of R$6.2 million is due to the recognition of interest on the loan agreement with Celesc D.
The reduction in debenture interest is justified by the discharge of the 2018 debentures that occurred in November 2022.

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Financial Income** | **9,390** | **8,413** |
| Income from Financial Applications | 3,625 | 4,158 |
| Loan Agreement Interest | 6,152 | 4,616 |
| Moratorium Additions w/o Electricity Invoices | 1 | 1 |
| Other Financial Income | (388) | (362) |
| **Financial Expenses** | **(2,569)** | **(6,561)** |
| Interest w/o Debentures | (2,338) | (6,182) |
| Debenture Issue Costs | (66) | (311) |
| R&D Upgrade | (103) | (59) |
| Other Financial Expenses | (62) | (9) |
| **Financial Result** | **6,821** | **1,852** |

### 19.3. Changes in Investments

Parent Company

| Description | Celesc D | Celesc G | ECTE | SCGÁS (i) | DFESA | Total |
|---|---|---|---|---|---|---|
| **Investments** | **1,716,726** | **751,764** | **88,313** | **104,766** | **28,045** | **2,689,614** |
| **Added value** | **-** | **-** | **-** | **31,199** | **-** | **31,199** |
| **Balance on 12.31.2022** | **1,716,726** | **751,764** | **88,313** | **135,965** | **28,045** | **2,720,813** |
| Dividends and Interest on Equity Credited | (102,413) | (15,319) | - | (5,759) | - | (123,491) |
| Amortization Concession Use Right | - | - | - | (734) | - | (734) |
| Equity Pickup | 376,088 | 47,673 | 7,190 | 12,666 | 2,518 | 446,135 |
| **Balance on 06.30.2023** | **1,990,401** | **784,118** | **95,503** | **142,138** | **30,563** | **3,042,723** |
| **Investments** | **1,990,401** | **784,118** | **95,503** | **111,673** | **30,563** | **3,012,258** |
| **Added value** | **-** | **-** | **-** | **30,465** | **-** | **30,465** |

**Consolidated**

| Description | ECTE | SCGÁS (i) | DFESA | SPEs (ii) | Total |
|---|---|---|---|---|---|
| **Investments** | **88,313** | **104,766** | **28,045** | **110,674** | **331,798** |
| **Added value** | **-** | **31,199** | **-** | **282** | **31,481** |
| **Balance on 12.31.2022** | **88,313** | **135,965** | **28,045** | **110,956** | **363,279** |
| Payments | - | - | - | 152 | 152 |
| Dividends and Interest on Equity – Credited JCP | - | (5,759) | - | (6,737) | (12,496) |
| Amortization Concession Use Right | - | (734) | - | - | (734) |
| Equity Pickup | 7,190 | 12,666 | 2,518 | 6,169 | 28,543 |
| **Balance on 06.30.2023** | **95,503** | **142,138** | **30,563** | **110,540** | **378,744** |
| **Investments** | **95,503** | **111,673** | **30,563** | **110,258** | **347,997** |
| **Added value** | **-** | **30,465** | **-** | **282** | **30,747** |

### 19.4. Acquisition of the Concession Use Right

The balance of the concession right of use generated in the acquisition of SCGÁS on June 30, 2023 is R$30.5 million and on December 31, 2022 was R$31.2 million. The right to use the concession is amortized over the term of the concession for the provision of public services by the said company (until 2044).

### 19.5. Impairment Test of Paid Goodwill

Every year, the company and its subsidiary Celesc G, test the recoverability of the goodwill paid on their investments. The Discounted Cash Flow (DCF) methodology is used to measure value in use, excluding cash inflows and outflows from financing activities and any receipts or payments of income taxes, as determined by CPC 01 (R1) - Impairment of Assets.

The discount rate adopted is the Cost of Equity because it is independent of the capital structure and the way in which the company has financed the acquisition of the assets, taking into account the understanding of CPC 01 (R1).

## 20. PROPERTY, PLANT AND EQUIPMENT

### 20.1. Balance Breakdown

**Parent Company**

| Description | Machines and equipment | Others | Right of Use Assets | Total |
|---|---|---|---|---|
| **Balance on 12.31.2022** | **6** | **-** | **132** | **138** |
| Property, Plant and Equipment Costs | 50 | 1 | 596 | 647 |
| Accumulated Depreciation | (44) | (1) | (464) | (509) |
| **Balance on 12.31.2022** | **6** | **-** | **132** | **138** |
| Depreciation | (1) | - | (132) | (133) |
| Property, Plant and Equipment Costs | 50 | 1 | 596 | 647 |
| Accumulated Depreciation | (45) | (1) | (596) | (642) |
| **Balance on 06.30.2023** | **5** | **-** | **-** | **5** |
| **Average Depreciation Rate** | **4.00%** | **-** | **50.00%** | |

**Consolidated**

| Description | land | Reservoirs Dams and Water Mains | Buildings and Constructions | Machines and equipment | Other | Construction in progress | Right of Use Assets | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance on 12.31.2022** | **7,441** | **8,813** | **77** | **18,918** | **696** | **90,155** | **7,765** | **133,865** |
| Property, Plant and Equipment Costs | 19,209 | 155,381 | 13,024 | 85,183 | 2,394 | 90,155 | 22,260 | 387,606 |
| Provision for Losses | (4,440) | (23,231) | (553) | (3,042) | 7 | - | - | (31,259) |
| Accumulated Depreciation | (7,328) | (123,337) | (12,394) | (63,223) | (1,705) | - | (13,737) | (221,724) |
| (-) PIS/Cofins credit Depreciation Right | - | - | - | - | - | - | (758) | (758) |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| to Use Assets | | | | | | | | |
| **Balance on 12.31.2022** | **7,441** | **8,813** | **77** | **18,918** | **696** | **90,155** | **7,765** | **133,865** |
| Additions | - | - | - | - | - | 22,224 | 17,474 | 39,698 |
| Write-offs - Gross Balance | - | - | - | - | (35) | - | - | (35) |
| Write-offs Depreciation | - | - | - | - | 35 | - | - | 35 |
| Depreciation | - | (172) | (17) | (576) | (111) | - | (5,054) | (5,930) |
| (+/-) Transfers | - | - | - | - | 513 | (513) | - | - |
| (-) PIS/Cofins Credit Depreciation Right to Use Assets | - | - | - | - | - | - | (502) | (502) |
| Property, Plant and Equipment Costs | 19,209 | 155,381 | 13,024 | 85,183 | 2,872 | 111,866 | 39,734 | 427,269 |
| Provision for Losses | (4,440) | (23,231) | (553) | (3,042) | 7 | - | - | (31,259) |
| Accumulated Depreciation | (7,328) | (123,509) | (12,411) | (63,799) | (1,781) | - | (18,791) | (227,619) |
| (-) PIS/Cofins Credit Depreciation Right to Use Assets | - | - | - | - | - | - | (1,260) | (1,260) |
| **Balance on 06.30.2023** | **7,441** | **8,641** | **60** | **18,342** | **1,098** | **111,866** | **19,683** | **167,131** |
| **Average Depreciation Rate** | **-** | **3.39%** | **3.14%** | **3.14%** | **11.77%** | **-** | **8.33%** | |

## 20.2. Depreciation

The estimated average annual depreciation rates for the current year are as follows:

| | **Consolidated** |
|---|---|
| **Management** | **Percentages (%)** |
| Buildings and Constructions | 6.3 |
| Machines and equipment | 8.9 |
| Vehicles | 13.9 |
| Furniture and utensils | 6.6 |

| **Operation** | **Percentages (%)** |
|---|---|
| Buildings and Constructions | 3.0 |
| Machines and equipment | 3.1 |
| Reservoirs, Dams and Pipelines | 3.4 |
| Vehicles | 12.5 |
| Furniture and utensils | 4.8 |

The straight-line depreciation method, useful lives and residual values are reviewed at each end of the fiscal year and any adjustments are recognized as changes in accounting estimates.

The assets of the Pery, Celso Ramos, Garcia, Palmeiras, Salto Weissbach, Cedros and Bracinho plants are depreciated at the rates established in ANEEL Resolution No. 674, of August 11, 2015. The Caveiras, Ivo Silveira, Piraí, São Lourenço and Rio do Peixe CGHs are also depreciated by the same Resolution, as they have a registration agreement.

Central Administration assets (Buildings and Construction, Machinery and Equipment, Vehicles and Furniture and Utensils) are also depreciated at the rates established in Resolution 674/2015.

## 20.3. Right-of-Use Asset - CPC 06 / IFRS 16 – Leases

In compliance with CPC 06 (R2), the Company records the amounts payable from leases and rentals, as a contra entry to the Fixed Assets item as Right-of-Use Assets.

The amounts recorded in liabilities are adjusted to present value, at the discount rate of 8.09%, calculated by the Company.

| **ASSETS** | **Parent Company** | **Consolidated** |
|---|---|---|
| **Balance on 12.31.2022** | **132** | **7,765** |
| **Current** | **-** | **-** |
| **Noncurrent** | **132** | **7,765** |
| (+) Additions | - | 17,474 |
| (-) Depreciation | (132) | (5,054) |
| (-) PIS/COFINS Credit Depreciation Right to Use Assets | - | (502) |
| (-) Low | - | - |
| **Balance on 06.30.2023** | **-** | **19,683** |
| **Current** | **-** | **-** |
| **Noncurrent** | **-** | **19,683** |

| **LIABILITIES** | **Parent Company** | **Consolidated** |
|---|---|---|
| **Balance on 12.31.2022** | **141** | **8,295** |
| **Current** | **141** | **1,579** |
| **Noncurrent** | **-** | **6,716** |

| | | |
|---|---|---|
| (+) Additions | - | 17,474 |
| (-) Write-offs | - | - |
| (+) Interest Incurred | 3 | 920 |
| (-) Principal Payment | (141) | (5,264) |
| (-) Interest Paid | (3) | (920) |
| **Balance on 06.30.2023** | **-** | **20,505** |
| **Current** | **-** | **9,471** |
| **Noncurrent** | **-** | **11,034** |

### 20.3.1. Maturities of the Long-Term Installments:

| | | Consolidated |
|---|---|---|
| **Years** | **06.30.2023** | **12.31.2022** |
| 2024 | 2,121 | 1,194 |
| 2025 | 2,062 | 1,135 |
| 2026 | 2,039 | 1,112 |
| 2027 | 2,038 | 1,112 |
| 2027+ | 2,774 | 2,163 |
| **Total** | **11,034** | **6,716** |

Recognized assets have the following specialties:

**a)** Buildings: refer to the lease agreements related to the on-site service stores, located in the distributor's concession area;
**b)** Land: refer to land where telecommunication towers, substation and warehouse are installed;
**c)** Vehicles: refer to the vehicle rental agreement, fleet, used in the provision of services and vehicles used by the Executive Board.

## 21. INTANGIBLE ASSETS

| | Parent Company |
|---|---|
| **Description** | **Agio** |
| **Balance on 12.31.2022** | **3,938** |
| Amortization | (251) |
| **Balance on 06.30.2023** | **3,687** |
| Total Cost | 14,248 |
| Accumulated Amortization | (10,561) |
| **Balance on 06.30.2023** | **3,687** |
| **Average Amortization Rate** | **0.9%** |

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| **Description** | **Concession Asset Celesc D (i)** | **Software Acquired** | **Hydrological Risk Renegotiation – GSF (ii)** | **Goodwill (iii)** | **Items in Progress** | **Total** |
| **Balance on 12.31.2022** | **4,258,464** | **506** | **43,937** | **3,938** | **1,718** | **4,308,563** |
| Total Cost | 6,916,773 | 7,445 | 45,879 | 14,248 | 1,718 | 6,986,063 |
| Accumulated Amortization | (2,658,309) | (6,939) | (1,942) | (10,310) | - | (2,677,500) |
| **Balance on 12.31.2022** | **4,258,464** | **506** | **43,937** | **3,938** | **1,718** | **4,308,563** |
| Additions **(iv)** | 365,847 | - | - | - | - | 365,847 |
| Write-offs | (28,626) | - | - | - | - | (28,626) |
| Amortization | (145,446) | (95) | (777) | (251) | - | (146,569) |
| **Balance on 06.30.2023** | **4,450,239** | **411** | **43,160** | **3,687** | **1,718** | **4,499,215** |
| Total Cost | 7,253,994 | 7,445 | 45,879 | 14,248 | 1,718 | 7,323,284 |
| Accumulated Amortization | (2,803,755) | (7,034) | (2,719) | (10,561) | - | (2,824,069) |
| **Balance on 06.30.2023** | **4,450,239** | 411 | **43,160** | **3,687** | **1,718** | **4,499,215** |
| **Average Amortization Rate** | **4.4%** | **20.0%** | **3.4%** | **0.9%** | | |

(i) The rates established by ANEEL are used in tariff review processes, calculation of compensation at the end of the concession and are recognized as a reasonable estimate of the useful life of the concession assets. Thus, these rates were used as a basis for the valuation and amortization of the intangible asset.

(ii) The extension of the concession period by the granting authority for the plants renegotiated by the GSF hydrological risk, was calculated at fair value and recognized as an Intangible Asset. These assets will be amortized on a straight-line basis until the end of the new concession period for each renegotiated plant.

(iii) The goodwill generated on the acquisition of ECTE is amortized over the concession period for the provision of public services by said company, until 2042.

(iv) Refers to investments made by Celesc D, in the first half of 2023, bifurcated between intangible and financial assets.

## 22. SUPPLIERS

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Electricity | - | - | 548,741 | 594,114 |
| Charges from the Use of the Power Grid | - | - | 190,018 | 195,642 |
| Materials and Services | 560 | 900 | 133,249 | 174,135 |
| Electricity Trading Chamber – CCEE (i) | - | - | 48,181 | 52,622 |
| **Total** | **560** | **900** | **920,189** | **1,016,513** |

(i) Among its attributions, CCEE is responsible for determining the accounting value of the agents. In the case of distributors, this value involves, in addition to the sale and purchase in the short term, charges, the effect of the dispatch of thermal plants and also the various impacts of hydrological risk. The hydrological risk is associated with energy contracts (CCEAR-QT) that were renegotiated, physical guarantee quota contracts and the contract with Itaipu, in which the buyer assumes this condition.

## 23. LOANS AND FINANCING

Loans and Financing have four different classifications: (i) Bank Loans, (ii) Eletrobras Loans, (iii) Finame Type Loans and (iv) Loans - BID, and some of these are guaranteed by Company receivables and sureties, as per provisions contractual.

The Company understands that the loans are already at their fair value and indexed to market indexes.

| | | Consolidated | |
|---|---|---|---|
| **Description** | | **06.30.2023** | **12.31.2022** |
| **Total Domestic Currency** | | **674,311** | **676,836** |
| Banking Loans (i) | CDI + 1.65% p.y | 578,169 | 578,809 |
| Banking Loans (i) | CDI + 0.8% p.y. | 93,253 | 93,253 |
| Eletrobras Loans (ii) | 5% p.a. | 1,674 | 2,110 |
| Finame Loans (iii) | 6% to 9.5% p.y. | 1,215 | 2,664 |
| **Total Foreign Currency** | | **1,303,153** | **1,166,319** |
| Loans - IDB (iv) | CDI + 0.76% to 1.93% p.y | 1,303,153 | 1,166,319 |
| **Total** | | **1,977,464** | **1,843,155** |
| **Current** | | **371,179** | **297,229** |
| **Noncurrent** | | **1,606,285** | **1,545,926** |

### i) Bank Loans

Bank Loans balances refer to contracting, whose funds were used exclusively to reinforce the Company's cash.

In April 2019, through a Bank Credit Note – CCB, R$335.0 million was contracted with Banco Safra, with remuneration equivalent to CDI + 0.80% p.y. and monthly charge. The term was 36 months, with an 18-month grace period for the start of the amortization of the principal amount. The beginning of amortization was in November 2020 and the end would be for April 2022, however, on December 2, 2021, the contract was amended and the deadline for settlement of the principal became May 2023. In May 2023, the contract was renegotiated and the payment period was extended by 18 months, while it was still to be settled in a single installment at the end of the contract (bullet), which became November 2024. The interest rate was maintained at the same percentage as the original contract, payable monthly.

In February 2022, also through a Bank Credit Note – CCB, an additional R$550.0 million was contracted with Banco Safra, with remuneration at the rate equivalent to CDI + 1.65% p.y. and semiannual payment. The term was 36 months, with a grace period of 18 months for the start of amortization of the principal amount, which will be settled in 4 semiannual installments, starting in August 2023 and ending in February 2025. There are no covenants related to these loans.

### ii) Eletrobras

The funds from this contracting were destined, among other applications, to rural electrification programs and come from the Global Reversion Reserve – RGR and from the Eletrobrás Financing Fund. The current agreement has a grace period of 24 months, amortization in 120 monthly installments, interest rate of 5% p.y. and administration fee of 1% p.y. It has the consent of ANEEL and the end is scheduled for May 30, 2025. In April 2023, the management of financing contracts using RGR funds was transferred to Empresa Brasileira de Participações em Energia Nuclear e Binacional - ENBPAR. There are no covenants related to these loans.

**iii) Final**

The funds from these contracts were used to make up for part of Celesc D's lack of funds and were used to purchase machinery and equipment. Each acquisition constitutes a contract, which is negotiated at interest rates ranging from 6% to 9.5% p.y. 96 monthly amortizations are foreseen for Finame of Banco do Brasil and 72 monthly amortizations for Finame of Caixa Econômica Federal. All contracts have the consent of ANEEL. There are no covenants related to these loans.

**iv) Inter-American Development Bank – IDB**

On October 31, 2018, Celesc D and the Inter-American Development Bank – IDB signed an external credit operation called Loan 4404/OC-BR (BR-L1491).

The total amount of the transaction is US$276.1 million and the amortization period is 234 (two hundred and thirty-four) months, with a grace period of up to 66 (sixty-six) months, reaching a total term of 300 (three hundred ) months.

Amortization is semi-annual using the constant system, plus a spread, with monetary restatement calculated based on the exchange variation. In addition, there is a requirement for a commitment fee of up to 0.5% per yers on the non-disbursed US dollar balance and an oversight fee of up to 1% of the loan amount, divided by the number of semesters within the term. original of 5 (five) years of disbursements.

The loan is guaranteed by the Federative Republic of Brazil and the State of Santa Catarina and is intended to partially finance the Energy Infrastructure Investment Program in Celesc D.

The first releases took place on December 10, 2018 and January 28, 2019, provisions US$80.1 million. After that, on May 2, 2019, it was decided to convert the released amounts into national currency and to change the interest rate applied to the contract, already considering the costs of the IDB, therefore, there is no longer the incidence of exchange variation .

Releases continued to occur and both the option of converting into local currency and the previously mentioned change in the contract's interest rate were maintained.

Below are all releases that occurred until June 30, 2023, with dates, amounts and interest rates currently applied:

| Dates | Amounts in US$ | Interest Rate |
|---|---|---|
| December 10, 2018 | 70,374,302.95 | CDI + 0.94 p.y. |
| January 28, 2018 | 9,704,328.10 | CDI + 0.94 p.y. |
| October 7, 2019 | 26,210,755.00 | CDI + 0.99 p.y. |
| December 10, 2019 | 9,767,891.73 | CDI + 0.82 p.y. |
| June 9, 2020 | 7,273,169.76 | CDI + 1.19 p.y. |
| October 13, 2020 | 35,000,000.00 | CDI + 1.85 p.y. |
| March 19, 2021 | 25,000,000.00 | CDI + 1.93 p.y. |
| December 14, 2021 | 50,000,000.00 | CDI + 1.25 p.y. |
| 06.28.2023 | 28,500,000.00 | CDI + 0.76 p.y. |

All interest rates already consider the IDB's costs and may suffer some variation because one of the components of the spread is variable and defined by the IDB every quarter.

It should be noted that disbursements of the contracted financing are processed in accordance with the provisions of Loan Agreement 4404/OC-BR (BR-L1491), according to Chapter IV of the General Rules.

The Program's financial statements are subject to independent auditing carried out by the Court of Auditors of the State of Santa Catarina – TCE/SC, under the terms of Clause 5.02, of the Special Provisions of the aforementioned Agreement.

**23.1. Composition of Maturities**

The amounts classified in non-current liabilities have the following composition, by year of maturity:

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| Description | Domestic | | Foreign | | Total | |
| | 06.30.2023 | 12.31.2022 | 06.30.2023 | 12.31.2022 | 06.30.2023 | 12.31.2022 |
| 2024 | 231,028 | 276,139 | 31,728 | 56,596 | 262,756 | 332,735 |
| 2025 | 137,863 | 137,864 | 63,456 | 56,596 | 201,319 | 194,460 |
| 2026 | - | - | 63,456 | 56,596 | 63,456 | 56,596 |
| 2027 | - | - | 63,456 | 56,596 | 63,456 | 56,596 |

| | | | | | | |
|---|---|---|---|---|---|---|
| 2028 + | - | - | 1,015,298 | 905,539 | 1,015,298 | 905,539 |
| **Total** | **368,891** | **414,003** | **1,237,394** | **1,131,923** | **1,606,285** | **1,545,926** |

### 23.2. Change in Loans and Financing - National

| | | | **Consolidated** |
|---|---|---|---|
| **Description** | **Current** | **No Current** | **Total** |
| **Balances as of December 31, 2022** | **262,833** | **414,003** | **676,836** |
| Accrued Fees | 48,651 | - | 48,651 |
| transfers | 45,112 | (45,112) | - |
| Principal Amortization | (1,879) | - | (1,879) |
| Charge Payments | (49,297) | - | (49,297) |
| **Balance on June 30, 2023** | **305,420** | **368,891** | **674,311** |

### 23.3. Change in Loans and Financing – Foreign – IDB

| | | | **Consolidated** |
|---|---|---|---|
| **Description** | **Current** | **No Current** | **Total** |
| **Balances as of December 31, 2022** | **34,396** | **1,131,923** | **1,166,319** |
| Inflows | - | 137,655 | 137,655 |
| Restatement | (2,043) | (456) | (2,499) |
| Accrued Fees | 82,240 | - | 82,240 |
| transfers | 31,728 | (31,728) | - |
| Payment of Charges | (80,562) | - | (80,562) |
| **Balance on June 30, 2023** | **65,759** | **1,237,394** | **1,303,153** |

## 24. DEBENTURES

### 24.1. 2018 Debentures – Celesc D

On July 13, 2018, Celesc D issued two hundred and fifty thousand (250,000) debentures, not convertible into shares, at a face value of R$1.0 thousand, totaling R$250.0 million and maturing on July 13, 2023. The proceeds from this issue were used to strengthen the issuer’s cash for the management of its business.

The issue has a personal guarantee of present and/or future receivables arising from the gross supply of electricity to the customers of Celesc D. Celesc Holding will provide suretyship in favor of the debenture holders, as a guarantor and main responsible for the payment of all due amounts under the Indenture.
The debentures will mature 5 years as from the issue date, i.e July 13, 2023, at 100% of the cumulative variation of the one-day daily average rates of the Interbank Deposit rate (DI), plus a surcharge or spread of 1.9% per year.

The amortization was expected to be paid in 15 consecutive quarterly installments, on January 13, April 13, July 13, and October 13, starting on January 13, 2020 and ending on the maturity date. The remuneration will occur in quarterly and consecutive installments, with no grace period, as of October 13, 2018. Until June 30, 2023, R$57.7 million in remuneration, and R$233.3 million in principal were paid.

Annually, the Company, as guarantor, has a contractual commitment (covenants) linked to the issuance of debentures not to present a Net Debt/EBITDA ratio greater than 2.5. The failure to comply with this financial indicator may imply the early maturity of the total debt. In the year ended December 31, 2022, the calculation result of this ratio was 1.51, thus meeting this obligation.

### 24.2. 2021 Debentures – Celesc D

On April 15, 2021, Celesc D issued five hundred and fifty thousand (550,000) simple debentures, not convertible into shares, at a face value of R$1,000, totaling R$550.0 million and maturing on April 15, 2026. The proceeds from this issue were used to reinforce cash.

The debentures are unsecured, with no preference, thus not granting any special or general privilege to their holders. Moreover, they have a personal guarantee. The Company will provide suretyship in favor of the debenture holders, as a guarantor and main responsible for the payment of all due amounts under the Indenture.

Interest corresponding to 100% of the accumulated variation of the average daily rates of the “over extra-group” Interbank Deposit rate (DI), as a percentage per year, on a year with 252 business days, calculated and daily disclosed by B3, plus a surcharge or spread of 2.6 % p.y.

The remuneration is expected to be paid as follows: quarterly and as of the issue date, maturing on January 15, April 15, July 15, and October 15, and ending on October 15, 2022; and monthly as from November 15, 2022, with the other maturities on the 15th of the subsequent months until the end of the validity. Until June 30, 2023, R$140.8 million in remuneration, and R$115.1 million in principal were paid.

The amortization is expected to occur in forty-three (43) consecutive monthly installments, always on the 15th of each month, the first of which on October 15, 2022.

From the fiscal year to be ended on December 31, 2021, to the maturity date, the Company, as a guarantor, is annually committed to the covenant linked to the debenture issue to present a Net Debt/EBITDA ratio lower than 3. The failure to comply with this financial indicator may imply the early maturity of the total debt. In the year ended December 31, 2022, the calculation result of this ratio was 1.51, thus meeting this obligation.

### 24.3. 2020 Debentures – Celesc G

On December 10, 2020, Celesc G issued 37,000 debentures with a face value of R$1.000, totaling R$37 million. Inflation adjustment was defined by the accumulated variation of the IPCA monthly disclosed by the Brazilian Institute of Geography and Statistics (IBGE). The simple debentures were issued in a single series, not convertible into shares. The personal guarantee was provided as a suretyship in favor of the debenture holders, as a guarantor and main responsible for the payment of all due amounts under the Indenture. The debentures mature in ten years, as of the issue date, and yield 4.30% p.y., until the actual payment date.

Interest started to be paid in June 2021, and the amortization will start in December 2023, both half-yearly and consecutively. Up to June 30, 2023, R$4.4 million in compensation had been paid.

As an issuer, Celesc G is annually committed to a covenant linked to the Debenture issue to present a Net Debt/EBITDA ratio higher than 3.50. Failure to comply with this financial indicator may lead to the early maturity of the total debt. In the year ended December 31, 2022, cash and cash equivalents were greater than loans and financing debts by R$14.4 million, making the Net Debt result zero for the ratio. Celesc G continuously monitors the indexes related to the contract's annual covenants.

### 24.4. Change in Debentures

| | Consolidated |
|---|---|
| **Description** | **Total** |
| **Balance on 12.31.2022** | **606,113** |
| Accrued Fees | 40,027 |
| Payments Charges | (40,563) |
| Principal Payments | (110,077) |
| Debenture Issue Costs - Celesc D | 764 |
| Debenture Issue Costs - Celesc G | 66 |
| **Balance on 06.30.2023** | **496,330** |
| **Current** | **178,585** |
| **Noncurrent** | **317,745** |

### 24.5. Costs in the Funding of Debentures to be Appropriated

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| 2023 | 554 | 1,384 |
| 2024 | 1,056 | 1,056 |
| 2025 | 1,054 | 1,054 |
| 2026+ | 927 | 927 |
| **Total** | **3,591** | **4,421** |

### 24.6 Reconciliation of Liabilities Resulting from Financing Activities

| | | | | | | Parent Company |
|---|---|---|---|---|---|---|
| **Description** | **12.31.2022** | **Payments** | **Total Financing Flow Variations** | **Interest Payment (i)** | **Changes that do not affect Cash (ii)** | **06.30.2023** |
| Dividends and Interest on Equity Payable | 157,602 | (93,528) | (93,528) | - | 111,150 | 175,224 |
| Lease Liabilities – CPC 06 (Note 20.4) | 141 | (141) | (141) | (3) | 3 | - |
| **Total** | **157,743** | **(93,669)** | **(93,669)** | **(3)** | **111,153** | **175,224** |

| | | | | | | | Consolidated |
|---|---|---|---|---|---|---|---|
| **Description** | **12.31.2022** | **Resource Tickets** | **Principal Payments** | **Total Financing Flow Variations** | **Interest Payment (i)** | **Variations not Affecting Cash (ii)** | **06.30.2023** |
| Loans and Financing | 1,843,155 | 137,655 | (1,879) | 135,776 | (129,859) | 128,392 | 1,977,464 |
| Debentures | 606,113 | - | (110,077) | (110,077) | (40,563) | 40,857 | 496,330 |
| Dividends and Interest on Equity | 157,602 | - | (93,528) | (93,528) | - | 111,150 | 175,224 |
| Lease Liabilities – CPC 06 (Note 20.4) | 8,295 | - | (5,264) | (5,264) | (920) | 18,394 | 20,505 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Total** | **2,615,165** | **137,655** | **(210,748)** | **(73,093)** | **(171,342)** | **298,793** | **2,669,523** |

(i) Interest paid is classified under Operating Activities in the Statement of Cash Flow.

(ii) Accrued interest and monetary variations of Loans and Financing totaled R$130.9 million. The debentures totaled R$40.0 million.

## 25. LABOR AND SOCIAL SECURITY OBLIGATIONS

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| Provisions and Payroll Social Charges | 1,337 | 1,241 | 127,844 | 115,144 |
| Separation Incentive Plan - PDI | - | - | 78,000 | 108,854 |
| Consignment in Favor of Third Parties | - | - | 4,677 | 10,197 |
| Provision for Profit Sharing and Profit Sharing - PLR | - | - | 29,048 | 27,070 |
| Net Payroll | 378 | 297 | 14,527 | 16,815 |
| **Total** | **1,715** | **1,538** | **254,096** | **278,080** |
| **Current** | **1,715** | **1,538** | **220,844** | **227,670** |
| **Noncurrent** | **-** | **-** | **33,252** | **50,410** |

### 25.1. Separation Incentive Plan - PDI

The program is part of the Company's strategy to adjust its operating costs, optimize processes, and improve indicators to create value for shareholders.

On February 22, 2016, Celesc D approved the regulation of the Separation Incentive Plan - PDI. This program was first implemented in December 2016. New editions were made in the following years with the same criteria and regulations. The only change was regarding the minimum time worked at the Company which became an eligibility rule.

| Plans | Minimum Time at the Company | Number of Installments | Number of Installments with adhesion to the CD Plan |
|---|---|---|---|
| 2016 PDI | 25 years | From 24 to 60 | None |
| 2017 PDI | 25 years | From 24 to 60 | None |
| 2018 PDI | 25 years | From 24 to 60 | None |
| 2019 PDI | 25 years | From 24 to 60 | None |
| 2020 PDI | 24 years | From 24 to 60 | None |
| 2021 PDI | 15 years (i) | From 24 to 60 | None |

(i) Provided that the employee is at least 50 years of age.

On April 23, 2020, Celesc D obtained approval to carry out an Emergency Separation Incentive Plan, called PDI-E, for employees with over 33 years of work. 86 employees left Celesc D.

| Plan | Time Minimum of Company | Number of Installments | Number of Installments by Joining the CD Plan |
|---|---|---|---|
| 2020 PDI-E | 33 years | From 36 to 60 | 18 |

In September 2021, the PDI 2021 (current edition) was approved. PDI 2021 shutdowns started in November and have a total of 196 exits so far.

From the implementation of the program until June 30, 2023, there were 1,224 dismissals.

The table below shows the number of employees terminated and the amount of the expense, classified by year.

| Years | Number of Employees Dismissed | PDI Expenses (R$/thousand) |
|---|---|---|
| 2016 | 61 | 16,183 |
| 2017 | 125 | 79,531 |
| 2018 | 181 | 68,737 |
| 2019 | 273 | 87,250 |
| 2020 | 303 | 112,847 |
| 2021 | 93 | 63,896 |
| 2022 | 141 | 60,084 |
| 2023 | 47 | - |
| **Totals** | **1,224** | **488,528** |

In December of each year, installments are updated based on the INPC variation in the last 12 months.

# 26. TAXES

## 26.1. Federal Taxes

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| IRRF without IOE | 3,868 | 4,305 | 11,729 | 17,173 |
| PIS and COFINS | 5,242 | 9,659 | 48,610 | 49,419 |
| Other | 56 | 17,865 | 3,043 | 21,290 |
| **Total payable** | **9,166** | **31,829** | **63,382** | **87,882** |
| (-) Taxes to be Offset | (475) | (806) | (859,752) | (1,101,756) |
| **Total** | **8,691** | **31,023** | **(796,370)** | **(1,013,874)** |

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| IRPJ and CSLL | - | 2,863 | 58,301 | 30,996 |
| (-) IRPJ and CSLL to be offset | (46,330) | (43,524) | (71,166) | (63,329) |
| **Total** | **(46,330)** | **(40,661)** | **(12,865)** | **(32,333)** |

## 26.2. State Taxes

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| ICMS | - | - | 178,146 | 168,346 |
| **Total Payable** | **-** | **-** | **178,146** | **168,346** |
| (-) Taxes to be Offset | - | - | (59,916) | (57,941) |
| **Total Net** | **-** | **-** | **118,230** | **110,405** |

## 26.3. Municipal Taxes

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** | **06.30.2023** | **12.31.2022** |
| ISS | 107 | 107 | 2,282 | 2,566 |
| Municipal Property Tax (IPTU) | - | - | 43 | 7 |
| **Total Payable** | **107** | **107** | **2,325** | **2,573** |
| (-) Taxes to be Offset | - | - | (995) | (992) |
| **Total Net** | **107** | **107** | **1,330** | **1,581** |

# 27. REGULATORY FEES

| | Consolidated | |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| Energy Efficiency Program – PEE (i) | 67,366 | 61,094 |
| Research and Development – R&D (i) | 59,648 | 54,759 |
| Electricity Development Account – CDE | 19,472 | 19,472 |
| ECE Installment (ii) | 18,426 | 26,254 |
| ANEEL Inspection Fee | 823 | 824 |
| Other | 320 | 306 |
| **Total** | **166,055** | **162,709** |
| **Current** | **61,585** | **56,066** |
| **Noncurrent** | **104,470** | **106,643** |

i) R&D and PEE – Pursuant to Law No. 9,991, of July 24, 2000, concessionaires of public electric energy distribution services, generation concessionaires and companies authorized to independently produce electric energy, with the exception of some modalities, must apply, annually, a minimum percentage of their net operating revenues – NOR in Research and Technological Development projects in the Electric Energy Sector – R&D. Distributors must also apply in Energy Efficiency Programs - PEE, according to regulation established by ANEEL.

On March 30, 2021, ANEEL published Normative Resolution 229 and Order 904, defining the form and amounts to be transferred to the Energy Development Account - CDE. Payments to the CDE correspond to the balances not committed to the liabilities of the R&D and PEE programs on the base date of August 31, 2020 and 30% of the current values referring to the period from September 1, 2020 to December 31, 2025. Until December 2025, the calculated amounts will be transferred monthly, on the 10th of the second subsequent month.

ii) Emergency Capacity Charge - ECE - It was established by Law 10,438, of April 26, 2002, to cover the cost of contracting emergency thermoelectric plants installed in the country, available to generate energy in the event of a risk of shortages. This cost was paid by all consumers of the National Interconnected System, except for those classified as low-income.

## 28. PROVISION FOR CONTINGENCIES AND COURT DEPOSITS

As of June 30, 2023, the Company had the following liabilities and their corresponding escrow deposits related to contingencies:

### 28.1. Likely Contingencies

| | | | | Parent Company |
|---|---|---|---|---|
| Description | Court Deposits | | Provision for Risks | |
| | 06.30.2023 | 12.31.2022 | 06.30.2023 | 12.31.2022 |
| Tax | 49,889 | 47,578 | 23,983 | 19,222 |
| Labor | 4,771 | 4,686 | - | 2,298 |
| Civil | 1,898 | 3,027 | 528 | 575 |
| Regulatory | 23,222 | 22,111 | 3,358 | 3,358 |
| **Total** | **79,780** | **77,402** | **27,869** | **25,453** |

| | | | | Consolidated |
|---|---|---|---|---|
| Description | Court Deposits | | Provision for Risks | |
| | 06.30.2023 | 12.31.2022 | 06.30.2023 | 12.31.2022 |
| Tax (i) | 52,001 | 48,849 | 36,782 | 30,847 |
| Labor (ii) | 15,687 | 22,757 | 57,763 | 45,704 |
| Civil (iii) | 133,985 | 108,513 | 178,030 | 199,019 |
| Regulatory (iv) | 187,457 | 179,751 | 132,031 | 121,027 |
| Environmental (v) | 1,398 | - | 1,526 | 2,423 |
| **Total** | **390,528** | **359,870** | **406,132** | **399,020** |

Changes in provisions and deposits are as follows:

| | Parent Company | | Consolidated | |
|---|---|---|---|---|
| **Description** | **Court Deposits** | **Provisions** | **Court Deposits** | **Provisions** |
| **Balance on 12.31.2022** | **77,402** | **25,453** | **359,870** | **399,020** |
| Creation | 245 | 5,245 | 93,086 | 112,809 |
| Financial Adjustment | 3,523 | - | 14,643 | 5,271 |
| Write-offs | (1,390) | (2,829) | (77,071) | (110,968) |
| **Balance on 06.30.2023** | **79,780** | **27,869** | **390,528** | **406,132** |

At the Parent Company, the most relevant court deposit refers to Tax Execution No. 5000685-32.2022.404.7200, in which it is a party, in the amount of R$28.0 million, as a form of guarantee of the tax credit. The Company filed a motion to lodge a motion against the Tax Enforcement, arguing that the debt cannot be enforced due to the existence of a credit capable of offsetting. The process awaits instruction by judicial expertise.

Another more relevant judicial deposit at the Company refers to the Declaratory Action of Unenforceability of Tax Credit 5012891-49.2020.4.04.7200, totaling R$15.1 million, proposed by Celesc to declare CDA's 91.2.18.003117-26 unenforceable; 91.2.18.003118-07; 91.6.18. 017006-01; 91.6.18.017009-46 and 91.7.18.002962-43 from the remaining balance of the REFIS and PAES programs, which remained included in the installment payment of Law 11,941/2009. The proceeding was dismissed in the lower court, awaiting analysis of the appeal in the Higher Court.

At Celesc D, the most relevant judicial deposit refers to case nº 1005589- 77.2017.4.01.3400, in the amount of R$119.1 million. The discussion, at the judicial level, is about the 2014 subcontracting process, where there are two impacts: the first on the issue of non-referral of tariff calculated by ANEEL and the second on the penalty assessed by CCEE. It should be noted that the subcontracting penalty has a specific and multilateral procedure, which must include ex-post discussions.

In 2020, the sentence of the 6th Federal Civil Court of the Federal District dismissed the case in the first instance. In the action, Celesc D sought to annul the penalty imposed by the CCEE due to the lack of contractual ballast in 2014. Celesc D filed a civil appeal and continues the discussion, considering that such decision did not take into account several aspects of the penalty calculation. In order to obtain a suspensive effect and not be considered in default, the distributor offered a judicial deposit in the full amount of the penalty. Considering the peculiarity of the case and the assessment of the concrete fact, there is a reasonable possibility of annulling the sentence and, thus, the process was classified with an estimate of possible loss.

At Celesc D, there was also a deposit of R$15.9 million in case 5029579-87.2023.8.24.0023 regarding the financial rebalancing of the contract with EMEPLAN, as well as a deposit of R$14.7 million in case 5036528-30.2023.8.24.0023 regarding the FLORINFO fire.

The most relevant casualties due to losses in judicial deposits are related to indemnities to tobacco growers in the north of the state, environmental damages due to oil leaking from a transformer, insurance reimbursements, termination payments, intra-day and inter-day work breaks, exploration of the domain strip, no debt, late payment damage, contract termination, consumption class change, and material damage.

The changes in the creation of judicial deposits in the period is due to payments made for new shares and also for existing shares.

The Company is a party to labor, civil, tax, regulatory and environmental proceedings in progress and is discussing these matters both at the administrative and judicial levels.

These proceedings, when applicable, are supported by judicial deposits. Provisions for possible losses arising from these proceedings are estimated and updated by management, supported by the opinion of its internal and external legal advisors.

The nature of likely contingencies can be summarized as follows:

**i) Tax Contingencies**

They are related to contingencies of a tax nature at the federal level, related to the collection of COFINS and Social Security Contribution, and at the municipal level, associated with tax notices issued by the Municipality of Florianópolis for the requirement of ISS.

The most relevant lawsuit, at the federal level, has an estimated loss of R$15.1 million and refers to debts registered in active debt and subject to Tax Foreclosure No. 5029049-48.2021.4.04.7200, originating from PIS, IRPJ, IRRF, COFINS and CSLL, which were excluded from the extraordinary installment program. Celesc opposed the Embargoes to Tax Enforcement, sustaining the unenforceability of the tax credit. The embargoes were dismissed and an appeal was filed. The Court dismissed the Company's appeal, and an appeal to the higher court was filed.

**ii) Labor Contingencies**

They are related to complaints filed by employees and former employees of the Group and service providers (outsourced) related to overtime payment issues, mainly those resulting from a violation of the intra-day and inter-day breaks, as well as revision of the calculation basis of salary, additional, severance pay, among other labor rights.

**iii) Civil Contingencies**

These are related to civil actions in general, with the purpose, in short, of compensation for damages (material and/or moral) resulting from: undue suspension of the supply of electricity, registration of the names of consumers with credit protection agencies, damages electrical, poultry production, accidents involving third parties.

There are also other types of claims that generate payment of amounts by Celesc D, such as: damages involving loss of production by tobacco growers of around R$41.2 million; actions to reimburse insurance companies of around R$8.5 million; tariff reclassification of R$3.9 million; revision of bidding contracts (economic-financial rebalancing) of approximately R$19.7 million; fires in the amount of R$20.7 million, undue billing in the amount of R$3.7 million, DNAFE Ordinances of around R$11.5 million and CDI-OVER of around R$11.1 million.

**iv) Regulatory Contingencies**

Regulatory contingencies are associated with notifications made by ANEEL, ARESC or CCEE in punitive administrative proceedings arising from events that have already occurred, the settlement of which may result in the delivery of funds for contractual or regulatory transgressions in the electricity sector. Legal contingencies also constitute regulatory contingencies in which Celesc D discusses with other sector agents (electricity generation, commercialization, transmission or distribution concessionaires, in addition to institutional agents such as ANEEL, CCEE, ONS, EPE and MME) matters relating to the application of sectoral regulation. The most significant regulatory contingency refers to the contractual exposure in 2014 (Note 2.1.1.1), item d).

**v) Environmental Contingencies**

These are lawsuits related to lawsuits regarding the payment of material and moral damages due to an environmental accident that occurred in Celesc D's concession area.

**28.2. Possible Contingencies**

The Company also has tax, labor, civil, regulatory and environmental lawsuits, involving risks of loss classified by Management as possible, based on the assessment of its legal advisors, for which there is no provision constituted, according to the composition and estimate below:

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| Tax (i) | 237,686 | 150,602 |
| Labor (ii) | 29,361 | 20,596 |
| Civil (iii) | 439,084 | 432,505 |
| Regulatory (iv) | 202,480 | 190,529 |
| Environmental (v) | 26,009 | 28,432 |
| **Total** | **934,620** | **822,664** |

The nature of possible contingencies can be summarized as follows:

**i) Tax Contingencies**

They are related to tax contingencies at the federal level, related to the payment of PIS/COFINS, and IRPJ/CSLL on revenues recognized in sectoral financial assets (CVA), offered for taxation in the calculation period in which the positive differences were verified and recorded in the bookkeeping (Note 18.6.1).

Celesc received Tax Execution nº 5032049-22.2022.4.04.7200, proposed by the Union and which aims at charging various taxes in the amount of R$40.7 million. The Company opposed to the Embargoes to the Execution with the presentation of a judicial guarantee insurance and made a partial payment of the amount executed in the amount of R$17.9 million.

**ii) Labor Contingencies**

They are mostly related to complaints filed by employees and former employees of the Group and service providers (outsourced) related to issues of subsidiary/joint liability, overtime, and severance pay, among other labor rights.

**iii) Civil Contingencies**

They are related to several civil lawsuits filed by individuals and legal entities, relating to issues of indemnity caused by material damages, pain and suffering and loss of profits, accidents, bidding processes and others.

The most significant amounts include damages involving the loss of tobacco growers' production of around R$100 million, R$9.98 million related to the illegal use of the CDI-Over index as a means of correcting installment payments granted by Celesc D, R$53 million in moral/material damages, R$20.4 million in financial rebalancing of contracts, compensation claims to insurers of around R$65 million.

**iv) Regulatory Contingencies**

Regulatory contingencies are associated with notifications made by ANEEL, ARESC or CCEE in punitive administrative proceedings that imply fines for violating contractual or regulatory provisions in the electricity sector, which the Company appealed at the administrative and judicial levels. At the same time, legal contingencies in which the Company discusses with sectorial agents (other electric energy generation, commercialization, transmission or distribution concessionaires, in addition to institutional agents such as ANEEL, CCEE, ONS, EPE and MME) to the application of the regulation in the electricity sector.

**v) Environmental Contingencies**

They are related to administrative and judicial environmental contingencies filed by individuals and legal entities, mostly constituted by matters of indemnity for material damages, moral damages and loss of profits.

## 29. ACTUARIAL LIABILITIES

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| **Pension Plans** | **690,524** | **740,746** |
| Mixed Plan and Transitional Plan (a) | 690,524 | 740,746 |
| **Assistance Plans** | **1,160,996** | **1,161,429** |
| Celos Health Plan (b) | 1,106,507 | 1,106,999 |

| | | |
|---|---|---|
| Other Benefits (c) | 54,489 | 54,430 |
| **Total** | **1,851,520** | **1,902,175** |
| **Current** | **243,040** | **242,238** |
| **Noncurrent** | **1,608,480** | **1,659,937** |

Celesc D is a sponsor of Fundação Celesc de Seguridade Social – CELOS, a non-profit closed supplementary pension entity whose main objective is to manage pension benefit plans for its participants, basically represented by Celesc D’s employees.

### a) Mixed Plan and Transitional Plan

The Mixed Plan has defined benefit characteristics for the portion of the mathematical reserve already existing on the transition date and for the benefits granted, and defined contribution characteristics for contributions after the transition, related to the scheduled retirement benefits to be granted. The previously defined benefit plan, called the “Transitional Plan” continues to exist, exclusively covering retired participants and their beneficiaries.

Of this total, R$376.8 million refer to the balance of the debt agreed with CELOS on November 30, 2001, for the payment of 277 additional monthly contributions, with interest of 6% p.y. and restated by the IPCA, to cover the actuarial liabilities of the Mixed and Transitory Plan.

As this debt must be paid even in the event of a surplus for the Foundation, Celesc D recorded, as of 2015, the monetary restatement and interest as a financial result, in accordance with CPC 33 (R1) – Employee Benefits.

### b) CELOS Health Plan

Celesc D offers a health plan (medical, hospital and dental care) to its active employees, retirees and pensioners.

### c) Other Benefits

These are amounts referring to disability assistance, funeral assistance, compensation for natural or accidental death and minimum benefit to retirees.

## 29.1. Results of the Actuarial Valuation

### 29.1.1. Actuarial Obligations

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| **Description** | **Plan Mixed** | **Transitional Plan** | **Plan CELOS Health** | **Savings Plan** | **C) Other Benefits** | **Total** |
| **Balance on 12.31.2021** | **2,509,028** | **682,813** | **1,128,787** | **1,655** | **58,891** | **4,381,174** |
| Net Current Service Cost | 1,503 | - | (39,756) | 136 | - | (38,117) |
| Contribution of Participants Accomplished in the Year | 26,397 | 17,349 | 67,372 | - | - | 111,118 |
| Interest without Actuarial Obligation | 259,463 | 68,033 | 116,387 | 160 | 5,975 | 450,018 |
| Benefits Paid in the Year | (217,539) | (90,657) | (112,544) | (310) | (5,071) | (426,121) |
| (Gains) Losses on Actuarial Obligations | (97,178) | (28,790) | (621) | 36 | (5,365) | (131,918) |
| **Balance on 12.31.2022** | **2,481,674** | **648,748** | **1,159,625** | **1,677** | **54,430** | **4,346,154** |

### 29.1.2. Determination of Net Liabilities (Assets)

| | | | | | | Consolidated |
|---|---|---|---|---|---|---|
| **Description** | **Mixed Plan** | **Transitional Plan** | **CELOS Health Plan** | **Savings Plan** | **Others Benefits** | **Total** |
| **Liabilities (Assets) on 12/31/2021** | **567,108** | **313,574** | **1,078,690** | **-** | **58,891** | **2,018,263** |
| Fair Value of Assets at the End of the Year | (1,998,714) | (390,962) | (52,626) | (13,529) | - | **(2,455,831)** |
| Actuarial Obligations at the End of the Year | 2,481,674 | 648,748 | 1,159,625 | 1,677 | 54,430 | 4,346,154 |
| Effect of the Asset and Liability Ceiling Add End of Year | - | - | - | 11,852 | - | 11,852 |
| **Liabilities (Assets) on 12/31/2022** | **482,960** | **257,786** | **1,106,999** | **-** | **54,430** | **1,902,175** |

### 29.1.3. Reconciliation of the Fair Value of Assets

| | | | | | Consolidated |
|---|---|---|---|---|---|
| **Description** | **Mixed Plan** | **Transitional Plan** | **CELOS Health Plan** | **Savings Plan** | **Total** |
| **Balance on 12.31.2021** | **1,941,920** | **369,239** | **50,097** | **12,800** | **2,374,056** |
| Benefits Paid in the Year Using Plan Assets | (217,539) | (90,657) | (112,544) | (310) | (421,050) |
| Participant Contributions Made in the Year | 26,397 | 17,349 | 67,372 | - | 111,118 |

| | | | | | |
|---|---|---|---|---|---|
| Employer Contributions Made in the Year | 87,566 | 78,562 | 65,669 | - | 231,797 |
| Expected Income from Assets | 203,257 | 38,936 | 6,287 | 1,352 | 249,832 |
| Gain (Loss) in the Fair Value of Plan Assets | (42,887) | (22,467) | (24,255) | (313) | (89,922) |
| **Balance on 12.31.2022** | **1,998,714** | **390,962** | **52,626** | **13,529** | **2,455,831** |

### 29.1.4. Costs Recognized in the Income Statement for the Quarter

| | Consolidated | |
|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** |
| Transitional Plan | 12,865 | 14,549 |
| Mixed Plan | 26,651 | 28,855 |
| Medical Plan | 40,453 | 35,172 |
| Other Benefits | 3,123 | 3,056 |
| **Total** | **83,092** | **81,632** |
| Personal Expense | 68,885 | 55,731 |
| Financial Expenses | 14,207 | 25,901 |
| **Total** | **83,092** | **81,632** |

### 29.1.5. Estimated Expense for the 2023 Fiscal Year

The estimated expenditure for the year 2023 is shown below:

| | Consolidated |
|---|---|
| **Plans** | **Expense to Recognize in 2023** |
| Transitional Plan | 25,730 |
| Mixed Plan | 53,303 |
| Savings Plan | 153 |
| Medical Plan | 80,905 |
| Other | 6,093 |
| **Total** | **166,184** |

### 29.1.6. Change in Actuarial Liabilities

| **Description** | **Plan Mixed/Transitiona l Plan** | **Plan CELOS Health** | **Others Benefits** | **Total** |
|---|---|---|---|---|
| **Balance on 12.31.2022** | **740,746** | **1,106,999** | **54,430** | **1,902,175** |
| Payment | (89,738) | (40,945) | (3,064) | (133,747) |
| Provision | 39,516 | 40,453 | 3,123 | 83,092 |
| **Balance on 06.30.2023** | **690,524** | **1,106,507** | **54,489** | **1,851,520** |

## 30. PIS/COFINS REFUND TO CONSUMERS

### 30.1. Case 5006834-93.2012.4.04.7200 - 1st lawsuit for Exclusion of ICMS from the PIS/COFINS Calculation Basis

On April 1, 2019, according to the narrative already described in Note 11 of Recoverable Taxes, Celesc D obtained the final and unappealable decision in a judicial proceeding assessed under nº 5006834-93.2012.4.04.7200, in which the right to recover amounts overpaid as PIS/COFINS due to the inclusion of ICMS in the calculation basis of taxes paid. The decision limited the effects to the period from April 13, 2007 until December 31, 2014.

Celesc D adopted the understanding that all amounts recovered in the lawsuit will be reimbursed to consumers through mechanisms to be defined by ANEEL. Due to the adopted system, the accounting records were made between Assets (Recoverable Taxes) and Liabilities (PIS/COFINS Refundable to Consumers).

With regard to the Liability and the respective form of return, it should be noted that, in Celesc D's Periodic Tariff Review - RTP of August 22, 2021, the distributor provisionally anticipated, until ANEEL regulated the form of return to consumers in its concession area, the amount of R$795.0 million as an extraordinary negative financial component based on part of the amount qualified and in the process of homologation with the Federal Revenue Service of Brazil.

Celesc D highlighted the prerogative of claiming future adjustments that equalize any financial differences between the aforementioned amount and the regulation edited by ANEEL, as well as financial adjustments in subsequent tariff processes, in the case of actions proposed by individual consumers that may not benefit from the return of PIS/COFINS.

On June 28, 2022, Law 14,385/2022 was published in the Federal Official Gazette, referring to the return of credits for reducing ICMS from the PIS/Cofins base to Distributor customers.

Such enactment amended Law No. 9,427, of December 26, 1996, which was then in force with item II, of Article 3 B, in which it was defined that the entire amount of credits required from the Special Secretariat of Federal Revenue of Brazil to be offset until the subsequent tariff process. Furthermore, in paragraph 8 of article 3, it was also established that ANEEL will formulate equitable criteria, considering tariff procedures and applicable contractual provisions.

The refund of the entire amount of credits already offset by Celesc D, totaling R$806.3 million, was included in the Annual Tariff Adjustment – RTA of 2022, leading to a negative effect of 8.32% to the consumers.

Accordingly, the amounts to be refunded to consumers were adjusted under Law 14,385/2022, which equalized the adjustments of the amounts to be refunded to consumers at the same rule applied by the tax legislation, linked to the Selic rate for federal notes, monthly accrued, calculated as of the date of the undue payment or over-payment until the month before the compensation or refund, and 1% related to the month it is made.

In line with the adopted accounting policy, Celesc D not only adjusted the tax credits until they are actually used through PERDCOMP, but also the credits refundable to consumers.

However, the amount included in the 2022 RTA was higher than the amount adjusted by Celesc D and the balance updated in August, of R$778.4 million, was transferred from Other Liabilities – PIS/Cofins Refundable to Consumers under Non-Current Liabilities to Financial Liability – CVA under Current Liabilities. On the difference, in the amount of R$27.9 million, a Financial Asset - CVA was constituted against the Financial Liability - CVA, both in Current, since Celesc D's understanding is that the amounts were unduly discounted in the last precarious tariff process, due to the fact that the update made by ANEEL is not in line with current tax legislation, as recommended by Law No. 14,385/2022.

Management sent a letter to ANEEL in the scope of the RTA process and also of CP05/2021 stating its disagreement with the provisional methodology adopted by the Agency regarding the adjustment of the amounts and is awaiting the definition of the equitable criteria that are being claimed in lawsuits 48500.001747/2020-22 and 8500.004897/2021-79 and, additionally, stated in Technical Note 161/2022-SGT/ANEEL, of 8/12/2022:

> *56. Through CELESC S/N Letter of August 11, 2022, the concessionaire stated an opinion regarding the discrepancies in the form of adjusting and recording the reversal of PIS/COFINS credits to consumers. We emphasize that the matter is being discussed under CP 05/2021 and CELESC's notes will be taken into consideration when drafting the normative. When the regulatory methodology for such amounts is defined and approved, future adjustments to the amounts will be made.*

**30.2. Case 5006834-93.2012.4.04.7200 - 2nd lawsuit for Exclusion of ICMS from the PIS/COFINS Calculation Basis**

With regard to case no. 5016157-78.2019.4.04.7200, referring to the 2nd lawsuit for the Exclusion of ICMS from the PIS/COFINS Calculation Basis, the request for authorization was indicated as the total amount of the credit updated to that date, equivalent to R$1.08 billion.

According to Note 11.1 - PIS/COFINS (Exclusion of ICMS from the calculation base), Celesc D started the tax compensation processes for this action in February 2023.

In this sense, in line with Law No. 14.385/2022, the amounts to be returned to the consumer will be taken into account in the next RTA, which will take place in August 2023.

## 31. SHAREHOLDERS' EQUITY

**31.1. Share Capital**

The Authorized Capital Stock in the Company's Bylaws is R$2.6 billion, represented by registered shares, with no par value, divided into common and preferred shares.

Of the Authorized Capital, R$2.48 billion are subscribed and paid in, represented by 38,571,591 registered shares without par value, of which 15,527,137 are common shares with voting rights and 23,044,454 are preferred shares without voting rights.

Preferred shares shall receive, with priority, the payment of a minimum, non-cumulative dividend of 25% (twenty-five percent) of the adjusted net profit, calculated in proportion to their participation in the share capital, followed by ordinary shares, respecting the same criterion of proportionality of these types and classes of shares in the share capital.

Preferred shares are entitled to receive, as a priority, the reimbursement of capital, in the event of the dissolution of the Company, without premium.

### 31.2. Legal Reserve and Profit Retention

The legal reserve is constituted annually as an allocation of 5% of the net income for the year and cannot exceed 20% of the capital stock. The purpose of the Legal Reserve is to ensure the integrity of the Capital Stock and can only be used to offset losses and increase capital.

The Earnings Retention Reserve refers to the retention of the remaining balance of Retained Earnings, in order to meet the business growth project established in the Company's investment plan, according to the Capital Budget proposed and approved by the managers, resolved at the General Meeting of Shareholders.

### 31.3. Basic and Diluted Earnings per Share

The calculation of basic and diluted earnings per share on June 30, 2023 and 2022 was based on net income for the period and the weighted average number of common and preferred shares outstanding during the periods presented.

Dividends will be distributed in the following order: a) the minimum annual dividend guaranteed to preferred shares; b) the dividend to ordinary shares, up to a percentage equal to that guaranteed to preferred shares. Once the planned dividends have been distributed, the preferred shares will compete on an equal footing with the ordinary shares in the eventual distribution of additional dividends. Preferred shares receive at least 10% (ten percent) more than the dividend attributed to each ordinary share.

As of June 30, 2023 and 2022, the amounts of the Company's shares did not change. During this fiscal year, there were no transactions involving common shares or potential common shares between the balance sheet date and the date of completion of the Annual Financial Statements.

In the first quarter, as of June 30, 2023 and 2022, the Company had no convertible instruments that would have a dilutive impact on earnings per share.

### 31.4. Breakdown of Basic and Diluted Earnings

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Weighted Average Shares (thousands)** | | |
| Nominative Common Shares - ON | 15,527 | 15,527 |
| Nominative Preferred Shares - PN | 23,044 | 23,044 |
| **Basic and Diluted Earnings per Share attributable to Company Shareholders (R$)** | | |
| Nominative Common Shares - ON | 10.5938 | 8.8322 |
| Nominative Preferred Shares - PN | 11.6532 | 9.7154 |
| **Basic and Diluted Earnings attributable to Company Shareholders** | | |
| Nominative Common Shares - ON | 164,492 | 137,139 |
| Nominative Preferred Shares - PN | 268,541 | 223,886 |
| **Total Basic and Diluted Income Attributed to the Company's Shareholders** | **433,033** | **361,025** |

### 31.5. Interest on Equity

The Company has chosen, in 2023, to deliberate on interim Interest on Equity on a quarterly basis, the approval of which is shown in the following table:

| Description | Approval by the Board of Directors | Gross amount | Net Income of Income tax |
|---|---|---|---|
| 1st Quarter | 03.16.2023 | 45,874 | 41,693 |
| 2nd Quarter | 06.22.2023 | 46,270 | 42,006 |
| **Total** | | **92,144** | **83,699** |

The Interest on Equity capital was subject to income tax, according to the applicable legislation, will not be subject to monetary correction, will be imputed to the minimum mandatory dividends and should be paid in two installments, in accordance with the Company's Dividend Distribution Policy, the dates of which will be defined in due course by the Board of Directors.

### 31.6. Equity Valuation Adjustments

The effect of this group on Stockholders' Equity is R$1.16 billion at June 30, 2023, and R$1.16 billion at December 31, 2022, composed as follows:

| | Consolidated | |
|---|---|---|
| **Description** | **06.30.2023** | **12.31.2022** |
| Assigned Cost - Celesc G (a) | 13,177 | 13,470 |
| Actuarial Liability Adjustment - Celesc D (b) | (1,035,048) | (1,035,048) |
| Adjustment Fair Value Other Comprehensive Income (c) | (137,261) | (137,261) |
| **Total** | **(1,159,132)** | **(1,158,839)** |

a) The deemed cost, measured at fair value on the date of the first-time adoption of the CPCs in 2009, was recognized in the equity valuation adjustment, in equity, net of deferred income tax and social contribution, as a contra entry to property, plant and equipment. Its realization is recorded as a contra entry to the retained earnings account to the extent that the depreciation of the fair value of property, plant and equipment is recognized in profit or loss.

b) Actuarial gains and losses arising from adjustments for experience and changes in actuarial assumptions are recorded directly in shareholders' equity, as other comprehensive income – equity valuation adjustment.

c) Adjustment to the fair value of the temporary investment in Companhia Catarinense de Águas e Saneamento – Casan assessed through other comprehensive income (Note 16).

## 32. REVENUES AND EXPENSES

### 32.1. Consolidated Net Operating Income

#### 32.1.1. Reconciliation of Net Operating Revenue with Gross Operating Revenue

| Description | 06.30.2023 | 06.30.2022 |
|---|---|---|
| **Gross Operating Revenue - ROB** | **7,925,170** | **8,379,066** |
| Electricity Supply (a) | 3,133,000 | 4,491,818 |
| Supply not invoiced (a) | (49,551) | 33,975 |
| Electricity Supply (a) | 215,381 | 268,217 |
| Supply not billed (a) | (568) | (979) |
| Availability of the Electricity Grid (i) | 3,511,582 | 2,705,573 |
| Update of Indemnifiable Financial Asset - Concession | 12,867 | 14,296 |
| Financial income | 42,911 | 53,929 |
| Income from the Provision of Services | 486 | 729 |
| Short-Term Electricity | 82,402 | 172,436 |
| Income from Financial Assets/(Liability) (Portion A - CVA) | 55,249 | (234,984) |
| Other Operating Income | 6,252 | 5,068 |
| Donations and Grants (ii) | 330,618 | 309,834 |
| Construction Revenue | 584,540 | 559,154 |
| Hydrological Risk Renegotiation – GSF | 1 | - |
| **Deductions from Gross Operating Revenue** | **(2,718,354)** | **(3,336,238)** |
| ICMS | (1,063,723) | (1,566,191) |
| PIS | (103,178) | (102,697) |
| COFINS | (475,242) | (473,031) |
| Electricity Development Account – CDE | (1,024,194) | (1,073,491) |
| Research and Development - R&D | (34,564) | (22,646) |
| Energy Efficiency Program - PEE | (11,328) | (21,908) |
| Inspection Fee - ANEEL | (4,941) | (4,426) |
| Financial Compensation for the Use of Water Resources - CFURH | (1,178) | (930) |
| Other Charges | (6) | (70,918) |
| **Net Operating Income – NOI** | **5,206,816** | **5,042,828** |

(i) In compliance with the Electricity Sector Accounting Manual - MCSE, approved by Normative Resolution 933, of May 18, 2021, Celesc D performed the segregation of TUSD's revenue from Captive Consumers of Electricity Supply for Availability of the Electrical network.

(ii) Amount transferred by Eletrobras, referring to the reimbursement of discounts levied on tariffs applicable to users of the public electricity distribution service. The amount of revenue recorded as CDE Subsidy (Decree No. 7,891/2013), in the first half of 2023, was R$282.5 million. The other amounts refer to the Low Income Program, totaling R$17.1 million, the supply of CCRBT Brands, totaling R$23.5 million and the difference in CDE reimbursement, totaling R$2.8 million.

a) **Supply of Electric Energy**

| Description | Number of Consumers (i) | | MWh (i) | | Gross Revenue | |
|---|---|---|---|---|---|---|
| | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** |
| Residential | 2,654,023 | 2,579,997 | 3,817,360 | 3,563,920 | 1,463,447 | 2,004,629 |
| Industrial | 136,089 | 129,880 | 5,495,395 | 5,482,628 | 448,595 | 716,211 |
| Commercial | 314,541 | 304,156 | 2,622,638 | 2,465,782 | 751,551 | 1,140,858 |
| Rural | 225,546 | 229,264 | 541,689 | 552,973 | 196,797 | 297,175 |
| Government | 25,952 | 24,459 | 251,421 | 232,228 | 94,549 | 132,261 |
| Public Lighting | 1,131 | 1,031 | 293,887 | 317,994 | 65,948 | 124,082 |
| Public Service | 4,237 | 4,096 | 220,625 | 198,918 | 62,562 | 110,577 |
| **Total Supply** | **3,361,519** | **3,272,883** | 13,243,015 | **12,814,443** | 3,083,449 | **4,525,793** |
| Power Supply | 139 | 134 | 1,515,367 | 1,485,581 | 214,813 | 267,238 |
| **Total** | **3,361,658** | **3,273,017** | 14,758,382 | **14,300,024** | 3,298,262 | **4,793,031** |

(i) Unaudited information

## 32.2. Consolidated Operating Costs and Expenses

**06.30.2023**

| Description | Cost of Goods and/or Services | General and Administrative Expenses | Selling Expenses | Other Net Expenses/Revenues | Total |
|---|---|---|---|---|---|
| Electricity Purchased for Resale (a) | 2,319,172 | - | - | - | 2,319,172 |
| Charges for Use of the Electricity Grid (b) | 899,615 | - | - | - | 899,615 |
| Personnel (c) | 173,739 | 140,244 | 14,298 | 626 | 328,907 |
| Administrators | - | 6,513 | - | - | 6,513 |
| Actuarial Expense | - | 68,885 | - | - | 68,885 |
| Private Pension Entity (c) | 8,285 | 5,884 | 525 | - | 14,694 |
| Supplies | 18,930 | 4,188 | - | 8,331 | 31,449 |
| Construction Costs | 584,540 | - | - | - | 584,540 |
| Outsourced Costs and Services | 88,496 | 60,301 | 29,030 | 790 | 178,617 |
| Depreciation and Amortization | 134,622 | 17,386 | 186 | 985 | 153,179 |
| Net Provisions | - | - | 56,524 | 61,552 | 118,076 |
| Lease and Rents | 689 | 3,932 | 147 | (239) | 4,529 |
| Infrastructure Sharing (d) | - | - | - | (128,725) | (128,725) |
| Other Income/Expenses | 10,539 | (5,398) | 15,115 | (29,730) | (9,474) |
| **Total** | **4,238,627** | **301,935** | **115,825** | **(86,410)** | **4,569,977** |

**06.30.2022**

| Description | Cost of Goods and/or Services | General and Administrative Expenses | Selling Expenses | Other Net Expenses/Revenues | Total |
|---|---|---|---|---|---|
| Electricity Purchased for Resale (a) | 2,347,279 | - | - | - | 2,347,279 |
| Charges for Use of the Electricity Grid (b) | 876,128 | - | - | - | 876,128 |
| Personnel (c) | 177,502 | 114,471 | 31,108 | 435 | 323,516 |
| Administrators | - | 6,117 | - | - | 6,117 |
| Actuarial Expense | - | 55,731 | - | - | 55,731 |
| Private Pension Entity (c) | 8,253 | 4,412 | 1,072 | - | 13,737 |
| Supplies | 14,660 | 4,264 | - | 8,765 | 27,689 |
| Construction Costs | 559,154 | - | - | - | 559,154 |
| Outsourced Costs and Services | 75,512 | 49,225 | 24,405 | 717 | 149,859 |
| Depreciation and Amortization | 121,126 | 13,465 | 199 | 985 | 135,775 |
| Net Provisions | - | - | 47,405 | 92,278 | 139,683 |
| Lease and Rents | 367 | 4,854 | 126 | (219) | 5,128 |
| Infrastructure Sharing (d) | - | - | - | (105,745) | (105,745) |
| Other Income/Expenses | 7,386 | (2,893) | 17,207 | (22,204) | (504) |
| **Total** | **4,187,367** | **249,646** | **121,522** | **(24,988)** | **4,533,547** |

### a) Electricity Purchased for Resale

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** |
| Purchase of Energy in the Regulated Environment - CCEAR | 1,643,140 | 1,510,561 |
| Energy Trading Chamber - CCEE | 30,477 | 5,107 |
| Itaipu Binacional | 342,920 | 500,538 |
| Bilateral Contracts | 25,740 | 27,117 |
| Nuclear Energy Quotas | 105,043 | 111,465 |
| Physical Guarantee Quotas | 254,360 | 260,313 |
| Proinfa | 147,472 | 171,548 |
| PIS/COFINS | (229,980) | (239,370) |
| **Total** | **2,319,172** | **2,347,279** |

### b) Charges for Use of the Electricity Grid

| | | Consolidated |
|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** |
| System Use Charge | 724,517 | 583,434 |
| System Services Charges - ESS | 9,914 | 219,813 |
| Itaipu Transport Charges | 51,610 | 44,673 |
| Reserve Energy Charge - EER | 205,270 | 117,510 |
| PIS/COFINS | (91,696) | (89,302) |
| **Total** | **899,615** | **876,128** |

### c) Personal and Private Pension

| | | Parent Company | | Consolidated |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022** |
| **Guys** | **4,499** | **4,776** | **328,907** | **323,516** |
| Remuneration | 4,266 | 4,620 | 155,023 | 170,560 |
| Social Charges | 107 | 111 | 70,030 | 64,513 |
| Participation in profits and results | - | - | 19,263 | 26,360 |
| Assistance Benefits | - | - | 48,930 | 44,472 |
| Provisions and Indemnities | 59 | - | 35,558 | 17,523 |
| Other | 67 | 45 | 103 | 88 |
| **Private Pension - CELOS** | **3** | **4** | **14,694** | **13,737** |
| **Total** | **4,502** | **4,780** | **343,601** | **337,253** |

### d) Infrastructure Sharing

It refers to the use of attachment points on Celesc D poles, carried out by third parties, for the provision of telecommunications services of collective interest, such as telephony, internet, cable TV and others.

### 32.3. Financial Result

| | | Parent Company | | Consolidated |
|---|---|---|---|---|
| **Description** | **06.30.2023** | **06.30.2022** | **06.30.2023** | **06.30.2022 (Restated)** |
| **Financial Income** | **54** | **(2,000)** | **421,948** | **229,098** |
| Income from Financial Applications | 2,134 | 725 | 51,057 | 58,048 |
| Moratorium Additions w/o Electricity Invoices | - | - | 58,107 | 62,561 |
| Monetary Variations | - | 158 | 20,740 | 28,506 |
| Monetary Update without Financial Assets - CVA | - | - | 47,885 | 74,851 |
| Dividend Income | 2,662 | 4,000 | 2,662 | 4,000 |
| Tax Update Recovery - ICMS PIS/COFINS | - | - | 251,551 | - |
| Other Financial Income | 5,248 | 1,110 | 20,665 | 20,583 |
| (-) PIS/COFINS w/o Financial Revenue | (9,990) | (7,993) | (30,719) | (19,451) |
| **Financial Expenses** | **(146)** | **(239)** | **(495,040)** | **(257,866)** |
| Debt Charges | - | - | (123,521) | (103,730) |
| Update Mathematical Reserve to Amortize | - | - | (14,207) | (25,901) |
| Tax on Financial Transactions - IOF | - | - | (1,021) | (3,981) |
| Monetary Variations | - | - | (37,736) | (42,521) |
| Update R&D and Energy Efficiency | - | - | (6,820) | (5,634) |
| Monetary Update without Financial Liabilities - CVA | - | - | (49,624) | (55,182) |
| Interest and Costs on Debentures | - | - | (3,168) | (7,257) |

| | | | | |
|---|---|---|---|---|
| Interest on Rent Payable (CPC 06) | (3) | (12) | (920) | (519) |
| Update Amount to be returned to the consumer - ICMS PIS/COFINS | - | - | (255,880) | (28,381) |
| Other Financial Expenses | (143) | (227) | (2,143) | 15,240 |
| **Financial Result** | **(92)** | **(2,239)** | **(73,092)** | **(28,768)** |

## 33. INFORMATION BY BUSINESS SEGMENT

The information by business segment, reviewed by Management and corresponding to the quarters ended June 30, 2023 and 2022, is as follows:

| **06.30.2023** | | | | | | |
|---|---|---|---|---|---|---|
| **Description** | **Parent Company** | **Celesc D** | **Celesc G** | **Settings of Consolidation** | | **Total** |
| **Net Operating Income – NOI** | **-** | **5,121,258** | **89,766** | **(4,208)** | | **5,206,816** |
| Cost of Sales | - | (4,221,125) | (21,710) | 4,208 | (i) | (4,238,627) |
| Depreciation | - | (133,144) | (1,478) | - | | (134,622) |
| **Gross Operating Income** | **-** | **900,133** | **68,056** | **-** | | **968,189** |
| Selling Expenses | - | (114. 086) | (1,553) | - | | (115,639) |
| General and Administrative Expenses | (14,883) | (261,059) | (8,822) | - | | (284,549) |
| Other Net Income/Expenses | 2,991 | 86,119 | (1,715) | - | | 87,395 |
| Depreciation and Amortization | (1,118) | (17,224) | (215) | | | (18,557) |
| Equity Pickup | 446,135 | - | 6,169 | (423,761) | (ii) | 28,543 |
| **Results of Activities** | **433,125** | **593,883** | **62,135** | **(423,761)** | | **665,382** |
| Financial Income | 54 | 418,656 | 9,390 | (6,152) | (iii) | 421,948 |
| Financial Expenses | (146) | (498,477) | (2,569) | 6,152 | (iii) | (495,040) |
| **Financial Result, Net** | **(92)** | **(79,821)** | **6,821** | **-** | | **(73,092)** |
| **Profit Before IRPJ and CSLL** | **433,033** | **514,062** | **68,956** | **(423,761)** | | **592,290** |
| IRPJ and CSLL | - | (137,974) | (21,283) | - | | (159,257) |
| **Net Income for the Year** | **433,033** | **376,088** | **47,673** | **(423,761)** | | **433,033** |
| **Total Assets** | **3,417,178** | **10,458,124** | **976,292** | | | |
| **Total Liabilities** | **215,987** | **8,467,723** | **192,174** | | | |

| **06.30.2022** | | | | | | |
|---|---|---|---|---|---|---|
| **Description** | **Parent Company** | **Celesc D** | **Celesc G** | **Settings of Consolidation** | | **Total** |
| **Net Operating Income – NOI** | **-** | **4,943,644** | **103,928** | **(4,744)** | | **5,042,828** |
| Cost of Sales | - | (4,054,493) | (16,492) | 4,744 | (i) | (4,066,241) |
| Depreciation | - | (119,634) | (1,492) | - | | (121,126) |
| **Gross Operating Income** | **-** | **769,517** | **85,944** | **-** | | **855,461** |
| Selling Expenses | - | (121,248) | (75) | - | | (121,323) |
| General and Administrative Expenses | (14,547) | (211,690) | (9,944) | - | | (236,181) |
| Other Net Income/Expenses | 4,684 | 21,288 | 1 | - | | 25,973 |
| Depreciation | (1,100) | (13,384) | (165) | - | | (14,649) |
| Equity Pickup | 374,227 | - | 665 | (341,623) | (ii) | 33,269 |
| **Results of Activities** | **363,264** | **444,483** | **76,426** | **(341,623)** | | **542,550** |
| Financial Income | (2,000) | 227,459 | 8,413 | (4,774) | (iii) | 229,098 |
| Financial Expenses | (239) | (255,840) | (6,561) | 4,774 | (iii) | (257,866) |
| **Financial Result, Net** | **(2,239)** | **(28,381)** | **1,852** | **-** | | **(28,768)** |
| **Profit Before IRPJ and CSLL** | **361,025** | **416,102** | **78,278** | **(341,623)** | | **513,782** |
| IRPJ and CSLL | - | (126,381) | (26,376) | - | | (152,757) |
| **Net Income for the Period** | **361,025** | **289,721** | **51,902** | **(341,623)** | | **361,025** |
| **Total Assets** | **3,074,526** | **10,304,572** | **961,442** | | | |
| **Total Liabilities** | **175,345** | **8,632,866** | **225,993** | | | |

(i) Energy purchase and sale transactions between Celesc D and Celesc G.
(ii) Equity in the equity of wholly-owned subsidiaries Celesc D and Celesc G.
(iii) Interest related to the loan agreement entered into between Celesc D and Celesc G.

## 34. SUBSEQUENT EVENTS

### 34.1. Readjustment of Annual Revenue from Generation - RAG 2023/2024

On July 18, 2023 ANEEL, through Ratifying Resolution 3,225, approved the Annual Generation Revenues - RAGs of hydroelectric plants under the quota regime for the 2023/2024 cycle, according to Federal Law 12,783/2013. The validity period of the new RAG is from July 1, 2023 to June 30, 2024.

In the RAG to be received by HPP Pery, R$19.2 millions refer to the indemnification of the portion of investments in non-depreciated reversible assets.

The RAGs established for the plants owned by Celesc G, which must be billed monthly, are:

| Plants | Annual Revenue (R$/thousand) 2023/2024 Cycle | Monthly Revenue (R$/thousand) 2023/2024 Cycle |
|---|---|---|
| Pery HPP | 27,779 | 2,315 |
| Garcia HPP | 12,773 | 1,064 |
| Bracinho HPP | 16,405 | 1,367 |
| Cedros HPP | 11,766 | 980 |
| Palmeiras HPP | 25,010 | 2,084 |
| Salto HPP | 8,343 | 695 |

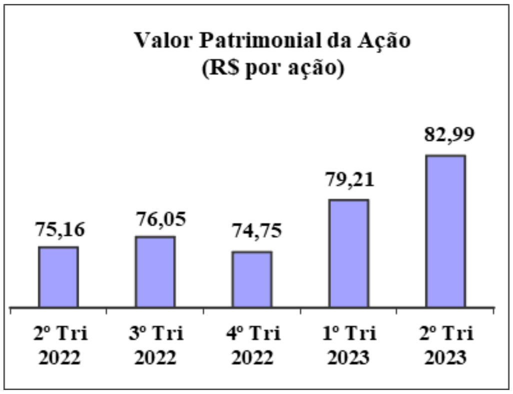
### 34.2. Issue of New Debentures and Amendment to Agreement with Banco Safra

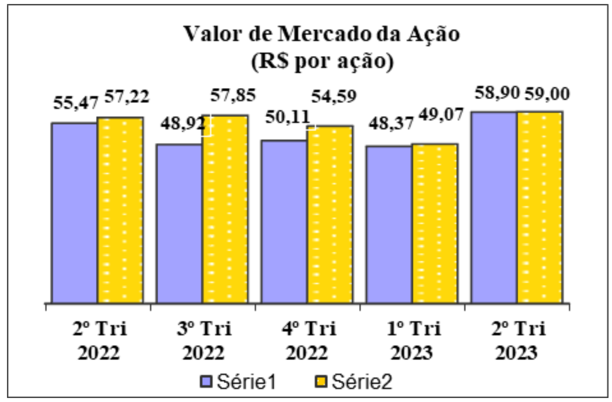
In a meeting held on August 10, 2023, the Board of Directors authorized the launch of a Public Call for a new issue of Debentures in Celesc D.

At the same meeting, the amendment to the contract signed between Celesc D and Banco Safra was approved under the same contractual conditions, with the first installment to be paid in August 2024.

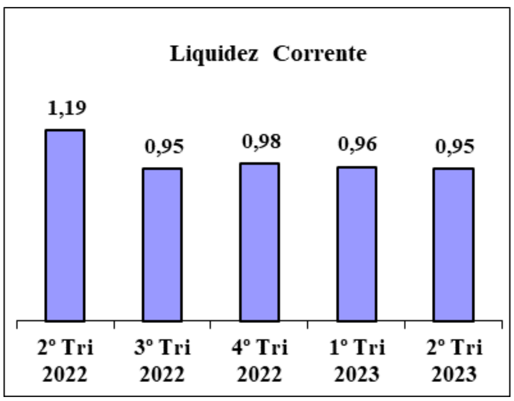
# 1. QUARTERLY FINANCIAL INDICATORS
**(Unrevised information)**

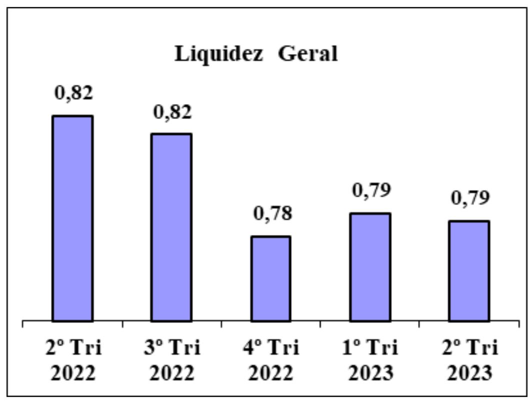
## 1.1. Equity



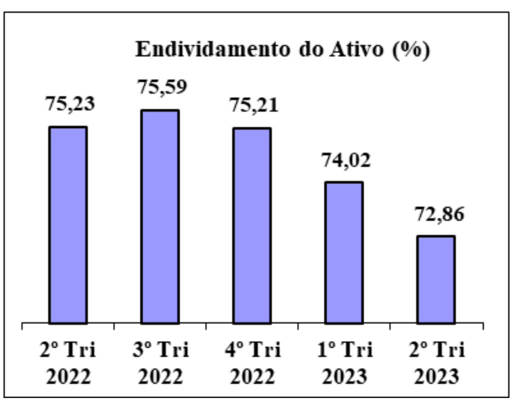



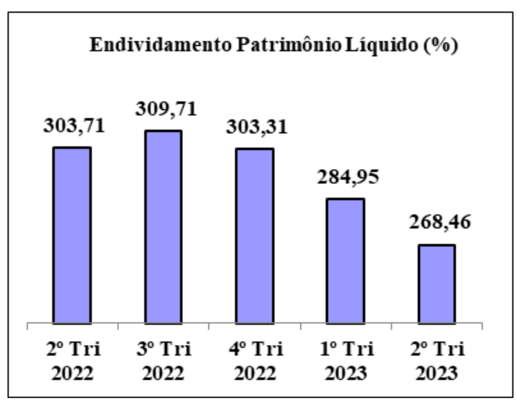

## 1.2. Liquidity



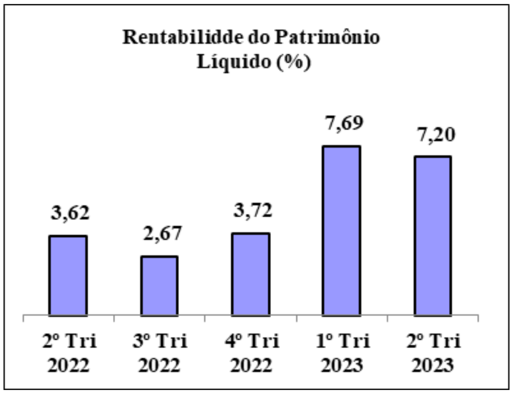



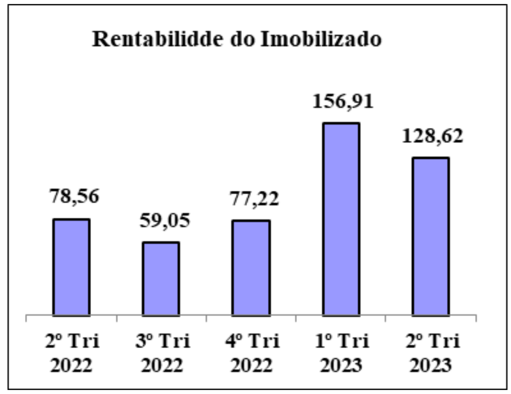

## 1.3. Indebtedness

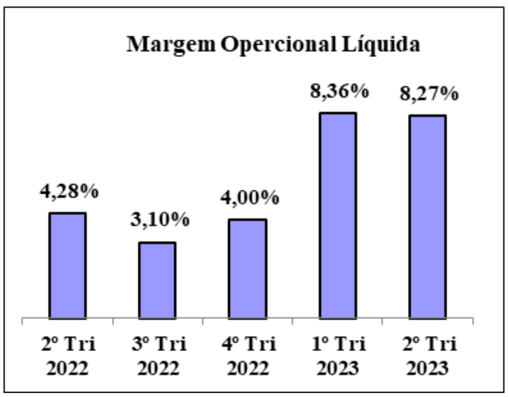


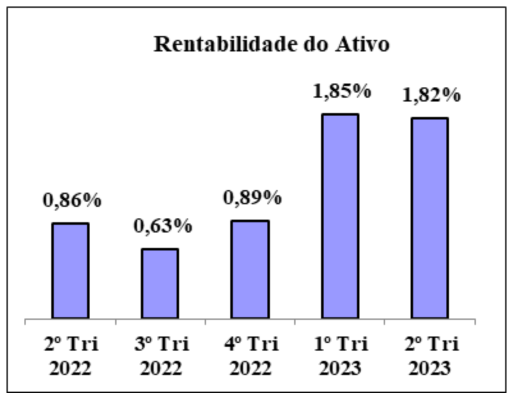



### 1.4. Profitability

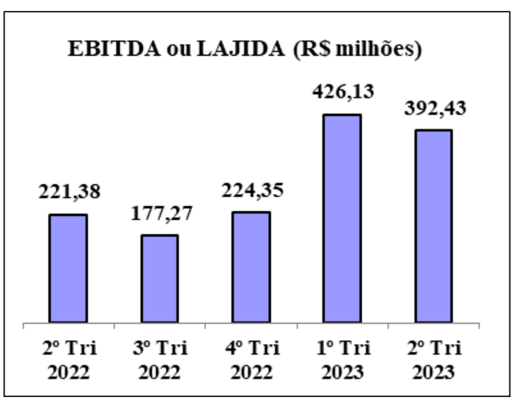


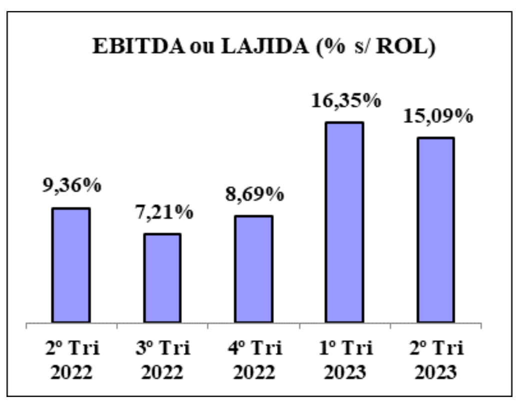



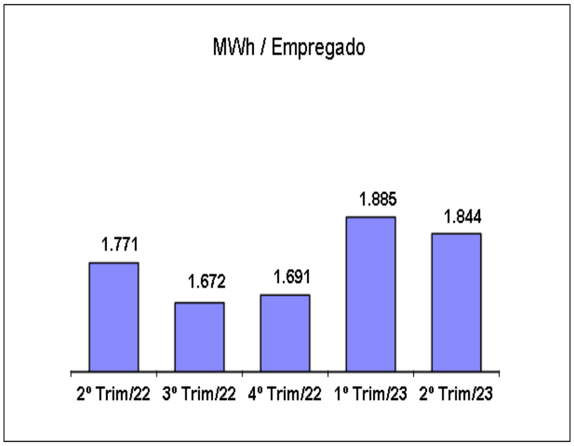



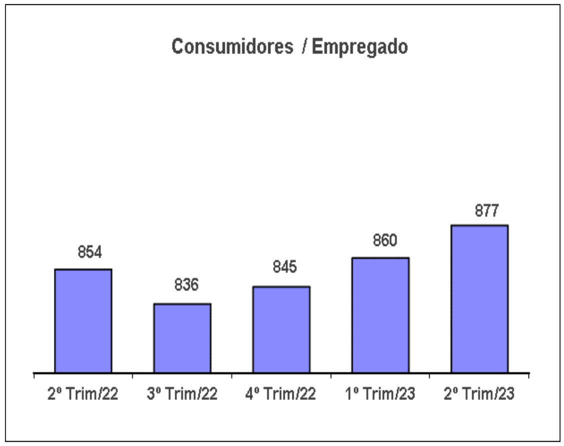

### 1.5. EBITDA

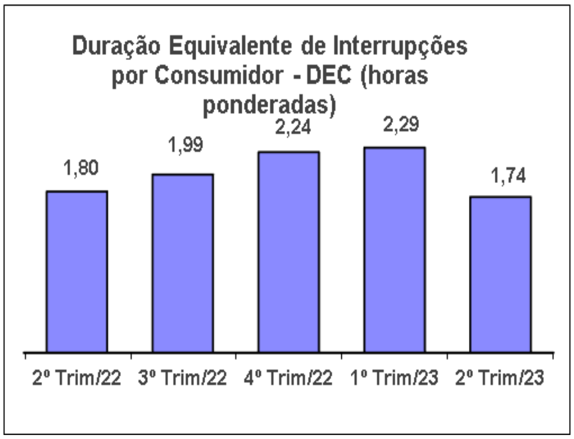


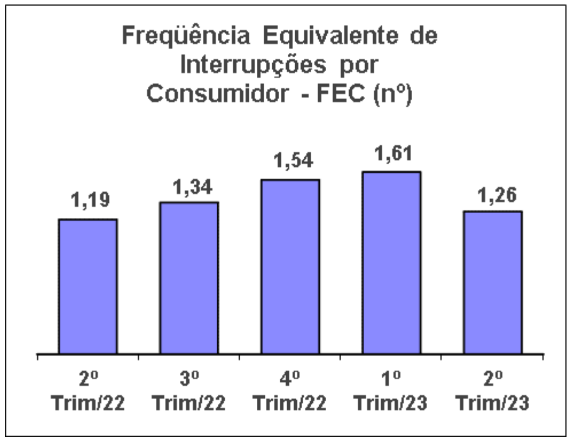



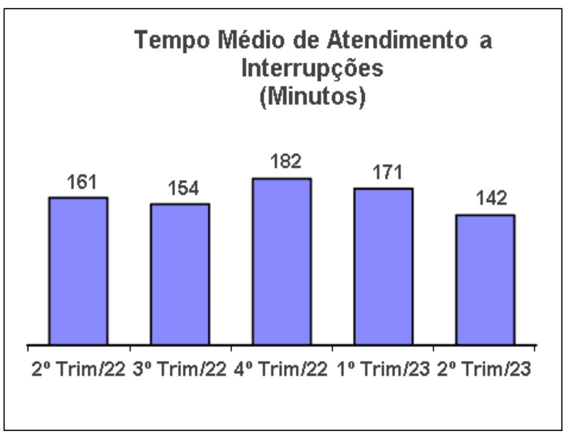
## 1.6. Efficiency



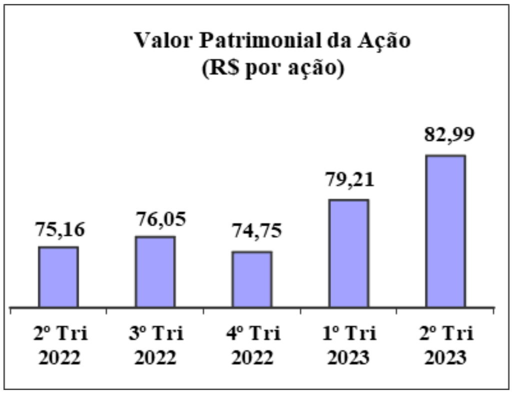



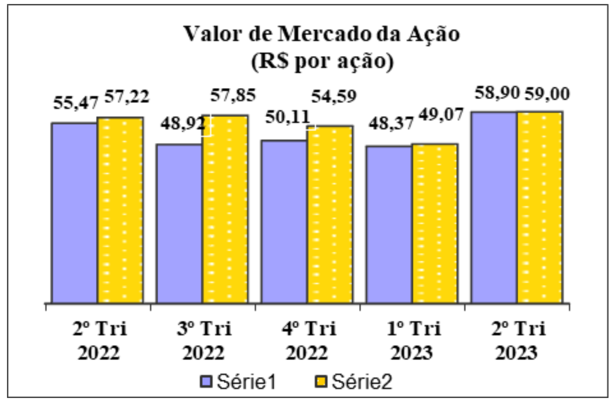



# 1. QUARTERLY FINANCIAL INDICATORS

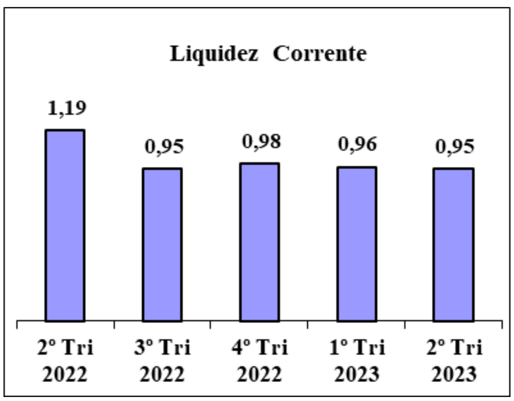
**(Unrevised information)**

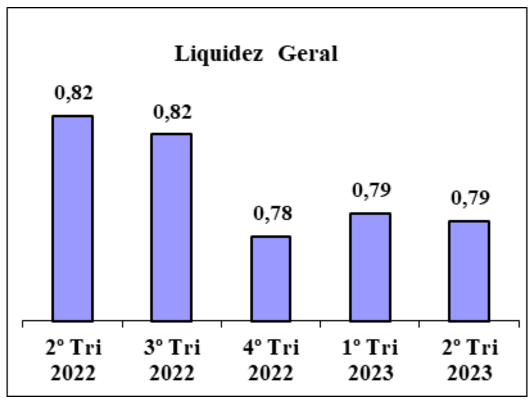
## 1.1. Equity



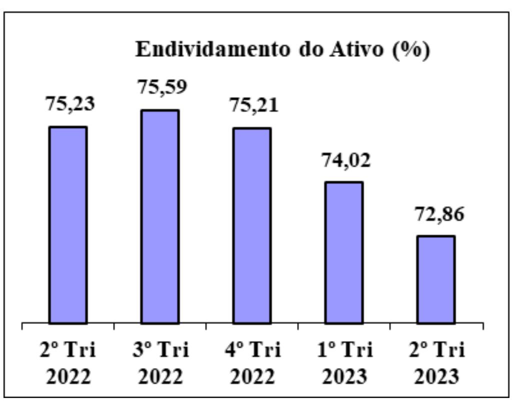



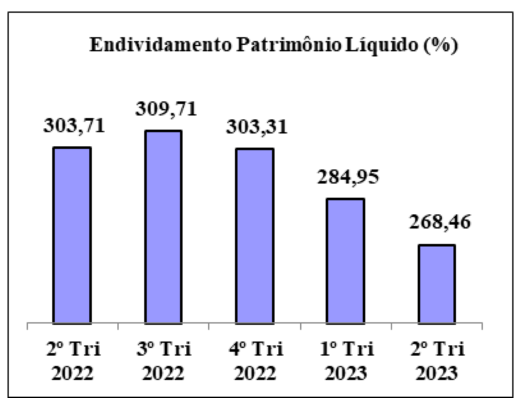

## 1.2. Liquidity



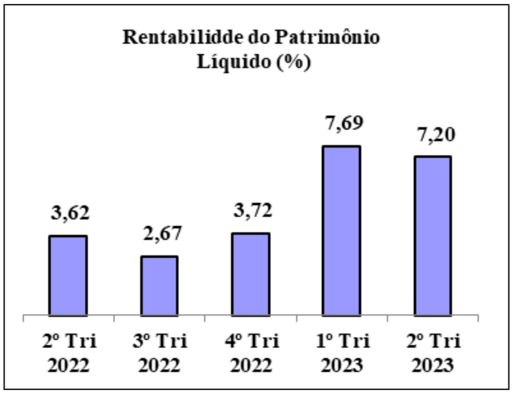



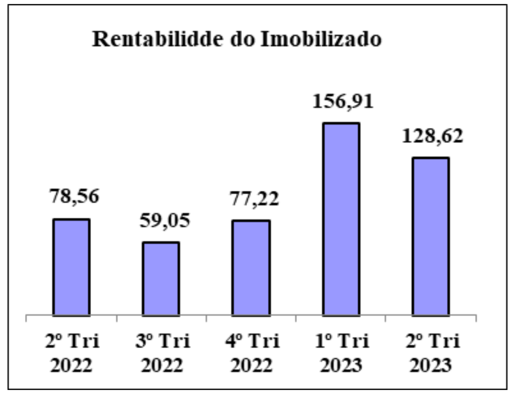

## 1.3. Indebtedness

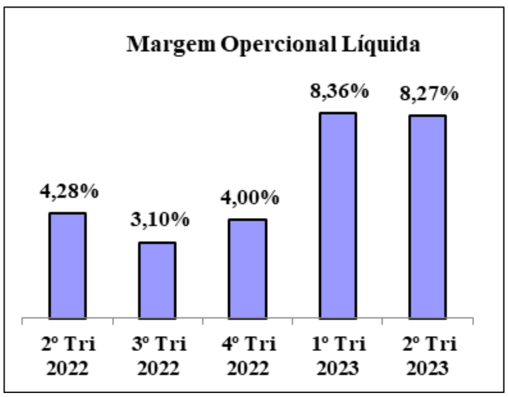


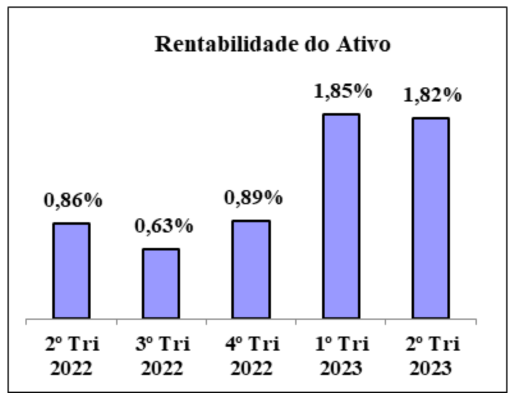



## 1.4. Profitability

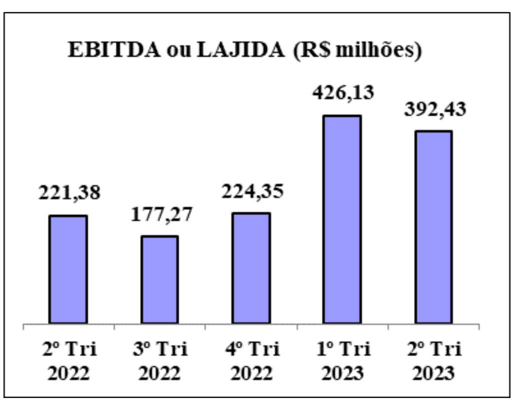


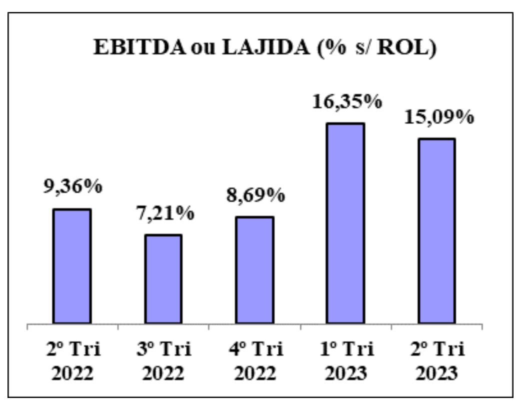



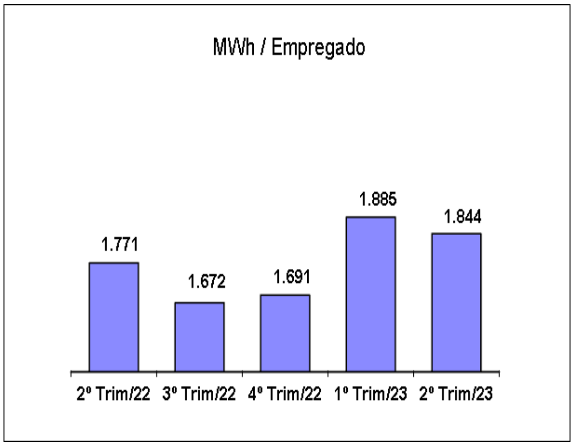



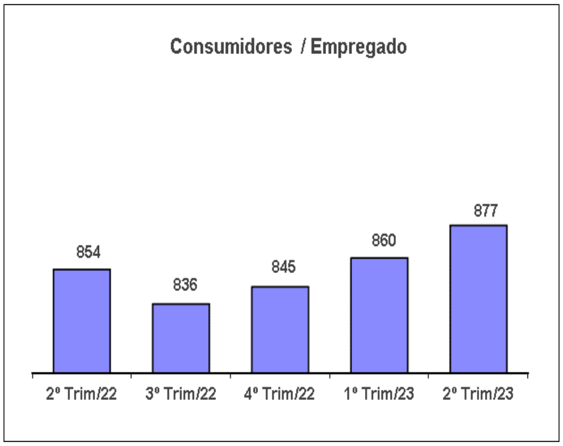

## 1.5. EBITDA

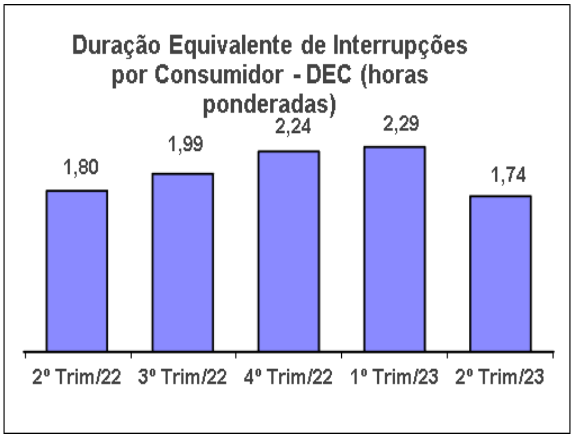


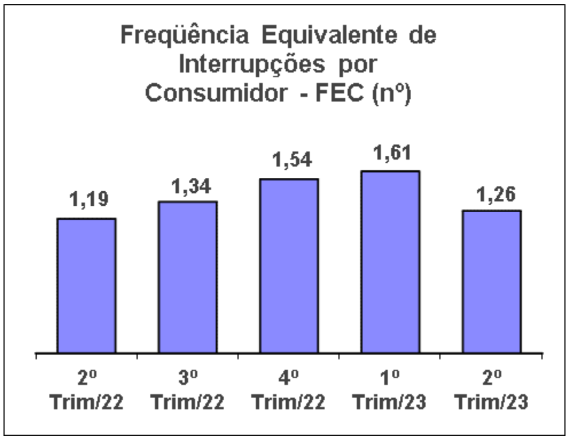



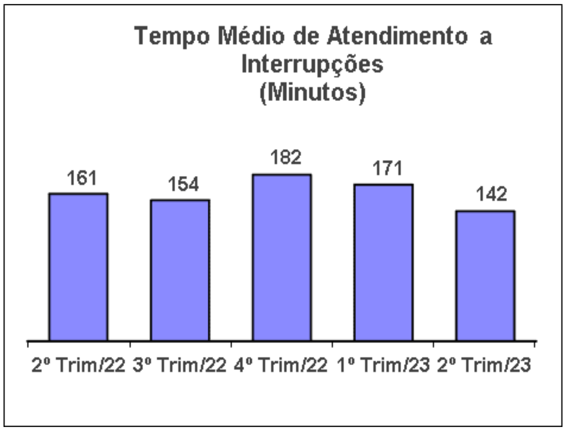
### 1.6. Efficiency



KPMG Auditores Independentes Ltda.
Rua Verbo Divino, 1400, Conjunto Térreo ao 801 - Parte,
Chácara Santo Antônio, CEP 04719-911, São Paulo - SP
Caixa Postal 79518 - CEP 04707-970 - São Paulo - SP - Brasil
Phone +55 (11) 3940-1500
kpmg.com.br

**Report on the review of quarterly information - ITR**

To Management and Shareholders of
**Centrais Elétricas de Santa Catarina S.A.**
Florianópolis - SC

**Introduction**

We have reviewed the parent company and consolidated quarterly information of Centrais Elétricas de Santa Catarina S.A. ("Company") contained in the Quarterly Information Form (ITR) for the quarter ended June 30, 2023, including the statement of financial position as of June 30, 2023 and the respective income statements and statements of comprehensive income for the three- and six-months periods then ended, as well as the statements of changes in the shareholder's equity and cash flows for the six-month period then ended, including the notes.

The Company's management is responsible for preparing the parent company and consolidated quarterly information according to CPC 21(R1) and the parent company and consolidated interim accounting information according to CPC 21(R1) and the international standard IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as for presenting this information in compliance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Quarterly Information Form (ITR). Our responsibility is to draw a conclusion on this interim financial information based on our review.

**Scope of the Review**

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

**Conclusion on the Parent Company and Consolidated Interim Financial Information**
Based on our review, nothing has come to our attention that causes us to believe that the parent company and consolidated quarterly information included in the quarterly information form referred to above has not been prepared, in all material aspects, under CPC 21 (R1) and IAS 34, applicable to the preparation of the Quarterly Information Form (ITR) and presented under the standards issued by the Brazilian Securities and Exchange Commission.

**Other matters**
**Value Added Statement**
The quarterly information referred to above includes the parent company and consolidated Value Added Statements for the six-month period ended June 30, 2023, prepared under the responsibility of the Company's Management and presented as supplementary information for purposes of IAS 34. These statements were subject to review procedures performed together with the review of the quarterly information, with the purpose of evaluating whether they are reconciled to the interim financial information and accounting records, as applicable, and whether their form and content are under the criteria established in Technical Pronouncement CPC 09 – Value Added Statement. Based on our review, nothing has come to our attention that would lead us to believe that the statements of value added were not prepared, in all material respects, in accordance with the criteria established in this rule and in a manner consistent with the parent company and consolidated interim financial information as a whole.

**Corresponding amounts**
The corresponding figures for the individual and consolidated balance sheets as of December 31, 2022 were previously audited by other independent auditors who issued an unmodified report dated March 29, 2023, and for the individual and consolidated statements of income and comprehensive income, for the three and six month periods ended June 30, 2022 and the individual and consolidated statements of changes in equity and cash flows for the six month period ended June 30, 2022 were previously reviewed by other independent auditors who issued an unmodified report dated August 5, 2022.
The corresponding figures for the individual and consolidated statements of value added (DVA) for the six-month period ended June 30, 2022, have been subjected to the same review procedures by those independent auditors and, based on their review, those auditors have issued a report stating that they are not aware of any facts that cause them to believe that the DVA has not been prepared, in all material respects, in a manner consistent with the individual and consolidated interim accounting information taken as a whole.

São Paulo, August 10, 2023

KPMG Auditores Independentes Ltda.
CRC SP014428/O-6
Original report in Portuguese signed by

Samuel Viero Ricken
Accountant CRC SC-030412/O-1

# EXECUTIVE OFFICERS' STATEMENT ON THE INTERMEDIATE FINANCIAL STATEMENTS

The Executive Officers of Centrais Elétricas de Santa Catarina S.A. - Celesc have examined, reviewed, and agreed with all information in the Company's Interim Financial Statements for the second quarter of 2023.

**Tarcisio Estefano Rosa**
Chief Executive Officer

**Julio Cesar Pungan**
Chief Financial and Investor Relations Officer

**Cláudio Varella do Nascimento**
Distribution Officer

**Elói Hoffelder**
Generation, Transmission and New Business Officer

**Lino Henrique Pedroni Junior**
Planning, Control and Compliance Officer

**Pedro Augusto Schmidt de Carvalho Júnior**
Energy Regulation and Management Officer

**Pilar Sabino da Silva**
Corporate Management Officer

**Vitor Lopes Guimarães**
Chief Commercial Officer

**Rogéria Rodrigues Machado**
Accountant – CRC/SC 024797/O-0

# EXECUTIVE OFFICERS' STATEMENT ON THE INDEPENDENT AUDITOR'S REPORT

The Executive Officers of Centrais Elétricas de Santa Catarina S.A. - Celesc have examined, reviewed and agreed with all information included in the Independent Auditors' Report on the Company's Interim Financial Statements for the second quarter of 2023.

**Tarcísio Estefano Rosa**
Chief Executive Officer

**Júlio Cesar Pungan**
Chief Financial and Investor Relations Officer

**Cláudio Varella do Nascimento**
Distribution Officer

**Elói Hoffelder**
Generation, Transmission and New Business Officer

**Lino Henrique Pedroni Junior**
Planning, Control and Compliance Officer

**Pedro Augusto Schmidt de Carvalho Júnior**
Energy Regulation and Management Officer

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Corporate Management Officer

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Chief Commercial Officer

**Rogéria Rodrigues Machado**
Accountant – CRC/SC 024797/O-0